



Human Resource and Management Services

January 2007

HUMAN RESOURCE EXCHANGE

Human resource issues and topics impacting employers

◆ FROM CCH NETNEWS ◆

“IRS announces 2007 standard mileage rates”

The Internal Revenue Service, on November 1, issued the 2007 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning January 1, 2007, the standard mileage rates for the use of a car (including vans, pickups or panel trucks) will be:

- 48.5 cents per mile for business miles driven;
- 20 cents per mile driven for medical or moving purposes; and
- 14 cents per mile driven in service to a charitable organization.

The primary reasons for the higher rates were higher prices for vehicles and fuel during the year ending in October.

“Law firm’s Real Estate Closers not exempt”

Real estate Closers who worked for a law firm for more than 50 hours every week were not exempt administrative employees as a matter of law. They were responsible for preparing documents prior to closings, overseeing and attending closings, distributing checks at the closing and completing documents after the closings, but this was production, not administrative work.

The Closers' work was not directly related to management policies or general business operations...and denied the employer's motion for summary judgment. The closers applied policies, they did not craft them.

◆ FROM CCH HR MGMT ◆

“Workers’ Confidence is at All-Time High”

More than 80% of American workers predict there is little or no chance they will lose their jobs in the coming year. This marks an all-time high for American workers' confidence in their job security for the four years that Right Management has conducted its Career Confidence Index.

Furthermore, more employees than ever in the history of the survey—22.8%—feel it would be easy to find a similar job at the same pay if they were laid off.

Still, three-quarters of respondents—75.3%—said it would be somewhat or very difficult to find a similar job at the same pay if laid off.

◆ FROM HR COMPENSATION & BENEFITS ◆

“Heed the Legal Risks of Pound-Shedding Programs”

It seems all the rage these days: more employers launching incentive programs to entice employees into healthier live styles.

Examples: Freedom One Financial Corp., based in Michigan, offers a free trip to any employee who meets one of three weight challenge goals. To win, employees must shed 25 pounds, lose 15% of their body weight or reduce their body fat by 15%.

The problem: More employees are being required to disclose sensitive information about their health and medical histories, or even dangerous behaviors, such as reckless driving, alcoholism or drug use. The worry is that these records may be used to discriminate against employees.

Bottom line: Employee wellness programs are prone to legal tangles that require careful monitoring. Use these five guidelines to shield your program from trouble:

1. Keep it voluntary.
2. State your purpose.
3. Reward, don't penalize.
4. Check state laws and comply.
5. Keep medical data secure.

◆ EDITOR'S NOTE ◆

This past year saw many situations that continue to baffle and make us wonder “What were they thinking?”

However, in spite of these bizarre situations, most of our clients experienced success. In fact, many experienced success that exceeded their expectations. Unfortunately,

with growth and success also bring incidents in which employees get offended, angry, or even hostile.

So as our clients became successful, HR&M also had a very successful year. Not only were we able to help our clients with continued unique situations, but we were also able to help them better prepare for the years to come by offering guidance, education, and training on virtually all aspects of human resources.

So to all of our clients, a very special thank you and a wish for continued success! For future clients, we encourage you to visit our website to learn more about how HR&M can benefit your organization's success and growth.

◆ **FROM EMPLOYMENT LAW** ◆
"The Family Medical Leave Act"

Q. Two, years ago, an employee took FMLA leave when he became a foster parent. Now, he is adopting the child. Does he get another 12 weeks?

A. No. The entitlement to FMLA leave for "the placement ...of a son or daughter for adoption of foster care" refers to a "newly placed child." In this scenario, the child is newly placed at the time of the foster care placement. Therefore, the adoption would not be a qualifying event.

◆ **A REAL LIFE SITUATION** ◆

Situation: A salaried exempt employee had been absent on a number of Monday's and Friday's, and so the company decided to penalize the employee by preventing her from receiving incentives that normally are paid due to meeting certain standards.

The company advised the employee of the new policy and the employee threatened to hire an attorney. The company then wondered if they were handling this situation correctly.

Observation: There are two issues that are being put into the mix. The only real issue is attendance. Regardless if the employee is hourly or salaried or exempt or non-exempt, an employee's attendance problem can be cause for discipline or termination.

However, to withhold money, or to cut someone's pay, or to prevent an employee from earning incentives that have been earned will only cause potential Wage & Hour violations.

Although the law was revised recently to allow employers to send employees home for disciplinary reasons, the rules of how incentives are earned need to be spelled out very

clearly and at the time of hire or at the earliest possible time before going into effect.

More appropriately, attendance, needs to be addressed in terms of dependability and reliability and progressive discipline needs to be implemented.

As with all situations in the human resource arena, focusing on the correct issue will make the action plan more effective and less dangerous to the company.

FEATURED SERVICE

Leading and Motivating Today's Employees: A New Approach

Besides having four generations of employees in the workplace for the first time ever, other challenges face employers on how to lead and motivate in today's world.

These challenges are brought on not only by someone's age, but also how they were raised by a divorced parent, grandparent, or non-traditional family; how the schools lost their ability to discipline; how society is creating a 'no one loses' society in which everybody gets a ribbon or a trophy; and how horrendous acts of violence no longer shock us.

So with these challenges, if we are to lead and motivate others, we first need to look at ourselves.

This is what HR&M can present to your management and supervisory staff. And by knowing all of these differences and being able to understand and work with these differences, you can give your organization the competitive edge.

Contact HR&M for additional information.

◆ **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, from creating to updating
- responses to discrimination charges and unemployment claims
- on-line performance review forms and processes
- guidance on coaching, counseling, and disciplining in employee relations matters