URL: https://stvp.stanford.edu/blog/videos/establish-strong-human-resources-early-on

When starting a business one tends not to focus on employee issues. Hawkins stesses the importance of laying a strong foundation of human resources from the very beginning. He shares ideas that he feels make sound human resource policies. When you are thinking of compensation between people, he says, you should always imagine that everyone knows everything.

Transcript

Another thing that would be useful, something I learned from Donna, is really about employee issues as well.. I give you a lesson that she told me this goes back to the integrity thing which was mentioned earlier.. That when you're starting a business and you are hiring people you tend not to focus on the issues of pay scales and creating human resources, employee guidelines and things like these.. When I heard Donna had 10 employees and the first thing she came in and she says, "All right we need to get a human resources policy right away.. We have to have a stock and salary thing right away, blah, blah, blah." What are you talking about? We are all working really hard here and we just started this company why would we have to worry about this stuff? She's only got to lay the foundation right away because what happens you have these discrepancies and problems and they get really faster and when that company gets bigger it has all these problems.. And so she was absolutely right and also she told me that when you think about compensation between people, you should always imagine that everybody knows everything.. So if you try to figure out how much employer pay employee X and how much employer pay employee Y, assume that they know and they assume that you have to justify to them to their face.. And that you should never get into a situation where because someone for whatever reason you got this inequity there, because you shouldn't get in that position.. So those things like that which I thought were generally lessons that you should just know and somehow maybe you could teach him.. I don't know...