

HR Checklist for Practice Transitions

60—120 Days Before Closing:

Buyer:

- Set your short, and long term, goals for the practice
- Evaluate the current culture of the practice you are buying, and think about the type of culture and work environment you want to establish. How far apart is the current culture and your ideal future culture?
- Establish mission statement and core values for the practice
- Review the current policy manual/employee handbook, if applicable, pay attention to:
 - When was it last updated?
 - Who updated it?
- Has it been reviewed recently by an HR compliance expert?
- Have Bent Ericksen & Associates do a full compliance review of the existing manual/handbook for potential missing elements, contradictory and/or illegal language
- If the office does not have a policy manual/employee handbook, contact Bent Ericksen & Associates and work with an onboarding specialist to begin the process of customizing a compliant Employee Policy Manual which will include required state and federal policies, practice policies and procedures as well as benefit descriptions
- Review the current job descriptions
 - Working with your onboarding specialist, access the Bent Ericksen & Associates job description templates to begin any initial edits. Prepare to involve the team in the editing process once you take over, to encourage collaboration and buy-in.
- Find out current compensation/wage levels and method of compensation (hourly, salary, daily, commission, etc.) for all current employees

- Evaluate the current compensation/wages for each person, and determine whether you can afford to continue the wages
- Evaluate the current benefits provided for each person
- Determine what your benefit package will include with the help of your onboarding specialist
 - Your Bent Ericksen & Associates onboarding specialist can help with a “Grandfather Agreement” plan, where the current employees are grandfathered on their old benefits, but new employees receive a lower/different benefit structure
- Learn about the 5 Languages of Appreciation in the Workplace: the easiest and most effective way to motivate employees.
- Ensure that there is a clause in the buy/sell agreement that states any and all HR liabilities from before the closing date will be the responsibility of the Seller
- Ensure that there is a clause in the buy/sell agreement that states that the employment relationship between the seller and current employees will terminate upon closing
- Ensure that there is a clause in the buy/sell agreement that states you, the Buyer, have the discretion/option to hire or not hire any of the current employees

Seller:

- Clean up and organize your HR elements, such as your employee handbook/policy manual, job descriptions, bonus program details, etc. Write out how they work, who is eligible, what the history has been, etc.
- Put together clear documentation about each employee’s wage, benefits, current balance, special treatment/benefits they receive.

30—60 Days Before Closing:

Buyer:

- In general, practice transitions work best when the employees receive a heads up and adequate time to prepare for the changes. Work with the Seller to review the current team and their performance. Plan one-on-one meetings/interviews with each employee
- Have all current employees complete a Drake P3 assessment
- Review Drake P3 and job match profile with BE&A consultant, figuring out who fits best where
- Set date(s) for on-boarding process and team meetings with the employees, both one-on-one and together as a group

0—30 Days Before Closing:

Buyer:

- Finalize details for what will happen with current employees—who will be hired and who will not
- Finalize details for benefits: what will stay the same, what will change, and for whom
- Prepare new hire paperwork for the employees being hired from the previous office, required and recommended forms
- Set up personnel files (Regular, Confidential and Form I-9)

Seller:

- Complete, prepare and provide the Sale of Practice Assets Letter to all current employees
- Terminate employment relationship with all employees and pay out, as applicable, any accrued and unused benefits
- Prepare to take employee files, payroll records, etc. with you

1—5 Days Before Closing:

Buyer:

- Complete all required and recommended forms, especially the W-4 and I-9 on Day 1
- Complete additional required state/local paperwork if applicable
- Ensure payroll company or benefit tracking company has transitioned any paid time off or unpaid time off benefits properly
- Have each employee read the new Policy Manual and sign the Acknowledgement Form

5—60 Days After Closing:

Buyer:

- Continually train, coach, evaluate performance and provide constructive performance-based feedback to support employees meeting practice and performance expectations; ensure good documentation practices throughout
- Conduct one-on-one and group team meetings on a regular basis
- Clearly communicate your expectations and establish yourself as the new business owner
- If necessary, contact Bent Ericksen & Associates HR Specialists about any employees who are resistant to the transition
- Retain personnel records for a minimum of 7 years after termination, or for the duration of any litigation, whichever is longer, before shredding (OSHA exposure records may need to be kept longer)

Seller:

- Retain personnel records for 7 years before shredding (OSHA exposure records may need to be kept longer)