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EMPLOYEE JOB SATISFACTION

Certainly the current recession has negatively impacted most employers. Many organizations have experienced declines in business and are finding it necessary to reduce payroll costs through hiring freezes, furloughs, layoffs, or pay reductions.

Employers are aware of the effect the recession has had on their bottom lines. But how has the recession affected employee job satisfaction, and why is this important for employers? Research indicates that when employees are satisfied with their jobs, they are more inclined to stay with their employers. Retaining the knowledge base and talent of the employees are important employer considerations.

A recent survey conducted by the Society for Human Resource Management (SHRM) indicated that 86% of employees were satisfied with their current position, and 58% reported the current economic climate has made no difference in their level of job satisfaction. This is great news for employers.

Not surprisingly, employees selected job security as the most important aspect of job satisfaction. Rounding off the list of the top five satisfaction contributors were benefits, pay, opportunities to use skills and abilities, and feeling safe in the work environment. This top five list is almost identical to the one for 2008.

The survey report also indicated factors that were the least connected to employees' overall job satisfaction. That list included an organization's commitment to a "green" workplace (depending on age group), networking, career development opportunities, and paid training and tuition reimbursement programs. Other major findings of the study that are not at all surprising were:

- Employees in organizations only somewhat affected by the current economic crisis were more satisfied with their jobs than employees in organizations greatly affected by the recession.
- The most common methods organizations used to measure and monitor job satisfaction were exit interviews, employee feedback from performance reviews, individual employee comments, tracking turnover, and conducting employee attitude surveys.

The results of this study indicate there are several steps an employer can take to monitor and maintain employee job satisfaction within their organization. These include:

- Conduct environmental scanning: gather and analyze data about the organization's external opportunities and threats that may affect the present or the future. Use this information to evaluate the mission/vision, and develop goals and plan for employees training and skill enhancement. Examples of external forces to examine include changing demographics, economic conditions, advances in technology, and increased global competition.
- Tap into available talent: the aging population and a shortage of highly skilled workers will greatly impact the workplace during the next decade. It will be more important than ever that organization's develop programs to motivate, develop, and boost employee skill levels. Programs for achieving this include cross-training and mentoring.
- Open the communication door: keep employees informed about what is going on in the organization, and help them understand the organization's business goals, policies, and vision. Companywide meetings, blogs, e-mails, and other electronic communication methods are all mechanisms for open communication. Employees work best when they have more information, so if your organization has been reluctant to share information about operations and financial status, it may be necessary to re-think this posture, especially as other organizations become more transparent.

It is critical that organizations build a strong foundation of HR practices and programs in order to promote job satisfaction and retain employees. Important building blocks for this foundation are staffing, performance management, compensation and benefits programs, and approaches to corrective action. Each of these contributes to a positive working environment, which is even more important given the current economy.

The SHRM survey report examined a total of 24 elements of employee job satisfaction. Others examined in the report included **career development** (advancement opportunities, professional growth, job-specific training), **relationship with management** (communication, autonomy for decisions, employee performance feedback and rewards, relationship with supervisor), **compensation and benefits**, and the **work environment** (job security, work ethics, co-worker relationships, the work itself). If you would like to read the full report, it is available for review in HR Answers' library.

MARKET TURNING???

Do you think the market is beginning to turn? Are there green shoots showing in your workplace? We at HRA have noticed a wee bit of movement. How can we tell, you ask? Well, when we start receiving an increased number of calls into our **HR Extras (HRE)** division, asking for helping with hiring or filling an HR position – then we know.

We have been receiving calls for temporary assignments and direct hire requests, as well as organizations needing help with open enrollment, PTO, and lengthy FMLA leaves.

In case you didn't know, HRE specializes in providing targeted recruitment and selection services. If you have an existing HR staff, we can help by taking on the *time consuming* process of one or multiple candidate searches. This will give your staff more time to focus on other pressing HR issues. If you do not have an HR staff, we can provide a complete recruitment service from start to finish. We can work on-site with you – or we can work remotely. The choice is yours. We will screen resumes, conduct reference checks, or handle the entire process and simply send qualified candidates to you. So, if the whole recruitment process is more than you want to handle, or if you just have a short term need for an HR person that calls for immediate action, give Lorry Christian in our HR Extras division a call at 503-885-9875. And here's hoping that green shoots are appearing in your organization.

OCTOBER 19 TO 25: DRUG-FREE WORK WEEK

The true essence of *Drug-Free Work Week* (now less than one month away!) is in activities conducted at the grassroots level to reinforce the importance of working drug free and encouraging individuals with alcohol and drug problems to seek help. A simple yet effective way to reflect this spirit—for any business, large or small—is to inform employees about available community alcohol and drug treatment resources.

Drug-Free Work Week is a dedicated time each year to highlight the benefits that drug-free workplace programs bring to employers, workers, and communities. It's also a time to work toward making every week a drug-free work week!

It spreads the word that **working drug free** works to...

- Prevent accidents and make workplaces safer;
- Improve productivity and reduce costs; and
- Encourage people with alcohol and drug problems to seek help.

According to recent research, it's a message that many workers need to hear.

- 75% of the nation's current illegal drug users are employed—and 3.1% say they have actually used illegal drugs before or during work hours.
- 79% of the nation's heavy alcohol users are employed—and 7.1% say they have actually consumed alcohol during the workday.

Drug-free workplace programs help protect employers and employees alike from the potentially devastating consequences of worker alcohol or drug abuse. Establishing policies, educating about the dangers of alcohol and drug use, deterring and detecting use, and urging people to seek help for alcohol and drug problems are smart safety strategies. They're also smart business strategies.

If your organization has an Employee Assistance Program (EAP) or Member Assistance Program (MAP), *Drug-Free Work Week* presents a perfect opportunity to remind workers of its availability and the types of services offered. But even if your organization does not have such a program, you can still share information about available help—through a hospital, local health department, or stand-alone substance abuse treatment center. Also, self-help programs, such as Alcoholics Anonymous and Al-Anon, are free and operate nationwide. Easy and anonymous ways to promote such resources include worksite displays, payroll inserts, printed flyers, internal newsletters, and your intranet.

Editor: Deborah Jeffries, PHR, CPC. Advantage is published monthly and is designed to provide information on regulations, HR practices and management ideas and concerns. The intended audience is managers, supervisors, business owners, human resource and employee relations professionals. If you have questions about the content, an opinion about the information, questions about your subscription, or if you need additional Advantage binders, please give us a call at (503) 885-9815 or e-mail djeffries@hranswers.com.

Drug-Free Work Week is a time to reinforce the importance of working drug free in positive, proactive ways. Educating employees about community resources that can help if they, or someone they care about, has an alcohol or drug problem is an important part of fostering a safer, healthier workplace and workforce. To get *Drug-Free Work Week* resources (<http://www.dol.gov/asp/programs/drugs/workingpartners/DFWW-introduction.as>) or learn more about how your organization can participate, select one of the following:

- [Drug-Free Work Week Tool Box](#)
- [Ideas for Individual Employers and their Employees](#)
- [Ideas for Associations and Unions](#)
- [Ideas for Community Coalitions & Neighborhood Organizations](#)

THOUGHTS TO THINK ABOUT

“The individual is the central, rarest, most precious capital resource of our society.”

- Peter Drucker

“Fear less, hope more, eat less, chew more, whine less, breathe more, talk less, say more, hate less, love more, and all good things will be yours.”

- Swedish proverb

“Keep away from people who try to belittle your ambitions. Small people always do that, but the really great make you feel that you, too, can become great.

- Mark Twain

“Be kind, for everyone you meet is fighting a hard battle.”

- Plato

“The game of life is the game of boomerangs. Our thoughts, deeds, and words return to us sooner or later, with astounding accuracy.”

- Florence Shinn

“Change your thoughts and you change the world.”

- Norman Vincent Peale

HR AND BUSINESS BY THE NUMBERS

As we regularly provide, here are some stats you can use – for budgeting, supporting initiatives, sharing with co-workers and the like.

IRS issues final rules on employer comparable contributions to HSAs. The Internal Revenue Service (IRS) issued final regulations providing guidance on employer comparable contributions to Health Savings Accounts (HSAs) under section 4980G of the Internal Revenue Code as amended by the Tax Relief and Health Care Act of 2006. The final regulations also provide guidance relating to the manner and method of reporting and paying the excise tax. These final regulations would affect employers who contribute to employees’ HSAs and Archer MSAs, employers or employee organizations that sponsor a group health plan, and certain third parties such as insurance companies or HMOs or third-party administrators who are responsible for providing benefits under the plan.

Under section 4980G, an excise tax is imposed on an employer who fails to make comparable contributions to the HSAs of its employees. These regulations became effective on September 8, 2009. The sections of these regulations that provide guidance on employer comparable contributions to HSAs under section 4980G apply to employer contributions made on or after January 1, 2010.

Health insurance premiums jumped 131% in past 10 years. Premiums for employer-sponsored health insurance rose to \$13,375 annually for family coverage this year — with employees paying \$3,515 on average and employers paying \$9,860, according to the benchmark “2009 Employer Health Benefits Survey” released by the Kaiser Family Foundation and the Health Research & Educational Trust (HRET). We think this is a BIG deal! The total expense is the same as a reasonably priced car every year!

Family premiums rose about 5% this year, which is much more than general inflation (which fell 0.7% during the same period). Workers’ wages went up an average of 3.1% during the same period, and they fell or remained static for many. Since 1999, premiums have gone up a total of 131%, far more rapidly than workers’ wages (up 38% since 1999) or inflation (up 28% since 1999). For the past few years, the annual rise in premiums has been a little more moderate than the double-digit growth experienced earlier this decade.

The survey found that 60% of firms offer health benefits to any of their workers this year. As in the past, the smaller the firm, the less likely it is to offer health benefits — with fewer than half (46%) of the smallest employers (three to nine workers) offering health benefits.

Among those firms offering benefits, 21% report they reduced the scope of health benefits or increased cost sharing due to the economic downturn, and 15% report they increased the employee's share of the premium.

The survey reveals that a growing number of employees who are covered by their employer are facing high deductibles in their plans, in addition to contributing to the premiums for their coverage. In 2009, 22% of covered workers have to pay at least \$1,000 out of pocket annually for single coverage before their plan generally will start to pay a share of their health care bills, up from 18% last year and 10% in 2006. This is an alarming rate of increase and it fuels the Healthcare Reform debate.

BLS: June 2009 employee compensation costs for employers. Employers spent an average of \$1.29 for employee retirement and savings plans for every hour worked in June 2009, the U.S. Department of Labor's Bureau of Labor Statistics (BLS) reported. This accounted for 4.4% of total compensation. Retirement and savings, which includes both defined benefit and defined contribution plans, is one benefit category included in the "Employer Costs for Employee Compensation" series, along with wages and salaries. Total compensation (wages and salaries and benefits) for civilian workers averaged \$29.31 per hour worked in June 2009. Wages and salaries, which averaged \$20.42, accounted for 69.7% of these costs, while benefits, which averaged \$8.89, accounted for the remaining 30.3%.

In addition to retirement and savings, the other benefit categories were: life, health, and disability insurance benefits, which averaged \$2.50 (8.5% of total compensation); legally required benefits, including Social Security, Medicare, unemployment insurance, and workers' compensation, which averaged \$2.28 per hour (7.8 %); paid leave benefits (vacations, holidays, sick leave, and personal leave), which averaged \$2.07 (7.1%); and supplemental pay which averaged \$.76 (2.6%). (Please note that mandated benefits are significantly impacted by state laws. In Oregon, they are closer to 11% of gross pay, and in Washington they are about 10% of gross pay.)

Retirement and savings costs increased, both in cost per hour worked and proportion of total compensation, with establishment size. Establishments with fewer than 50 workers averaged 49 cents (2.2%), significantly less than establishments with 500 workers or more, averaging \$1.92 (4.9%).

Survey: Majority of workers live paycheck to paycheck. Six-in-ten (61%) workers report they always or usually live paycheck to paycheck just to make ends meet, up from 49% last year and 43% in 2007. This is according to a new nationwide survey of more than 4,400 workers by CareerBuilder. Three-in-ten (30%) workers with salaries of \$100,000 or more report that they too live paycheck to paycheck, up from 21% in 2008.

Some workers are making ends meet by dipping into their long-term savings. More than one-in-five (21%) workers say they have reduced their 401(k) contributions or personal savings in the last six months to get by. Looking at workers earning six figures or more, a nearly equal number (23%) report that they have also reduced their 401(k) contributions or savings.

While some workers are tapping into their long-term accounts, others are having a hard time saving anything at all. More than one-third (36%) of workers say they do not participate in any programs such as 401(k), IRAs or retirement plans, up from 31% in 2008. In addition, one-third (33%) report that they don't put any money aside into their savings each month, up from 25% in 2008, while 30% set aside \$100 or less per month for savings and 16% save less than \$50.

We suggest that those responsible for HR talk with employees about their benefits and what would help them. Consider bringing in your 401(k) provider to talk with employees. Or your EAP or a financial planner who can assist may be a highly appreciated action.

OFFICE POOLS

It's a few weeks into football season and the conversations will begin shortly (if they haven't already) about football pools. It seems harmless enough, and even senior executives of the organization often participate. However, it is considered gambling, and there are a plethora of laws that prohibit such activities, even the simple little office football pool!

So before you plunk your dollar down, it's probably wise to think about some of the issues that could occur (probably won't, but you just never know who is going to be upset by what):

Winners and Losers – it seems obvious, but some people will win and some people will lose. If the losers already don't like the winners, this winning and losing feature can increase difficulties and further damage some troubled relationships.

Decreased Efficiency/Effectiveness – if your workplace is like most, there are certain people who are really competitive. They take every opportunity to win as a personal challenge and statement about their expertise. If your office pool has anything other than random luck associated with it, look out. The pool may be all that is needed to send those competitive souls into a frenzy of research, detracting from the work they are able to get done as they hunt for every tidbit of info that may give them an edge. Talk about lost productivity – this could be a major contributor.

Economic Hardship – at this point when some individuals are having a hard time making ends meet, having an office pool may further divide those who are more financially comfortable from those who are truly struggling. If one of the reasons to have a pool is to create a shared experience and camaraderie, then this may be exactly the opposite of what should be done.

The above points don't even address what IRS thinks about the person who gets the "winner take all" pool that rises to significant proportions.

So while pools can be fun, and even turn occasional sports watchers into rabid fans for a weekend or a big game, each organization has to determine its comfort with the risks. And please don't think you can just pretend it isn't happening...if it goes on in your organization, HR and the executives need to weigh the consequences of allowing this activity.

A WORD FROM THE WISE™ GET THE MESSAGE ACROSS BY STICKING TO YOUR SCRIPT

It's getting harder and harder for managers and supervisors to deliver the messages they want to employees. The complexity is increasing for many reasons, including the following:

- The increased impact of employment laws such as the Americans with Disabilities Act Amendments Act (ADAAA);
- Workforces consisting of more cultures and generations, with their own communication styles, tone, and terms;
- Organizations faced with their own tough business environment plus the impact of that environment on employee tension and fear.

Because of these effects, as well as others, management needs to be even more concerned with making sure that the message they want to send is received. Misuse of a certain term or creating a misunderstanding by not communicating in a manner received by the audience may not only fail to get the organization's message across, but actually create more employee relations issues. To reduce the potential of a message being misinterpreted or wrongly received, it's important that management consider scripting out the key points of the message. It doesn't take long, but sticking to a script benefits and protects the organization in many contexts.

Here's an example of how a message could lead to an unanticipated and unintentional problem: A supervisor is explaining that the organization has to reduce its workforce, so tells his employees...

"Due to budgetary considerations reflecting the current economic and business perspective and projections, operating expense reduction must occur. This will result in a workforce impact through layoff of personnel based on organizational evaluation of objectives and needs."

Now, your first question is probably, who really talks like that? Typically, it's a manager or supervisor who has been given specific instructions in what to say to reduce legal risks and leave options open, but convey the organization's planned steps. The problem is that while all of those objectives are good, the message gets lost. Instead of using big words and terms, focus on the message's objective first. Then, simplify a message to make sure that objective, or those objectives, are accomplished.

The second question is whether the correct terms are being used. As one example, the reduction in force message above calls the action a "layoff." This implies that employees who are laid off can expect to be recalled to work at some future point. If this is not what the organization anticipates, the message should be clarified to explain the action is actually a "termination" or a "separation from employment."

The same message referenced above could be effectively delivered in much simpler terms:

"Due to our business downturn and projections, we need to reduce our labor costs, so will be reducing our workforce."

This much simpler message gets the organization's key points across more effectively. The other consideration that scripting can effectively address is the employee relations aspects of the message. Scripting allows the manager to carefully choose then use words that convey the organization's concerns and regret for taking the action. For example, the message above can be slightly modified to:

"We regret to inform you that our business downturn and projections have led us to the regrettable conclusion that we must reduce our workforce in order to reduce labor costs in an effort to survive our current economy."

Notice that scripting allows the organization to pick terms that should recognize relationships, meet the audience at a level to which they can relate, and also cover the critical points of the organization's message. Can a manager accomplish the same thing without a script? Yes, the potential is there, but that potential is much more likely if the manager has a reference point for the key points in the message. And, the script can be followed by other managers, increasing the consistency and the credibility of the organization.

Consider scripting those messages that contain legal risk, convey a tough or specific message, or may create emotional response by the audience. Corrective action steps, issues related to an employee's personal situation, or messages that directly impact the audience are all candidates for scripting. The few minutes it takes to script the message out not only creates opportunity for more effective delivery, but also reduces the potential for needing to spend more time addressing employee reactions later on. Script it out!

AN UNPLEASANT SURPRISE (*H-1B*)

If your organization uses H-1B visas to bring talent into your operation, you could be in for an unpleasant surprise in the near future. The USCIS Fraud Detection and National Security Unit is making unannounced visits to organizations on the belief that some have committed fraud in their H-1B applications. It is believed that some organizations have not conducted the required market research and are not paying at the required level and that not all documentation is up to date and accurate. These violations can result in loss of the visa and fines up to \$36,000 plus back wages per inappropriately hired/paid employee. There is also a disbarment period that would prohibit any employer found to be at that level of violation to participate in the program for three years.

And the USCIS isn't the only organization that can conduct this audit. The Department of Labor or ICE could send out investigators that would examine the H-1B visas along with other HR practices and compliance requirements.

Organizations who participate in this program haven't seen many USCIS representatives in recent years, but with the perception that 21% of all H-1B visas are not appropriately handled, that is likely to change. Employers are advised to have or conduct a review to make sure that no paperwork, pay, or process violations exist before a surprise knock at the door occurs! And if you need help with the market research, let us know.

THE CEO CORNER

BY DONALD R. WALKER, CMC

THE MOST HATED TASK – PERFORMANCE REVIEWS

One task CEO's seem to dislike the most is the annual performance review of their direct reports. For some reason this becomes a very uncomfortable task for many, and one that they would like to avoid if at all possible. But by the same token, they all realize its importance. The reason it is disliked is that they are often using the wrong tools for the task. Over the years, HRA has seen some performance review systems that look like a grade school report card, some that review tasks totally irrelevant to the job functions or strategic goals, some that measure processes rather than outcomes, and on and on. Traditional performance measures are insufficient to measure performance and guide organizations in today's rapidly changing, complex economic landscape.

One of the most effective and popular tools for this purpose is the Balanced Scorecard (BSC), developed in 1992 by Drs. Robert Kaplan and David Norton of the Harvard Business School. The BSC is a measurement tool for strategic planning and performance measurement methodology. The goal is to tie business performance to organizational strategy by measuring results in four areas: financial performance, customer perspective, internal processes, and learning and growth. This is a tool that enables organizations to clarify their vision, effectively measure performance and successfully implement strategy. The balanced scorecard approach has within it the unique concept of "balance" in three areas:

1. Balance between financial and non-financial indicators of success
2. Balance between internal and external constituents of the organization
3. Balance between lag and lead indicators of performance

It must be noted that creating a strategy-focused organization is a significant and challenging culture change for many organizations. However, adopting the BSC enables them to clarify their vision and strategy and translate them into action. Some of the benefits from implementing a BSC system include:

- Increased organizational alignment
- Increased revenues
- Decreased costs

- Increased communications
- The ability to measure performance
- The ability to link performance to compensation
- The ability to align employee behavior with strategy
- The ability to make strategy decisions faster

Now back to the statement about the dislike for performance reviews by CEO's. One of the elements of the BSC system is self-evaluations by employees. Each employee is afforded and is expected to provide their supervisor with a self-evaluation of his or her job performance during the period of the review. The review is tied to all of the elements of the BSC.

The final question is how to get started with the BSC? First, become thoroughly acquainted with this system by "googling" the Balanced Scorecard subject. There are many sources and programs available for review. And of course, for professional assistance call on HR Answers.

IS IT A COLD, FLU, OR ALLERGIES?

Symptoms of a Cold	Symptoms of Influenza	Symptoms of Allergies
<ul style="list-style-type: none">• Sore throat• Sneezing• Stuffy nose• Watery to thick cloudy or white nasal discharge• Mild to moderate chest discomfort• A possible low grade fever• Mild body aches• Mild fatigue	<ul style="list-style-type: none">• High fever with chills• Headache• Extreme exhaustion• Severe body aches <p>12-24 hours later:</p> <ul style="list-style-type: none">• Sore throat• Sneezing, nasal discharge• Moderate to severe chest discomfort with a dry hacky cough	<ul style="list-style-type: none">• Stuffy sinus• Itchy nose and throat• Watery, itchy eyes• Sneezing, runny nose• Post nasal drip• Wheezing possible• Improve or worsen depending on where you are• Does not cause fever

Colds will develop one to three days after exposure to the virus. *They usually last five to seven days*, but can last up to two weeks. **They do not respond to antibiotics.** Ear infections and sinus infections are possible results following a cold. Care consists of rest, fluids, and acetaminophen or ibuprofen.

Influenza symptoms will last two to five days, with the exhaustion lasting up to two to three weeks. Complications are possible with secondary infections such as pneumonia, strep throat, or ear infections. Care consists of rest, fluids, acetaminophen or ibuprofen. A doctor should be seen if chest discomfort develops.

Allergies will last as long as there is exposure to the irritant. *Common irritants are smoke, pollens, dust, and pet dander.* Symptoms may be relieved with medications and removing the irritant.

What can be done to prevent illness? Wash hands frequently, especially after touching contaminated surfaces. Keep hands away from the face as much as possible. Use an alcohol based gel hand sanitizer between hand washing or if it's not possible to wash hands. Use a household cleaner that is both antibacterial and antiviral. Rubbing alcohol and bleach are effective against both. If a phone or computer are shared, clean the surfaces with alcohol wipes. Do not share cups or drinking glasses. Remember to cough into your arm or a tissue. Avoid sick people!

Side Note - H1N1. H1N1 is more than just a significant public health issue. It has the potential to affect virtually every aspect of our lives — from our economy to our security to our educational system. As such, it will take all of us working together and doing our part to mount an effective response.

That especially includes our business community. Employers play a key role in protecting employees' health and safety, as well as limiting the negative impact of the flu on our economy and society. This fall and winter, employers will want to take extra precautions so sick employees don't come to work and employees at work stay as healthy and productive as possible.

CLIENT ACCOLADES

Progressive Rehabilitation Associates is growing and adding to their patient service capacity with four new employees in the physical and occupational therapy departments. Specializing in the areas of chronic pain, work hardening, and acquired and traumatic brain injuries, **PRA** has been a leader in the field of rehabilitation medicine since 1986. Way to go, **PRA**, we know how valuable your services are to the community!!

And speaking of PRA, its Executive Director, **Gregory T. Smith, Ph.D.**, was just featured in the September 19th issue of *Portland Business Journal*. The executive profile that was done clearly shows a man of great commitment to our community and to those whose lives have been interrupted by pain, injury, and major trauma. Thanks, Dr. Smith, for your caring and compassion!

We offer our warmest congratulations to **William (Bill) Freemel, of Nana Management Services** on the acceptance of his article *Lessons Learned: My First Organization Development Intervention* by OD Seasonings, the OD Network's magazine. Way to go, Bill, we are very proud of you! Anyone wishing to read the article can access it here: <http://tinyurl.com/yda9c9a>

Congrats and Thank You to **Andrew McGough of Worksystems, Inc.** who shared his expertise with the Portland Chapter of SHRM during their luncheon meeting September 16th. He provided valuable information on the American Recovery and Reinvestment Act of 2009 and its potential impacts on employers, particularly as it relates to training and retaining employees. We appreciate you contributing your time and wealth of knowledge to our profession!

Congrats to **Jim Pittman** (Insurance Consulting Services, Inc.), a former client and friend of HRA, and **Todd Stucky** (Beech Creek Financial Group), a good friend of the firm, who were both featured in a recent article on key employee insurance in the *Portland Business Journal*. They are both highly professional advisors on insurance matters, particularly those that touch company executives. Nice going, guys!

STATE UPDATES

Washington State – Workers Comp Note. Workers' compensation premiums will increase by an average of 7.6%, or about 4 cents per hour worked, the state **Department of Labor and Industries** announced late September. That's significantly lower than early projections made by the department, which was more like an increase of **15% - 20%**.

L & I says a rate increase is needed for several reasons: Workers' comp funds now have weaker investment returns, there are fewer premiums because people aren't working as many hours, and there are fewer jobs for injured workers to return to.

As always, the proposed increase is an average for all employers. Individual companies may see rates go up and down depending on their own and their industry's claims history. It is believed that the increase would bring in an additional \$120 million.

The department will hold six public hearings around the state in October before deciding on final rates in late November.

Oregon - Health and Safety. Places of public assembly (facilities having 50,000 square feet or more) will soon be required to have automated external defibrillators, or AEDs, on site, and an employee certified to use the machine to be present when the place of assembly is open to the public.

This would include shopping centers, office buildings, sporting arenas, places of entertainment and amusement, areas where people await transportation, and other public places. Schools and places of worship are currently exempt from the requirement.

AEDs are portable electronic devices that use the application of electronic therapy to stop heart arrhythmia, allowing the heart to reestablish effective rhythm. The machines are designed to be used by laypersons who have received AED training, much like the CPR training many people receive.

This law is effective January 1, 2010.

FOR YOUR CALENDAR

Open up your Daytimers, computer calendars, Palm Pilots, and of course those Blackberries. The following is a look at upcoming events, special days and other diverse and fun activities you will want to be aware of and get scheduled. To register for our workshops, please call any of our offices, send an e-mail to Melissa Sambuceto at MSambuceto@hranswers.com, or simply register online at www.hranswers.com and click on the "Workshop Registration" tab at the top of the homepage.

OCTOBER

Apple, Blindness Awareness, Domestic Violence Awareness, Emotional Awareness, National Animal Safety and Protection, National Book, National Breast Cancer Awareness, National Crime Prevention, National Disability Employment Awareness, and Positive Attitude Month

Oct. 8 **Oregon Annual Payroll Conference**
8:00 a.m. – 4:30 p.m.
Keizer Renaissance Inn – Keizer, OR
Visit www.apaheartor.org to learn more

Oct. 12 Columbus Day

Oct. 16 National Boss Day

Oct. 24 Make a Difference Day

Oct. 28 National Chocolate Day (Yum!! We will be celebrating this one!)

Oct. 31 Halloween

The Commerce Company is offering programs this fall that are likely to be of interest to HR professionals:

Oct. 15 **Communicating with Employees: Handbooks, Intranets, even Twitter**
Presented by Judy Clark, SPHR, President, HR Answers, Inc.

Oct. 29 401(k) Plan Testing: The Never Ending Story
Presented by Paul Hattwig, OKA, Premier Retirement Services, Inc.

Nov. 12 Cut the Costs, Keep the Benefits: Leveraging Plan Premiums
Presented by Eric Graham, President, Montgomery & Graham

Programs will be held from 11:30 a.m. - 1:00 p.m.

Cheatham Hall | World Forestry Center | 4033 SW Canyon Rd | Portland

\$12 per session if payment is received/postmarked by August 1st

To register, visit www.thecommco.com, call (503) 203-8585, or email CommerceConcepts@thecommco.com

ON MY SOAPBOX

This month's offering for your review, and hopefully your edification, is a couple of items and observations that have absolutely no relationship to one another. There might even be a personal opinion or two sprinkled in...

About the healthcare reform debate: I can't help but smile as I hear some of the Senators, Representatives, and "talking heads" discuss some of their concerns and impressions about the different approaches to healthcare reform. While some of it is far from ha-ha funny, the hyperbole and inaccuracy about the options and perspectives are often expressed in "humorous" ways. First, there is the statement that "we don't want government-run healthcare." The fact is that we already have **LOTS** of government-run healthcare. Think about Medicare, Medicaid, the VA, and all of the healthcare that's provided to our troops and their families. That is all government-run healthcare! And more importantly, the majority of people covered by those plans feel that they are well served by the programs. So whatever they do or whatever the end result of the legislative effort is, it will **NOT** be the beginning of government-run healthcare.

The second statement that I can't help but shake my head about is, "They're going to ration healthcare and that's not OK," or some such comment. Again, I want to say something like, "You're kidding! Do you not know that we already 'ration healthcare' in a number of ways?" There are the restrictions on donor recipients based on pre-determined criteria. Any person not meeting the criteria won't be added to the transplant list. That's rationing. There are payment restrictions on a host of procedures and drugs that are labeled "experimental." That's rationing. There are drug formularies that restrict what drugs are available based on what insurance plan provides your coverage, etc. Those are limitations that could be referred to as rationing. And, really, we don't have to go further than the priority list for H1N1 shots, which dictates who gets vaccinated and who doesn't, to see that "rationing" already is in place regarding healthcare.

I am not advocating for any particular position. I just wish that we could focus the discussion and decision-making on the facts, on the reality of what currently is and isn't, not the emotions and exaggerations that seem to make up most of the dialogue around this subject.

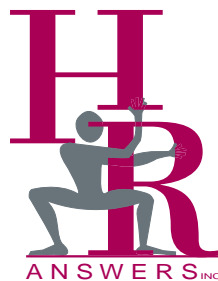
"False Precision": I recently became familiar with this term and as is true with so many things, once you discover something, you then see it everywhere. False precision is a term that means that the information (usually a number or the result of a calculation) conveys a greater specificity or accuracy than is actually true. One of the best examples of this that has been written about is the Museum Curator who tells people a large Mammoth in a display is 70 million and six years old. That's a very specific number. The way he arrived at this piece of information is that he was told that the Mammoth was 70 million years old when he came to work for the Museum six years ago, so now it must be 70 million and six years old. His number conveys a level of accuracy that may actually differ from the age of the Mammoth by a significant number of years. The 70 million was likely a generalization, but he turned it into a specific; hence, false precision.

Now I am seeing lots of opportunities to question or be more critical of information. One of the most intriguing – and it always comes up at this time each year – is the data about how much pay will change for the next year. There are varying results from a host of surveys. Each survey solicits data from a particular number of companies or organizations and reports the findings. The results vary widely depending on the specifics asked and the organization surveyed. The resulting numbers are presented as a credible forecast of what will be done. And they are, but only for that limited population. The results can be presented in a fashion that is so definitive that it would be easy to fall prey to the belief that the numbers are instructional and that they should be taken as guidance (or gospel) for 2010. But that might be a case of false precision – not that the numbers aren't accurate for who they surveyed, but that the results are what all organizations should utilize for their compensation plans for 2010.

So closely examine the population of a survey and ask how much that data really relates to your organization. There will be lots of numbers, but don't let yourself be swayed by the fact that the number is printed. Look behind it and ask if it is complete, if it is meaningful to your organization, if you need more information to feel as though you understand what is likely to occur next year.

These are just two thoughts for your consideration; now I feel better that I wrote them.

- Judy Clark, President



"Whatever the Question"

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