

Labor Law Poster Compliance:

What 500 HR and Business Leaders Say About Risk, Burden, and What They Want From HCM Providers

OFFERING HR, PAYROLL, AND WORKFORCE
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Executive Summary

Ask any HR leader or business operator about their to-do list, and compliance rarely sits at the top. Not because it lacks importance, quite the opposite! Compliance matters so much that leaders often assume someone else is handling it, that the right boxes are being checked, that the posters near the time clock are current. The assumption feels safe until it isn't.

The 2025 HR Compliance & Workforce Support Survey tells a different story. Across 514 SMB HR leaders and business operators, a clear pattern emerges: employers genuinely care about compliance, but they're struggling to keep pace with its growing demands. The burden isn't hypothetical. It's measurable, widespread, and increasingly difficult to manage without help.

Consider the numbers. **91% of employers say compliance is very important** to their organization. At the same time, **66% acknowledge it's harder today than in the past.** That gap between intention and execution represents real risk—financial, legal, and

operational.

73% of employers consider up-to-date labor law posters essential — the highest of any compliance category surveyed.

Labor law posters may seem like a small piece of the compliance puzzle. They're not.

Among all compliance obligations (payroll tax reporting, OSHA requirements, employee handbooks, benefits administration) posters rank first in perceived importance. Employers recognize that outdated or missing posters invite fines, lawsuits, and reputational damage.

The data also reveal a significant market

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shift. Two-thirds of employers already receive poster services through their HCM provider, either included in their package or purchased as an add-on. Nine in ten would purchase this service from their HCM provider if offered. The message to HCM providers? Poster compliance isn't nice-to-have, it's expected.

Employers want this service conveniently integrated into their HCM offering – **automated, guaranteed, and removed from their plate.** The top drivers? Guaranteed legal compliance and risk protection (64%) followed closely by

automatic poster delivery when changes occur (62%). HR leaders don't want to track regulatory updates. They want confidence that someone else is doing it correctly.

For HCM providers, the strategic implications are clear. Offering comprehensive poster compliance isn't just a competitive advantage, it's becoming table stakes. Providers who deliver this service position themselves as trusted compliance partners. Those who don't risk losing clients to those who do.

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Compliance Is a Growing Challenge

“Wait, that requirement applies to us?”

That question echoes through conference rooms and HR offices across the country. A new state regulation, an updated federal posting requirement, a local ordinance that somehow slipped through the cracks. Compliance surprises rarely come with good news attached. And they're happening more frequently than ever.

Hundreds of employment law changes occurred last year alone, ranging from minimum wage updates and paid leave laws to workplace safety requirements and everything in between. Making it more complicated, these changes happen not only at the Federal and State level, but also in local city and county jurisdictions.

The data confirms what many HR practitioners feel in their daily work: keeping up with labor law requirements has become a significant

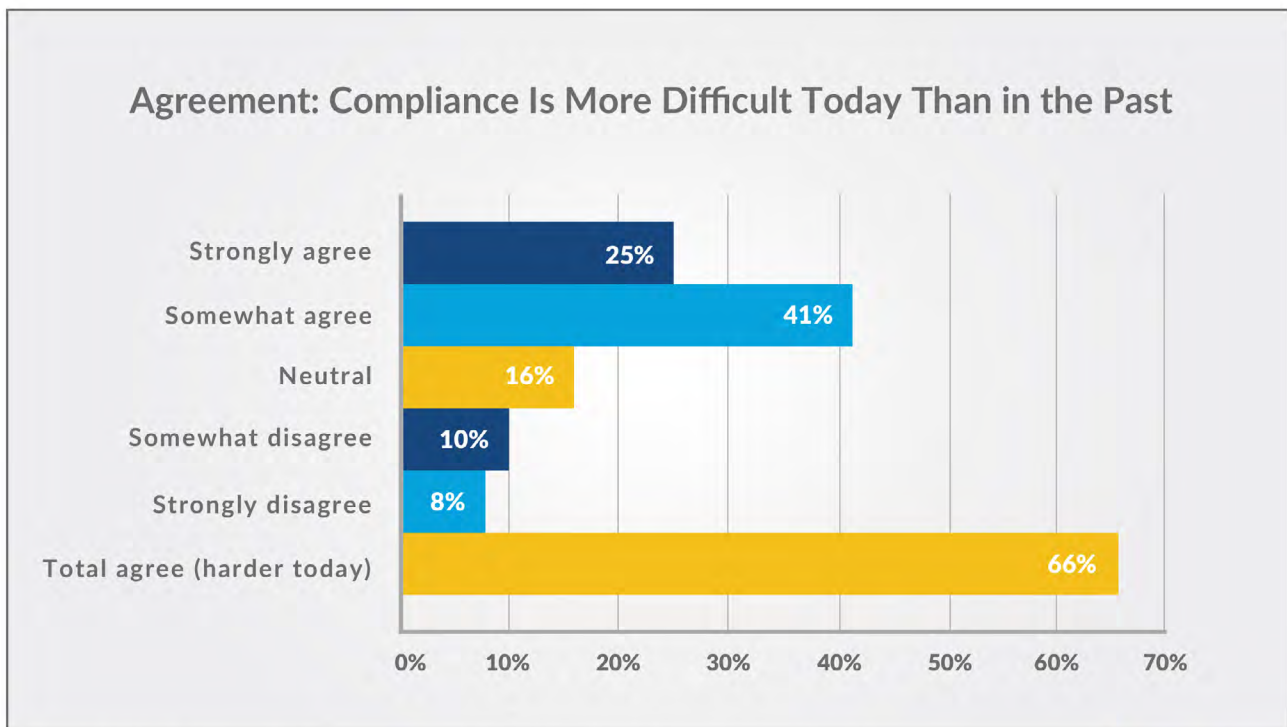
operational challenge. This isn't a matter of employers dismissing compliance as unimportant. The opposite is true.

91% of employers actively monitor compliance requirements.

This is an operational priority, not an afterthought.

Nearly every organization surveyed treats compliance as essential. They understand the stakes. They allocate resources. They worry about getting it right. Yet despite this commitment, most employers describe compliance as increasingly difficult to manage.

Figure 1: Agreement—Compliance Is More Difficult Today Than In the Past



Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

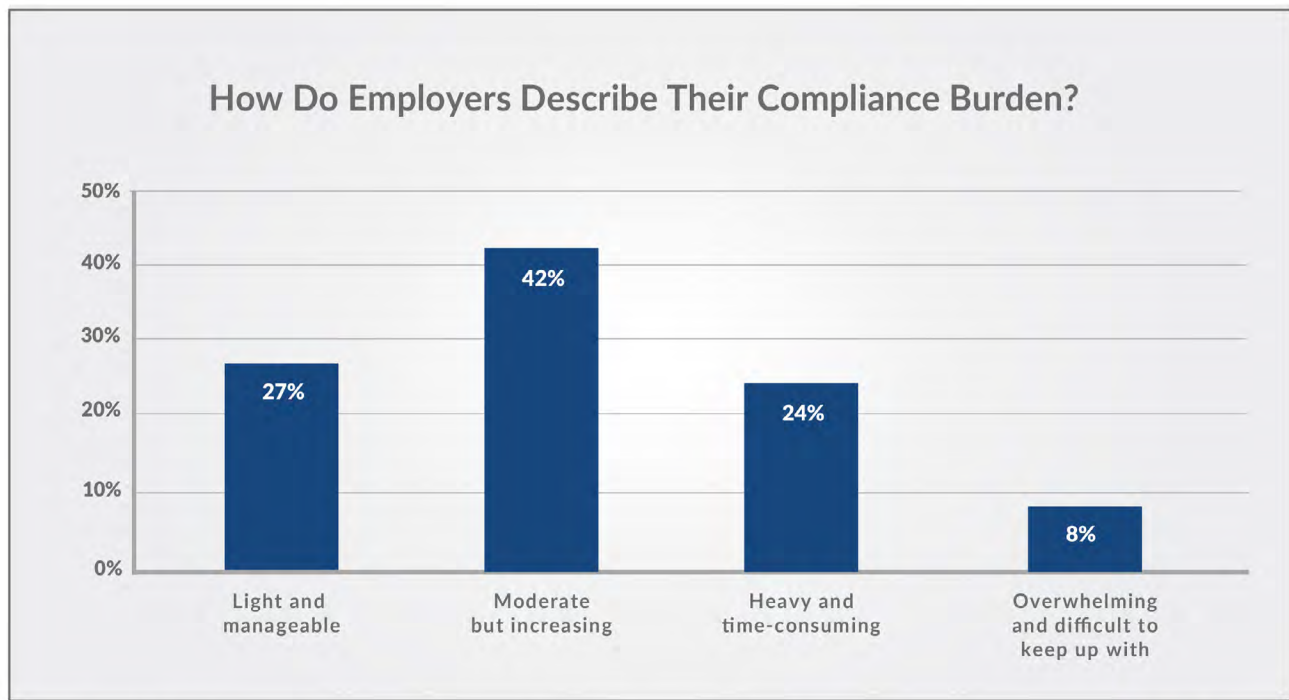


Two-thirds of employers (66%) agree that maintaining compliance is more difficult today than in the past. The reasons vary (more regulations, faster changes, multistate and local complexity)

but the outcome remains consistent. Compliance demands more attention, more resources, and more expertise than it did five or ten years ago.

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Figure 2: How Do Employers Describe Their Compliance Burden?



Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

Nearly three-quarters of respondents (73%) describe the compliance burden as moderate to overwhelming. Only 27% characterize it as light and manageable. For most organizations, compliance isn't a background task that runs on autopilot. It requires ongoing attention, dedicated staff time, and constant vigilance.

That ongoing attention comes at a cost. **Time spent tracking regulatory changes is time not spent on strategic initiatives, employee development, or business growth.**

Nearly three-quarters of respondents (73%) describe the compliance burden as moderate to overwhelming.

The distraction effect intensifies for organizations operating across multiple locations and remote employees. Companies in several states face a patchwork of requirements that multiply complexity exponentially. What applies in California differs from Texas, which differs from New York. Each jurisdiction demands attention. Each carries its own penalty structure for non-compliance.

Single-state employers aren't immune. Among organizations operating in just one state with a single location, 25% described their compliance

burden as heavy and time-consuming. Another 42% called it moderate but increasing. Even the simplest organizational footprint generates meaningful compliance demands.

The trend line points in one direction: compliance is getting harder, not easier. Regulatory bodies at federal, state, and local levels continue introducing new requirements. Court decisions reshape existing obligations. Political changes alter enforcement priorities. For employers trying to stay current, the ground keeps shifting.

57% of employers agree that keeping up with compliance distracts HR and business leaders from focusing on growth and employee experience.

Posters Rank as a Top Compliance Priority

When compliance discussions arise in executive meetings, certain topics dominate the conversation. Payroll taxes command attention because errors show up on financial statements. OSHA violations make headlines when accidents occur. Employee handbooks land on legal desks during litigation.

Labor law posters rarely generate that level of executive concern. They hang in break rooms and near time clocks, often unnoticed unless someone specifically looks for them. Easy to overlook. Easy to assume they're current. Easy to forget they carry legal weight.

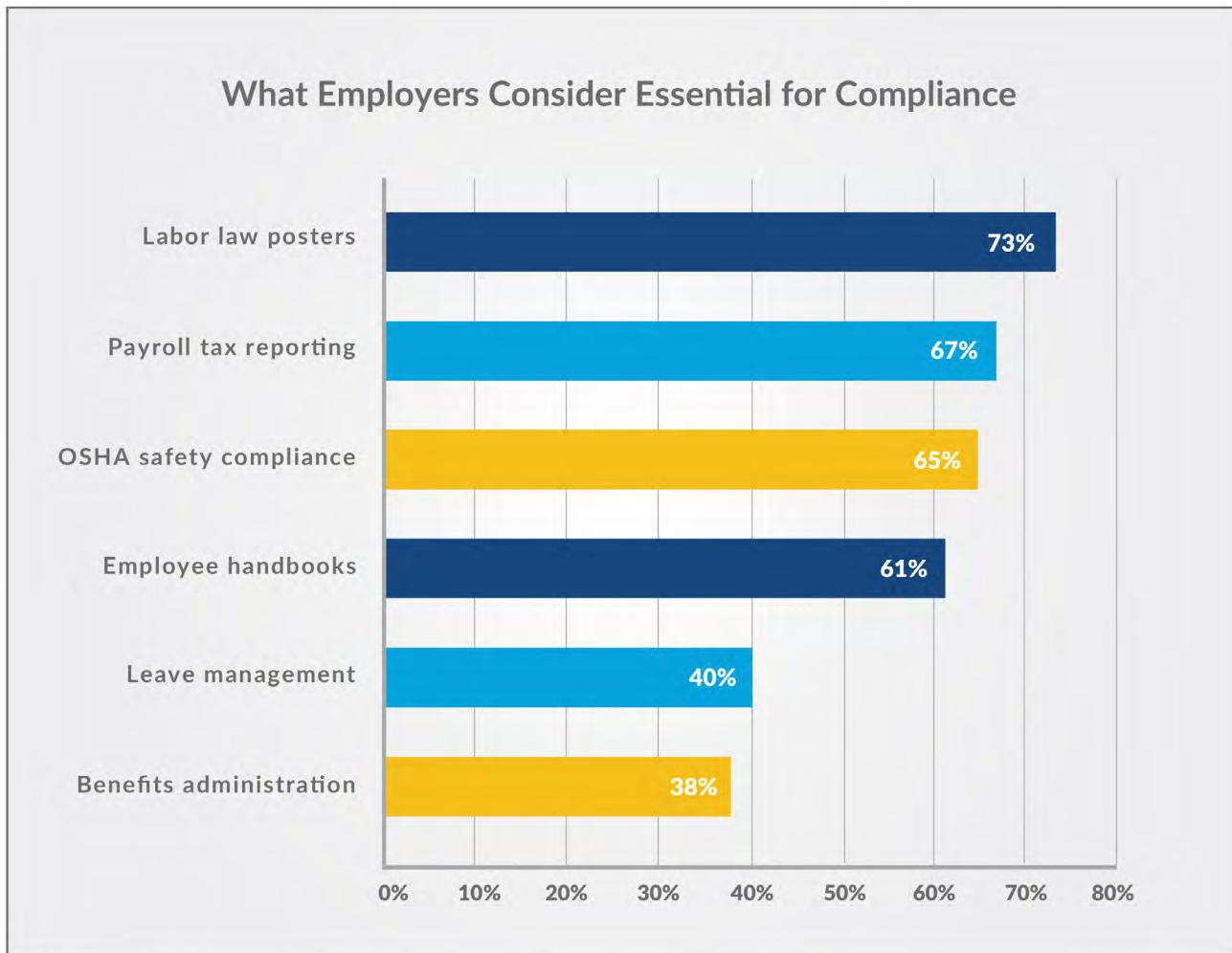
The survey data challenge that assumption directly.

Labor law posters rank #1 as an essential compliance item (73%), above payroll tax reporting (67%), OSHA safety compliance (65%), and employee handbooks (61%).

Employers who manage compliance daily understand something that executives sometimes miss: poster requirements carry real consequences. Violations trigger penalties.

Plaintiff attorneys check posting compliance early in employment lawsuits. **A missing or outdated poster can transform a manageable situation into an expensive one.**

Figure 3: What Employers Consider Essential for Compliance

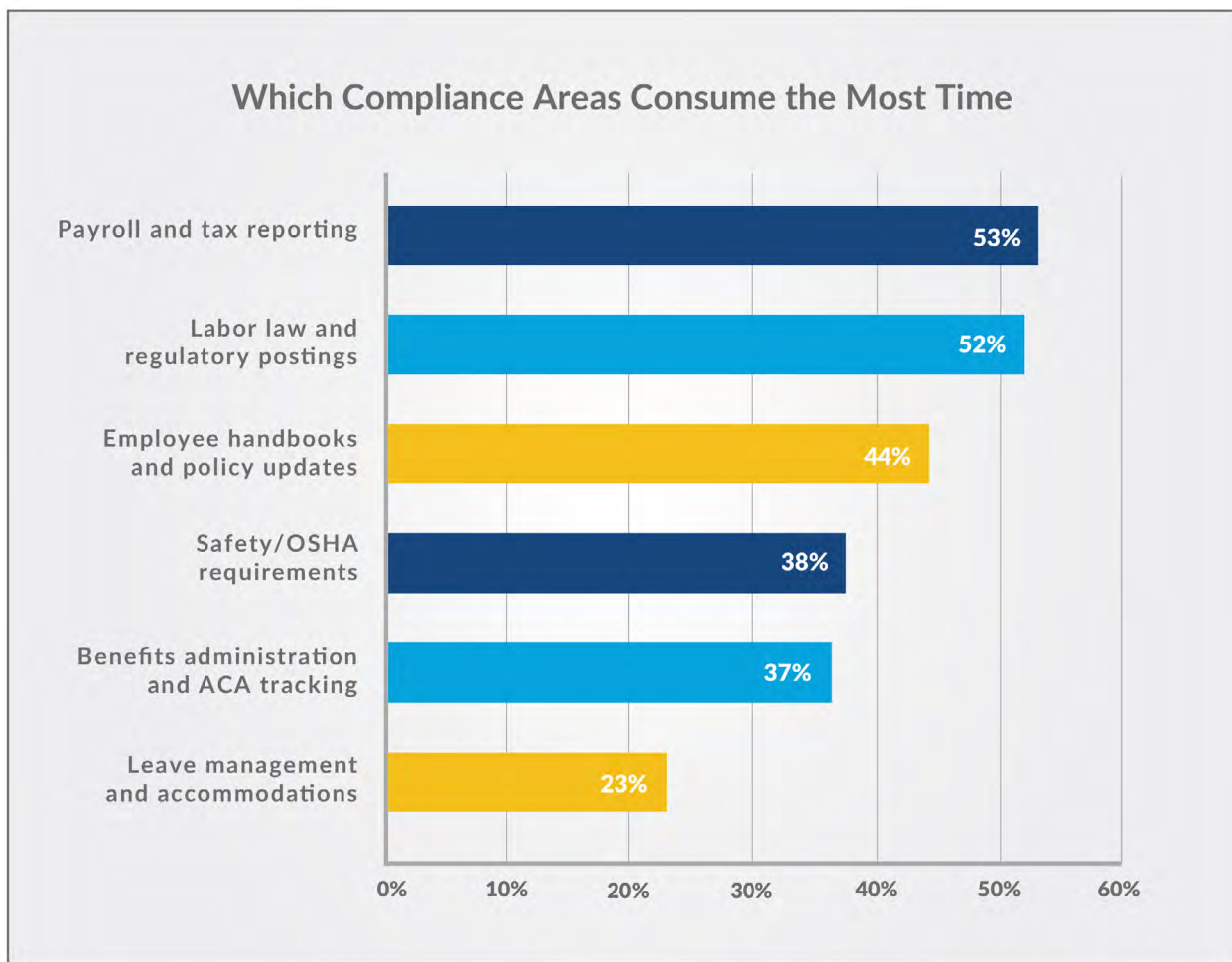


Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

The ranking reflects a practical reality. Poster compliance sits at the intersection of visibility and vulnerability. Unlike many compliance requirements that remain internal until something

goes wrong, posters are physically present and observable. An auditor, an employee, or an attorney can verify compliance (or non-compliance) with a single glance.

Figure 4: Which Compliance Areas Consume the Most Time



Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

Time consumption reflects the same priority pattern. Posters rank second in time requirements (52%), trailing only payroll tax compliance. Given that payroll runs continuously while poster updates occur periodically, this ranking highlights how much attention employers dedicate to staying current with posting requirements.

Awareness of consequences runs high. The vast majority of employers understand what's at stake when posters fall out of compliance.

86% of employers are aware that outdated or missing posters can lead to fines, lawsuits, and elevated legal liability.

This awareness creates a particular kind of tension. HR and business leaders know poster compliance matters. They know violations carry consequences. They also know that requirements change frequently, that different jurisdictions impose different obligations, and that tracking updates demands consistent attention they may not have available.

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Yet awareness doesn't always translate to accurate understanding. The survey included a knowledge check that revealed a meaningful gap.

43% of respondents incorrectly identified the employee threshold at which labor law poster requirements apply. Many believed that posting obligations begin at higher employee counts, not recognizing that most federal and state requirements kick in with the very first employee.

This knowledge gap carries practical implications. Organizations that believe they're too small for certain requirements may skip postings that actually apply to them. The confidence feels justified. The compliance status tells a different story.

Employers understand the stakes but often overestimate their readiness. **That's an opportunity for HCM providers to step in with real solutions.**

Employers Want This Service From Their HCM Provider

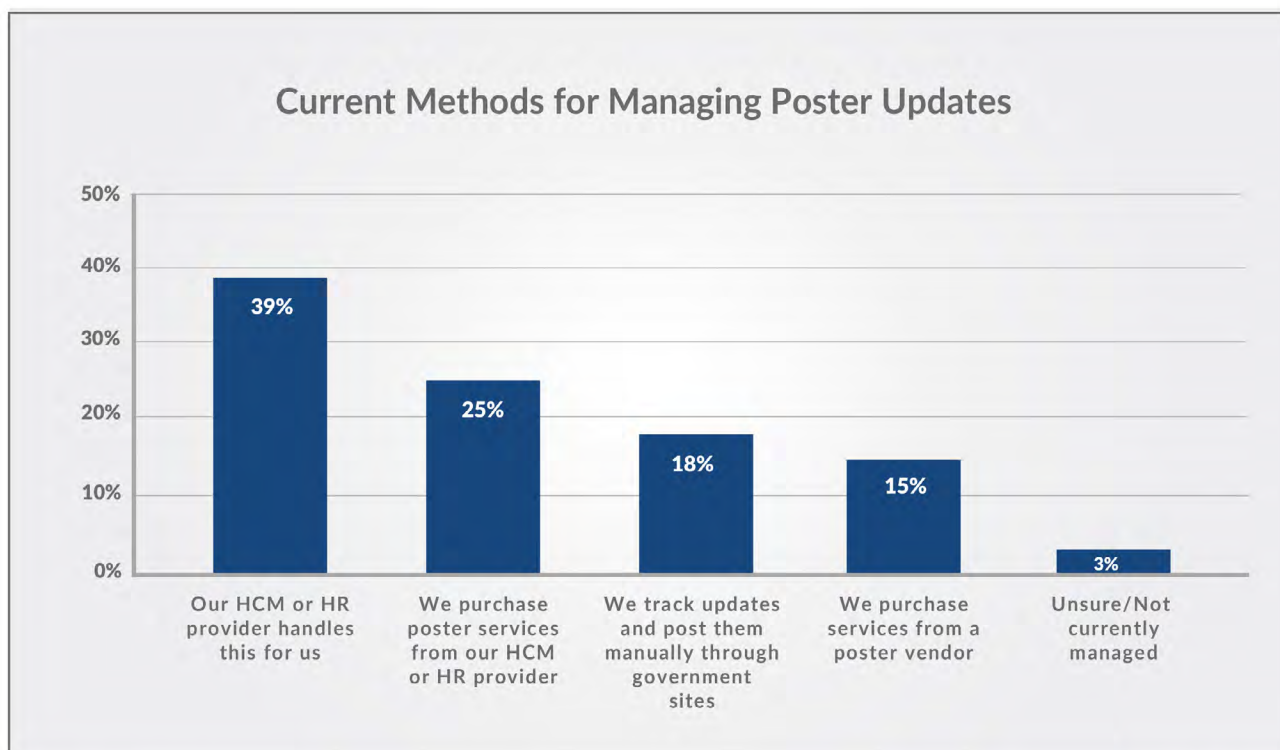
Consider the evolution of payroll processing. Decades ago, most companies handled payroll in-house, cutting checks and calculating withholdings manually. The task was time-consuming but manageable for organizations willing to dedicate staff resources. Today, the overwhelming majority of employers outsource payroll to specialists. The complexity increased. The stakes rose. The logical response was to hand the work to experts.

Labor law poster compliance appears to be following a similar trajectory. What once seemed simple enough to manage internally has grown complex enough that employers increasingly want professional support. And they want that support from a specific source: their existing HCM provider.

64% of employers already receive poster services through their HCM or HR provider—39% included in their package, 25% as a purchased add-on.

This isn't a niche solution or an emerging trend. It's established market behavior. Roughly two-thirds of employers have integrated poster compliance into their HCM relationship, consolidating this process with the providers they know and trust rather than managing it independently or purchasing from standalone vendors.

Figure 5: Current Methods for Managing Poster Updates



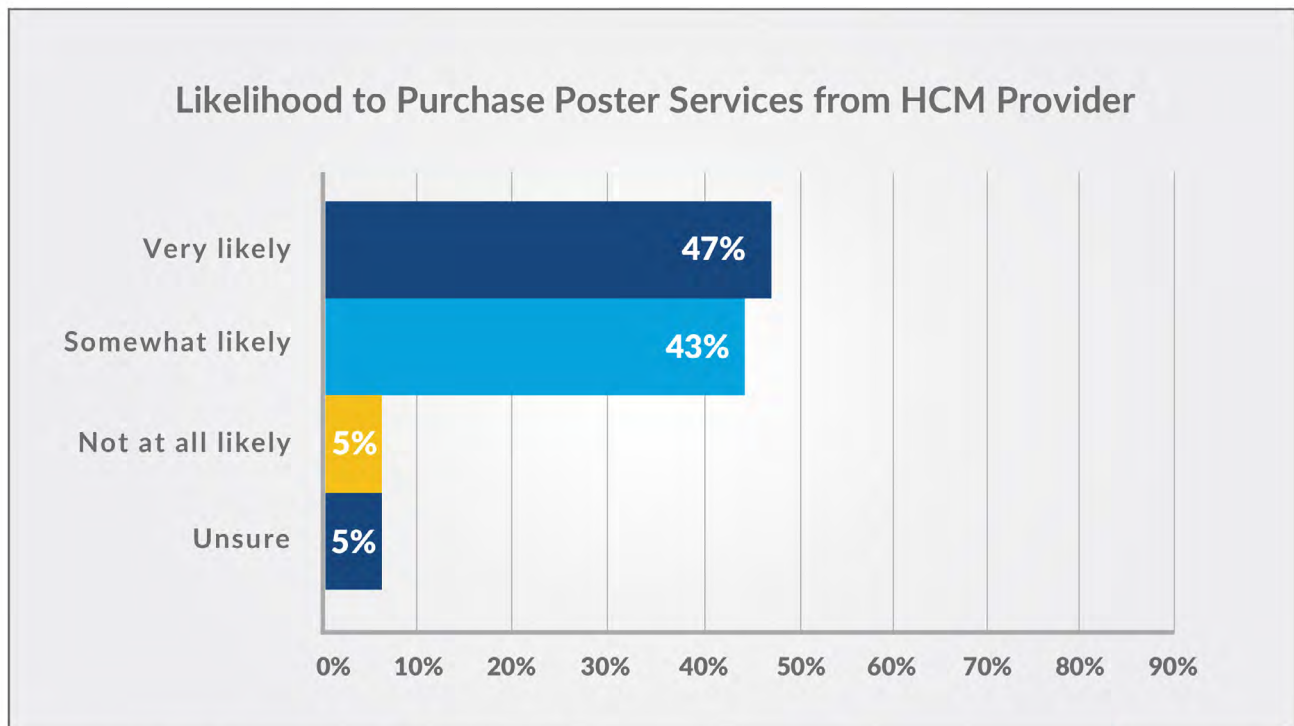
Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)



The consolidation makes operational sense. HCM providers already hold employee data, location information, and compliance calendars. They already communicate regularly with HR teams. Adding poster compliance to that relationship introduces minimal friction while delivering meaningful value.

90% of employers would purchase poster compliance services from their HCM provider if offered.

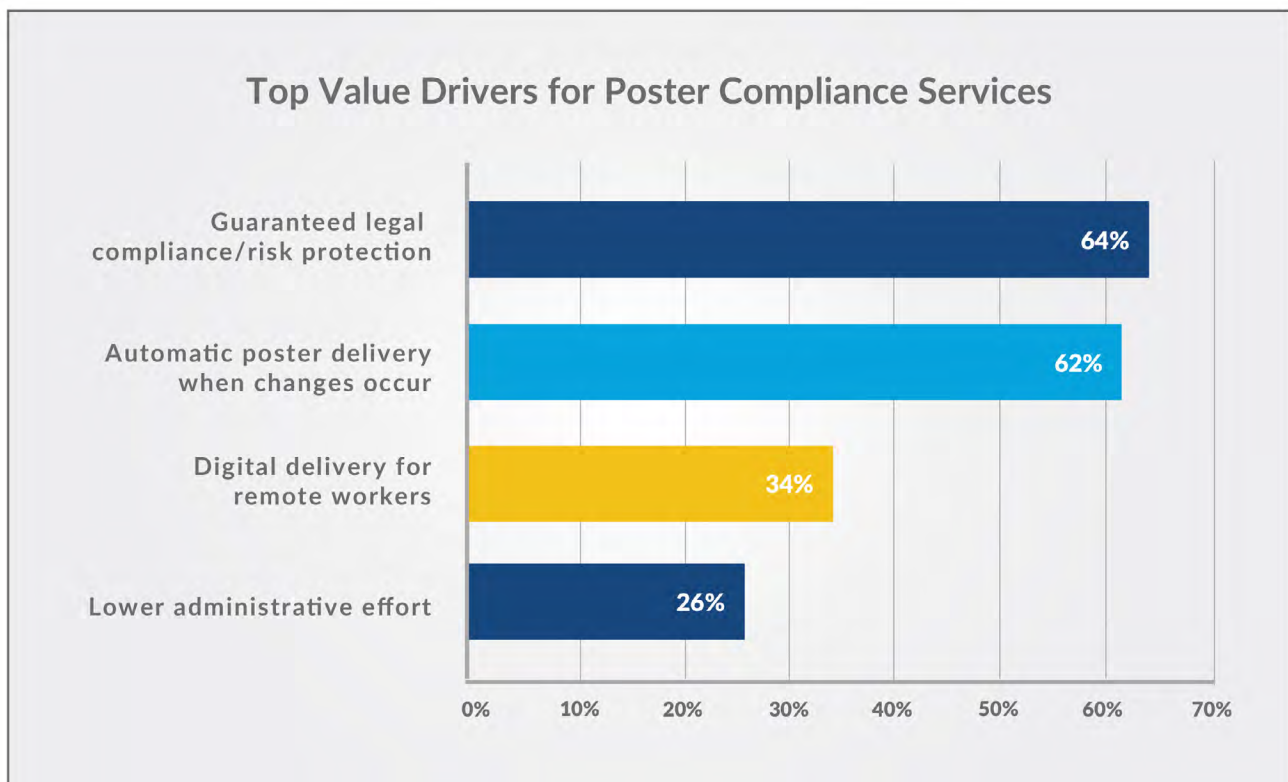
Figure 6: Likelihood to Purchase Poster Services from HCM Provider



Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

The reasons center on two related desires: guaranteed compliance and automated delivery.

Figure 7: Top Value Drivers for Poster Compliance Services



Source: 2025 Lighthouse Research & Advisory HR Compliance Survey (n=514)

When asked what they value most in a poster compliance service, employers prioritize **guaranteed legal compliance and risk protection (64%)** and **automatic poster delivery when changes occur (62%)**. The pattern reveals what employers actually want: a trusted partner keeping their eye on compliance, delivering updates proactively, and removing this item from their to-do list.

Employers don't want to become experts in labor law posting requirements. They want confidence that an expert is handling it for them. The service model matters less than the outcome: **current posters, documented compliance, reduced risk**.

The survey also surfaced an interesting distinction between HR professionals and business owners who handle HR duties. HR respondents are 28% more confident that their posters are current compared to business owner respondents. They're also more likely to purchase poster services through a vendor rather than attempting manual compliance.

This gap likely reflects experience. HR professionals who've managed compliance over time understand how easy it is to fall behind. They've seen requirements change, deadlines slip, and audits surface gaps. They've seen how compliance lapses play out in the courtroom. That experience drives them toward professional solutions. Business owners without specialized HR backgrounds may not recognize the risks until problems emerge.

For HCM Providers Evaluating Their Service Offerings

For HCM providers evaluating their service offerings, the competitive implications are straightforward. Major providers already offer comprehensive poster compliance services. Employers expect this capability. Providers who deliver it well strengthen their customer relationships. Those who don't give customers a reason to look elsewhere.

Key Takeaways

Poster compliance represents both a genuine employer need and a significant market opportunity. The 2025 HR Compliance Survey data tell a consistent story across all key dimensions.

- 1. Compliance Is a Real Priority**
91% of employers actively monitor labor law requirements. This isn't a box-checking exercise. Organizations treat compliance as essential to their operations, allocate resources to address it, and worry about getting it right. The commitment is real – even when execution falls short.
- 2. The Burden Is Growing**
66% of employers say compliance is more difficult today than in the past. The burden isn't imaginary. **73% describe compliance demands as moderate to overwhelming.** Regulatory requirements keep expanding, and organizations struggle to keep pace.
- 3. Posters Rank as the Top Essential Compliance Item**
Labor law posters rank #1 among essential compliance items at **73%**, ahead of payroll tax reporting (67%), OSHA safety compliance (65%), employee handbooks (61%), leave management (40%), and benefits administration (38%). Employers understand that poster compliance carries real legal and financial consequences.
- 4. Employers Want This Automated and Guaranteed**
The top value drivers tell the story: guaranteed compliance and automatic delivery. Employers want someone else to handle poster updates, ensure currency, and take this task off their plate. They want to know it's done right without having to verify it themselves.
- 5. The Market Has Already Shifted**
64% of employers already use the HCM channel for poster services. 90% would purchase if offered. This isn't an emerging trend, it's established market behavior. Poster compliance through HCM providers has become the norm, not the exception.
- 6. HR Leaders Will Choose Providers Who Offer This Service**
The competitive dynamic is clear. Employers expect their HCM provider to offer poster compliance. Providers who deliver this capability strengthen customer relationships and reduce churn risk. Those who don't give customers a reason to look elsewhere.

Bottom line: Poster compliance isn't optional for HCM providers who want to meet customer expectations. It's an essential service that employers value, want from their HCM partner, and will favor when choosing providers.

About The Study

The 2025 HR Compliance & Workforce Support Survey was conducted by Lighthouse Research & Advisory. The survey collected 514 qualified responses from U.S.-based HR leaders and business owners.

Respondent organizations ranged from 11 to 2,500+ employees, providing perspective across the small and midsize employer spectrum. Industry representation included construction (18%), healthcare (12%), food and beverages (10%), manufacturing (9%), technology (9%), and additional sectors comprising the remainder.

Survey questions explored compliance awareness, burden assessment, poster compliance practices, HCM provider relationships, and purchase intent. The analysis examined aggregate results as well as segment comparisons between HR professionals and business owners handling HR functions.

Data collection occurred in Q4, 2025. Responses were screened for quality and completeness before analysis.

Statement of Ethics

As an independent analyst firm, our research and reporting provide unbiased, neutral views of the HR trends and technologies impacting work today. While this specific research was vendor-funded, it does not impact how we share the data with employers and practitioners. If you have any questions, please contact us.

About PosterElite

Serving over 1 million employers, PosterElite simplifies labor law compliance by automating the most essential, time-consuming process of labor law and payroll postings in the workplace. Through over 1,000 partnerships with HCM, payroll and HR technology providers, PosterElite helps partners strengthen client relationships, reduce risk, and unlock recurring revenue.

For more information, visit posterelite.com

About Lighthouse Research & Advisory

Lighthouse Research & Advisory is a modern analyst firm dedicated to setting the standard for excellence in talent, learning, and HR. By providing compelling research and actionable insights for business leaders, our team's mission is to navigate the rapidly changing field of human capital management to support today's talent and learning functions.

Our advisory, research, content, events, HR Awards Program, and other offerings serve tens of thousands of employers across the globe every year.

Put simply: our goal is to chart a new course for talent. We do this with compelling research, innovative ideas, and a strong grasp of the current state of talent and technology at work. We have supported hundreds of organizations with our research, advisory, and insights since our beginning in 2016. In addition, our data also inform key product and strategy decisions at the industry's leading technology and service providers.

About the Authors

Ben Eubanks is the Chief Research Officer at Lighthouse, providing trusted advice for today's modern talent leaders. Prior to joining Lighthouse, Ben worked as a research analyst and an executive practitioner. His analyst work focused on learning, talent acquisition, and talent management. During his career, he has published more than 100 pieces of research and provided advisory services to executives from some of the largest and most respected organizations in the world.

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