

HR Newsletter December 2009

Welcome

We wish you a warm and festive holiday season filled with family and friends!

HR Alerts

Senate Debate for Health Care Reform Bill.

On November 21, 2009, the Senate moved health care reform legislation forward for Senate debate expected to occur at end of the month. The bill is similar to the recently approved version by the House of Representatives which seeks to make health care coverage more accessible and affordable, and would require most employers to provide insurance.

Qualifying Period for COBRA Subsidy Scheduled to End

The qualifying period which began on September 1, 2008, for the COBRA premium reduction subsidy under the provisions of the American Recovery and Reinvestment Act ends on December 31, 2009.

New Labor Law Poster Requirements.

Various federal and state laws will take effect in 2010. Be sure to stay in compliance with up-to-date labor law posters.

A Little Strategic HR for Bigger Business Success

2009 is quickly coming to a close, and many small business owners and executives like you are reflecting on the performance of the current year and already planning for 2010 and beyond. With the recent economic challenges and the myriad of employment law changes, businesses have been taking a much closer look towards its existing workforce. As you assess new best practices to help advance the goals and success of your company, consider how strategic HR plays a key role.



HRCast of the Month

This month's topic:

Employee Handbook Essentials

Many changes in employment laws during

2009 with more anticipated for 2010 have required employers to review and establish new company Employee Handbook policies to address emerging workplace issues.

HR Tip of the Month

A Rewarding Employee Recognition Program

Effective employee recognition programs can reinforce behavior that you want encouraged. Be sure to clearly communicate which behaviors or actions are being recognized. Anyone who then performs at that standard should receive a reward. Fun events (i.e. ice cream socials or holiday decorating contests) can also build positive morale at very low costs.

Did you know ?

627,200

In 2008, 627,200 new US small businesses opened while 595,600 closed and 43,546 underwent bankruptcies. (Source: U.S. Small Business Administration Office of Advocacy, September 2009)

What is strategic HR? Strategic HR is simply about focusing on the performance of each employee and the organization with direct measures to determine the success of your company's business strategy.

Where does your business stand in terms of strategic HR?

You can get a better idea by answering the following types of questions:

- Do you need different knowledge, skills, and / or abilities from your workforce in order for the business to grow?
- Do you clearly convey the expectations and the business value of each person's role in the company's direction?
- Does Management address employee training and performance development well?
- Do you have established programs to recognize and reward performance?
- Do you consistently provide competitive market pay and benefits for the right sets of skills and competencies?
- Does your company further minimize risk by remaining compliant to employment laws?

The more no's or don't know's you answer, the greater efforts your company needs to improve.

How can you apply strategic HR to your small business environment? Strategic HR is not just for big corporations. Small businesses can also put this concept into motion. Some action items include:

- Create a succession plan in case the business leadership and / or ownership changes.
- Find out how your top competitors get and keep their talent.
- Develop a clear and accountable feedback process to support employees in their professional development (i.e. skills training, workshop seminars, coaching, etc.).

With strategic HR in mind, your goal is to ensure that the talent of all your employees line up with the company's business objectives. Accomplish this, and you're well on track to much greater success.

Question & Answer

Q. Our business has a smoke-free workplace policy. There are a few smokers who leave company premises to smoke. However, when they return to work, the smell of smoke from the employees is very strong. What would be appropriate in addressing the issue?

A. We recommend addressing each individual separately and in person. You may consider a softer approach to set the employee at ease. Tell the employee directly what the problem is as you perceive it. Whenever possible, attach the feedback to a business issue. Make the business purpose of the conversation clear. Express directly the impact you believe the hygiene issue is having on the business and the relationships in the workplace. You may continue by saying, "This is a problem because the odor is considered offensive, and it affects both our customers and your peers (the other employees). Your overall hygiene is an important part of how well this organization is perceived to others." Ask the employee what he/she could do to minimize the odor (i.e. using mouth wash, breath spray, gum or mints after smoking). Additionally, you could suggest that the employee lightly spray cologne, perfume or something that masks the



Quote of the Month

"A leader is one who knows the way, goes the way and shows the way."

- John C. Maxwell



A Look Ahead

December 10
Human Rights Day

December 12
Hanukkah Begins

December 15
Bill of Rights Day

December 18
Islamic New Year

December 21
Winter Begins

December 24
Christmas Eve

December 25
Christmas Day

December 26
Kwanzaa Begins

December 31
New Year's Eve

odor. All the while, be sure to remain understanding and professional to help maintain the employee's sense of integrity.

9 Steps to Handle DOL Audit Requests

Businesses which sometimes overlook procedures (especially if written) may sometimes face a U.S. and / or state Department of Labor (DOL) notification for an audit. Is this a time to panic? No. It is a time stay calm and be organized.

If managed effectively, DOL audits provide a productive opportunity for employers to review and analyze past practices and improve on future practices. Audits involve financial operations, employment law compliance, and evaluation of operational efficiencies. In fact, periodic (internal or external) audits are integral to the needs of management and it's the company's business processes.

To best prepare, consider the following items:

1. Determine which division of the U.S. or state DOL is investigating your business.
2. Contact an HR professional or attorney specializing in employment law to discuss the audit and to get information about your rights and responsibilities.
3. Contact the DOL to confirm or reschedule the appointment.
4. Determine which member(s) of your management team will participate in the initial meeting with the auditor.
5. If the notification letter requests documents, be sure to make copies for your records, since the auditor may take the original records off-site.
6. Meet with the auditor in a confidential, quiet area.
7. If the auditor requests to interview employees, be prepared to provide a private room for such interviews.
8. Respond only to questions that the auditor directly asks. Do not offer additional information unless requested to do so.
9. Stick closely to any follow-up requests and / or deadlines required by the auditor.

While maintaining respect and cooperation with the auditor, you may discover important resolutions critical to the continued success of your business.