



Human Resource and Management Services

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HUMAN RESOURCE EXCHANGE

Human resource issues and topics impacting employers

◆ FROM SPECIAL SUPPLEMENT TO HR MAGAZINE ◆

“Healthcare coverage premiums – upward bound”

Premiums for family health coverage have risen 78% since 2001, while wages have gone up 19% and inflation has registered 17%.

Many employers indicate that they expect to make significant changes in the health plans and benefits in 2008. Among the actions they said they are ‘very likely’ to take:

- 21% will raise workers’ premium contribution
- 13% will increase office visit cost-sharing
- 12% will increase deductibles
- 11% will increase prescription drug cost-sharing

Information from Kaiser/HRET survey

◆ FROM WORKERS’ COMPENSATION - TEXAS ◆

“Non-fatal occupational injury and illness incidence rate increases slightly”

A total of 258,515 non-fatal injuries and illnesses were reported in private industry workplaces in Texas during 2006, resulting in a rate of 3.7 cases per 100 equivalent full-time workers. The rate of injuries and illnesses increased slightly from 3.6 reported in 2005 and matched the rate of 3.7 in 2004. The Texas rate remains below the national rate of 4.4 for 2006.

The 2006 injury and illness data is the latest available from the Survey of Occupational Injuries and Illnesses conducted by the Texas Department of Insurance, Division of Workers’ Compensation (TDI) in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics (BLS).

◆ FROM HR SPECIALIST: EMPLOYMENT LAW ◆

“Don’t play the contract game”

Tomcat Electrical Security paid several of its employees different hourly rates when they worked on different projects. The payroll department routinely calculated their pay based on the project and the contract they worked on. *The problem:* When those project hours were put together, employees worked far in excess of 40 hours per week without being paid overtime.

How it happened: Payroll didn’t add up the total # of hours worked per week. Instead, it counted the hours by the contract. That made it appear as if employees didn’t work overtime because they didn’t work more than 40 hours on any

one contract or project. As you can expect, they sued. The court granted class-action status and ordered a trial.

◆ FROM PERSONNEL LEGAL ALERT ◆

“We couldn’t make this up if we tried”

A Systems Administrator in N.J. planted a malicious logic bomb in his employer’s computer system because he feared being laid off. Despite the fact that he was not laid off, he kept the logic bomb in place and scheduled it to go off on his birthday. He faces up to 10 years in prison and a \$250,000 fine.

◆ FROM HR COMPLIANCE LAW BULLETIN ◆

“Should you hire before you fire?”

You have a poor performing employee you think you’ll soon need to fire. Because her position is critical, her manager wants to quietly start recruiting and terminate her once a replacement is found. Is this a good idea?

Many employment experts say NO... “The simple truth is that such an approach can hurt” says...Kensington Stone in California.

Employee trust, for example, may suffer. Not only do previously secure employees start to wonder if someone is waiting in the wings to take over their jobs, they also question their employers’ veracity... Hiring before firing also erodes trust in the performance management system. If a person was hired before an employee was fired, was the employee really given every opportunity to make performance improvements?

◆ FROM WORKFORCE MANAGEMENT ◆

“Retirees, moms most highly sought to plug labor gap”

Companies are showing increased interest in retirees and stay-at-home moms to possibly fill glaring labor shortages. Nearly 40% are targeting retirees (or those soon to be retired), while parents seeking to re-enter the workforce are on the radar of 22% of hiring managers. That’s according to a poll by Jobfox, an online job site in McLean, Virginia... Nearly 56% expect to ratchet up recruiting efforts in 2008.

Also, many companies apparently are sick of sifting through résumés from online job applicants who are wholly unqualified. In fact, 9 of 10 résumés from online career sites aren’t worth pursuing, according to Jobfox.

◆ **FROM TEXAS EMPLOYMENT LAW LETTER** ◆

“Hmm, is there something fishy about this doctor’s excuse?”

Various websites help employees concoct fake excuses for missing work – most for a fee, but some offer free suggestions. Several sites offer a customized fake doctor excuse in the \$10 range. All a shirker need do is fill in some information and then print out the excuse using a computer and printer. No muss, no fuss.

More comprehensive ‘services’ don’t stop with doctor’s notes. (Some) charge \$24.95 for a complete package that includes templates for doctor’s notes as well as excuses for funerals and jury duty. A loafer’s dream!

◆ **FROM SHRM** ◆

“Efforts to expand FMLA for military caregivers are complex”

... Several different proposals have surfaced on expanding unpaid leave under the Family and Medical Leave Act (FMLA) to the families and caregivers of wounded U.S. soldiers. ... One of the recommendations, which needs Congressional approval, would expand the FMLA by providing up to six months of unpaid leave to workers who are caring for family members wounded in the line of duty.

... Several of these proposals were pushed as amendments to key pieces of legislation, such as the defense authorization bill (**H.R. 1585**), the Department of Defense (DOD) spending package (**H.R. 3222**) and re-authorization (H.R. 976) of the State Children’s Health Insurance Program (SCHIP).

... Several employer groups have said the provision is problematic because it is overly broad and creates a new triggering event for FMLA leave. If enacted, it could create a new administrative headache for employers that already are struggling to comply with the very complex FMLA regulations, sources say.

Congress appears poised to pass a proposal that will extend FMLA leave to caregivers of wounded soldiers before the end of the year... If the measure is passed and signed into law, it will become the first major expansion of the FMLA since the law was enacted in 1993, she added.

◆ **A REAL LIFE SITUATION** ◆

Situation: During a managers’ meeting, a discussion focused on the fact that many lower-level supervisors were informed of changes, new hires, and other information in which the managers were uninformed. They felt there was a leak in the Sr. management ranks and the managers suspected one VP in particular. The consensus was that they did not trust this particular VP and agreed that they would not confide with this individual on any company-related matters.

Observation: This is not a good situation; a lack of trust in a member of Sr. management is poison to the group. Also, the mistrust could be unfounded and based on irrelevant or misleading information that unfairly characterizes this individual.

However, if the majority of the managers do not trust a member of Sr. management, then unfortunately, one of them is going to have to step up and speak his/her mind. It needs to be done professionally, courteously, and delicately; but it needs to be done.

Meeting with the President as a group may be another option, however, please be careful not to ‘railroad’ or ‘gang up’ on the Sr. member of management.

Either way, approach this situation without emotions, stick to the facts, and do not draw conclusions. Focus on providing information where the President will be able to draw his/her own conclusion.

FEATURED SERVICE

Avoiding a Wage Claim under the Texas Payday Law

Some of the more common problems that generate a claim under the Texas Payday Law arise when an employee leaves the organization and severance, or accrued vacation, or other form of payment is not paid in which the employee feels is due.

In these cases, the best defense is a good offense. This means to have your policies clear on what happens at the time of separation. Whether under voluntary or involuntary circumstances, all policies concerning separation of employment need to be clear in their wording and in their intent.

HR&M has provided assistance in responding to wage claims since 1988, and with the right polices in place and with the right response to the claim, significant cost savings can be achieved.

◆ **REMEMBER! WE CAN HELP!!** ◆

Consulting on performance, attendance, FMLA, Wage & Hour, management accountability, and other unique issues is just one of the areas of our expertise.

We also provide:

- supervisory/management training, ranging from brown bag luncheon training to ½ or full day sessions
- employee handbook development
- responses to discrimination charges and unemployment claims
- on-line performance review forms and processes
- guidance and consultation on coaching, counseling, and disciplining in employee relations matters
- succession and strategic planning programs
- consultation on issues regarding attendance and performance and guidance on terminations
- development of OFCCP compliant Affirmative Action Plans