

The New Brunswick Small Business HR CONNEXION

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WHAT ARE THE BENEFITS?

Putting in place HR management practices can reap very concrete results for a small business.

The National HR Pilot Project, coordinated by the Restigouche CBDC, has shown that businesses that implement proper HR practices in their workplaces get significant results. For example, between 2007 and 2009, an analysis of the participating SMEs (100) revealed the following:

- An 8.6% increase in productivity per employee
- A 14% decrease in employee turnover
- An absenteeism rate 45% lower than the Canadian average (4.08% for participating SMEs compared to the Canadian average of 9% for similar businesses during the same time period)

A survey of business owners at the end of the National HR Pilot Project showed that:

- 70% responded that staff retention has improved due to a better understanding of HR management

The National HR Pilot Project also found a significant positive link between leadership style and implementation of recommended HR practices:

- The more the business owner adopts a mobilizing leadership style, the less will be the turnover rate
- The more emphasis the business owner puts on the recommended hiring practices, the lower the turnover rate (i.e., hiring the right people from the start)
- The turnover rate is higher in businesses that do not put into place the recommended practices concerning remuneration and training
- A high turnover rate decreases the performance of a business, confirming the importance of putting into place HR best practices

GO TO the [BASIC HR TOOLS](#) section **NOW**, and **START** implementing sound HR practices that will improve your business results.

SOURCE USED TO DEVELOP THIS PAGE:

NATIONAL HR PILOT PROJECT • FINAL REPORT, Restigouche CBDC Inc., March 2010, page 15.