MAY 4, 2011 / ISSUE NO. 722

CCH
Human Resources Management
Ideas & Trends
A CCH PUBLICATION

VETERAN EMPLOYEES

Get veterans in the door and keep them there

Emily King, president of Military Transitions™ (www.militarytransitions.biz), and a nationally recognized expert on the transition from military service to civilian employment, participated in the following interview with CCH, a Wolters Kluwer company.

CCH: Should veteran employees be recruited differently than non-military personnel? If so, how?

King: Yes. Veterans leaving the military for civilian employment have never had to interview for a job before. They haven't had to translate their work experience into civilian terms and roles, or to overtly promote their own interests. As a result, they are often not as polished or prepared as the career civilian applying for a job.

To tap into their considerable talent, civilian recruiters need to prepare differently for the interview and hiring process. Specifically, they need to:

- Learn to translate a military resume, and/or find resources to help them translate;
- Assess cultural fit by articulating in concrete terms what it is like to work for their organization on a day-to-day basis; and
- Avoid misinterpretation and miscommunication by making the implicit explicit.

In other words, set aside assumptions about what the veteran can or should understand about the civilian recruitment process.

CCH: What laws do employers need to keep in mind when recruiting veteran employees?

King: Certainly the Uniformed Services Employment and Re-Employment Rights Act (USERRA). Also, employers may need a refresher on ADA guidelines if they plan to recruit Wounded Warriors. Unless they recruit from a source specific to that population, in which both the employer and the applicant understand the transparency around injured status, they cannot inquire about combat injuries, treatment, etc. They can inquire about what, if any, accommodations might be needed to complete the recruitment process, but that's about it. Other applicable laws include:

- Veterans with some form of security clearance and/or access may be prohibited from working directly with the military or government as civilians (*e.g.,* the military officer who retires and joins a defense contracting firm).
- The Federal Acquisitions Regulation (FAR) limits employers from recruiting active-duty service members.

continued on next page

AGENCY BUDGETS

DOL's wage and hour enforcement budget bucks the trend by requesting a funding *increase*

While Congress and the Obama Administration take turns proposing one budget cut after another, the budget proposal from the Department of Labor's (DOL) Wage & Hour Division (WHD) strongly bucks the budget axe trend, according to Reid Bowman, Esq., General Counsel, ELT, Inc. In this proposal, the DOL has requested an increase to its number of Wage & Hour enforcement personnel, seeking to add 107 new Inspectors (see page 9 of the DOL's report).

In its justification for the increase, the DOL states:

"To support the Department's theme of expanding efforts to deter and detect worker misclassification WHD proposes an increase of 107 FTE and $15,223,000 as part of an initiative to detect and deter the inappropriate misclassification of employees as independent contractors and strengthen and coordinate Federal

continued on page 36

INSIDE

Wolters Kluwer
Law & Business

VETERANS

continued from front page

CCH: What are some good resources for recruiting veterans?

King: *The following list comes from "Field Tested," by Emily King, AMACOM, © 2011. It will be published in November, 2011.*

1. Post jobs on relevant online sites such as:

- www.vetsuccess.gov (U.S. Department of Veterans Affairs)
- www.hirevetsfirst.dol.gov (U.S. Department of Labor)
- www.careeronestop.org (U.S. Department of Labor)
- www.military.com (Monster.com)
- www.gijobs.com (G.I. Jobs Magazine)
- www.taonline.com (Transition Assistance Online)

2. Participate in job fairs geared towards service members, such as:

- military.nationalcareerfairs.com
- www.corporategray.com
- www.sacc-jobfair.com (Service Academy Career Conferences)
- www.hireheroesusa.org (for Wounded Warriors)

3. Connect to organizations chartered to serve veterans and employers, such as:

- Veteran's Employment & Training Service (dol.gov/vets)
- Employer Support of the Guard & Reserve (esgr.org)
- Marine For Life (m4l.usmc.mil)
- Local military base offices of transition
- The Wounded Warrior Project (woundedwarriorproject.org)
- Vocational Rehabilitation & Employment Service (vba.gov/bln.vre)

4. Advertise in publications geared to past and present service members, such as:

- G.I. Jobs
- Military Times
- Military Times Edge
- Stars & Stripes

5. Solicit referrals from existing employees with a military background — there's nothing better than word-of-mouth when it comes to reaching candidates who could be a fit with your organization.

CCH: Do you have any best practice tips for how veterans should be recruited?

King: The best way is for them to find you rather than you going out to find them. This happens when your organization is branded in the market as a veteran-friendly employer. This occurs over time, as you successfully onboard and retain veterans.

> **"Military Transitions™ has consistently found, through extensive research and experience, that the single greatest challenge for employers and HR is the steep cultural learning curve veterans encounter as civilians."**

CCH: Why is it important for HR to focus at least some of it's recruiting efforts on veterans?

King: It takes time to learn to translate between cultures, and effort to cultivate new sourcing channels for job candidates. It needs to be more about building relationships than the average recruiting approach, which can be transactional. Recruiters who focus on military hiring develop their own type of expertise that has strategic value to their organizations. Human Resources should be provided with tools and training. For example, Military Transitions™ is hosting a two-day intensive called "HR Essentials for Recruiting and Retaining Veterans" in the DC area in September. These types of opportunities exist. You just need to be willing to look for them.

This is important because transition issues often show up as performance issues or employee relations issues and are best handled with insight to the military context. The impact on retention, return on investment (ROI) and organizational risk can be significant.

CCH: What is the most important thing employers and HR should keep in mind when dealing with veteran employees?

King: Military Transitions™ has consistently found, through extensive research and experience, that the single greatest challenge for employers and HR is the steep cultural learning curve veterans encounter as civilians. The military does not teach them about what it takes to be successful outside of the military environment, and most corporate new-hire training focuses on information specific to the organization. This leaves a big gap in the veteran's understanding of how work gets done in the civilian workplace. As a result of the gap, learning happens on the job in real-time, where stakes and risk can be high.

CCH: And when it comes to veteran employee retention, is the process different than retention strategies aimed at non-military personnel?

King: Yes and no. Yes, the process is different because the military is a paternalistic culture that values "taking care" of its members. Therefore, managers are hands-on, involved in the success and welfare of their troops at work and at home (since the military is a 24/7 operation). Veterans enter the civilian organization expecting this high-touch approach from managers and

continued on next page

Human Resources Management Ideas & Trends

Managing Editor
Heidi J. Henson, J.D.

Contributing Editors
Deborah Hammonds, J.D.
Joy Waltemath, J.D.

HUMAN RESOURCES MANAGEMENT—Ideas & Trends (USPS 680-810)(ISSN 0745-0613), a CCH editorial staff publication, is published monthly by CCH, a Wolters Kluwer Business, 4025 W. Peterson Ave., Chicago, Illinois 60646. Periodicals postage paid at Chicago, Illinois, and at additional mailing offices. POSTMASTER: SEND ADDRESS CHANGES TO HUMAN RESOURCES MANAGEMENT—IDEAS & TRENDS, 4025 W. PETERSON AVE., CHICAGO, IL 60646. Printed in U.S.A.

are easily (and often) disappointed. For this reason, retention begins with calibrating the veteran's expectations, and preparing managers to be and stay engaged with staff.

This leads to the "no" part of my response, because managers should be and stay engaged with all staff, regardless of military background or not.

CCH: Do you have any best practice tips for veteran employee retention?

King:

- Appeal to their sense of mission by putting their work in broader context (*e.g.,* helping clients, solving problems, raising money for good causes).
- Invite them to contribute as much of their skill set as possible, to leverage their full military experience rather than limit them to what they did in their most recent tour of duty.
- Sponsor an employee resource group (ERG) for veterans and reservists as a way of creating community and peer-to-peer learning.
- Over time, engage them in mentoring and supporting other military new hires. It will show that you appreciate their lessons learned and unique ability to help with the onboarding process.
- Recognize Veterans Day and Memorial Day, even if only in small ways, to demonstrate respect and appreciation for their service.

CCH: Armed with all of this information, where should HR go from here? What's the first step?

King: Training and development professionals are uniquely suited to ease transitions and help veterans to become engaged, productive, and growing professionals in the workplace. Here are my tips, which were originally published in the April issue of *ASTD's Training and Development (T&D) Magazine*, to help make a measurable impact on the productivity and retention of veterans:

1. **Prepare.** Educate yourself about the most common pitfalls and success factors experienced by veterans in civilian organizations, and how to set the stage for success. Explore the range of accommodations for veterans with disabilities, and demystify the challenges.
2. **Connect.** Ask veterans to describe what it was like to be a new employee at your (or any) company, and ask line managers to describe their experiences managing veterans. Document what you hear, and look for patterns that can be addressed through a learning solution. In addition, you should personally connect with military new hires from day one. In fact, volunteer to be the one to greet them at the door — to translate, answer questions, make suggestions, and most importantly, be a helpful colleague that the new hire can reach out to in the coming days, weeks, and months. You can also launch an employee networking group for veterans to share their experiences and help each other throughout their tenure.
3. **Manage.** Learn to distinguish a performance issue from a transition issue. Provide training, coaching, and other resources to the veteran as part of the onboarding process to establish context and support.

The most important thing you can do, however, is *something.* Anything. It is easy to feel overwhelmed by all that could be done, and it can immobilize us from taking a first step. It's often said that the great can be the enemy of the good. In this case, *everything* can be the enemy of *anything*. ❑

For more on the subject of recruiting veterans, check out ¶265 in the HR Practices Guide Explanations. And, did you know that some "qualified veterans " are eligible for the Work Opportunity Tax Credit? For more information, see the HR Practices Guide Explanations ¶377.

Is a recently reemployed veteran protected from discharge despite threats of sabotage?

HR Quiz

Issue: *Raymond returned to work following military leave. Now, three months later, his supervisor is in your office wanting to fire Raymond because of threats he's been making concerning the sabotage of company records. If you terminate Raymond, will that violate the Uniformed Services Employment and Reemployment Act of 1994 (USERRA)?*

Answer: No. Raymond may be lawfully discharged because threats of sabotage are a sufficient reason for dismissal. Under USERRA, cause for discharging a reemployed veteran exists if the two following criteria are met: (1) it is reasonable to discharge the employee for the conduct in question; and (2) the employee had notice, express or fairly implied, that the conduct would be grounds for discharge.

Generally, once reemployed, an employee who has been on military leave is protected from being discharged, except for cause: for one year after the date of reemployment if the person's period of military service was for 181 days or more; or for six months after the date of reemployment if the person's period of military service was for 31 to 180 days.

The purpose of this special protection is to ensure that returning service members are given reasonable time to regain civilian skills and to guard against bad faith reinstatement. It is the employer's responsibility to show that it had a sufficient reason to discharge a service member within the protected period following his or her reemployment.

Source: *CCH When Duty Calls; Military Leave and Veterans' Rights.*

DOL BUDGET

continued from front page

and State efforts to enforce labor violations arising from misclassification.... The requested funding level will allow WHD to employ approximately 1,200 investigator FTE — approximately 15 percent more than employed at the FY 2010 level. The sum total increase in staffing will enable the agency to continue to provide customer service to complainants, to expand complaint investigations to address industry-wide or corporate-wide compliance issues and to conduct a higher number and percentage of directed investigations targeted at misclassification issues" (pages 19-20 of the DOL's report).

Employers hoping that the wage and hour litigation crisis would finally start to ease need to buckle their seatbelts. 2011 looks certain to bring increased enforcement and more lawsuits. Indeed, recent statistics show that over 91 percent of all employment related class actions filed in the first three months of 2011 were wage and hour related. While claims in the past have focused on off-the-clock work and failure to pay overtime, it appears that the DOL will now also be focusing on employers' use of independent contractors.

It's critical that organizations review their use of independent contractors, and work with counsel to ensure compliance with both state and federal laws. Of course a review of all your other wage and hour and pay practices is extremely important as well. These misclassification claims will not replace other wage and hour compliance challenges. They are simply another piece of a litigation pie that is continuing to grow as a whole.

Smart employers use several actions to keep the DOL from knocking on their door regarding pay practice issues. These employers are reviewing their pay practices and procedures to ensure they are fully compliant. In addition, employers increasingly are asking their non-exempt employees to certify that their time records — particularly their meal periods deductions — are fully accurate.

Finally, one of the most effective solutions to both prevent wage missteps, and to help establish a robust litigation shield, is regular wage and hour training for all employees and managers. Time and again we see that most workforces are truly lacking some of the most basic knowledge to keep them out of the crosshairs of the DOL, state enforcement agencies, and the plaintiffs bar. Managers are often unaware of the organization's most basic pay policies (such as rules prohibiting docking pay, improperly altering time cards, and granting comp time). And with managers being ill informed, employees also are often in the dark, not knowing, for example, that they aren't supposed to "volunteer" any time by working off the clock, and don't know what to do if they work during a lunch period.

Training should focus on your organization's critical pay practice policies, such as meal and rest breaks, working time, and prohibitions against off the clock work. To be truly effective, this training must make sure that employees comply with both federal wage and hour law and applicable state law requirements (which often can be more restrictive than federal laws). Finally, this training must be ongoing; most organizations we see conduct this training at the commencement of employment and then again every one to two years.

Wage and hour training is a great step to help keep your organization out of the crosshairs of the DOL, state enforcement agencies, and the plaintiffs bar. ❑

Source: *Reid Bowman, Esq., General Counsel, ELT, Inc, specialists in ethics and workplace compliance training; elt-inc.com.*

Organizations making greater use of independent contractors

As many as 41 percent of employers have used more independent contractors over the past two years, according to an online survey of 430 senior human resource executives conducted by Right Management. When asked if their organizations had seen an increase in the use of independent contractors in the last two years, 41 percent of respondents said yes.

"Nearly all companies are re-examining their talent management practices in order to align their workforce with their business strategy," Michael Haid, Right Management's senior vice president for talent management. "This has required a behavioral shift that includes the greater flexibility afforded by independent contractors. Many of the contractors eventually become full-time employees. But just as many prefer their independence and organizations must accommodate the goals of these workers to stay competitive in the marketplace and attract the best and brightest talent available."

The increased use of independent contractors creates legal compliance concerns, cautioned Neil Alexander, co-chair of the Contingent Workforce Practice Group of Littler Mendelson, a national employment and labor law firm. "Many firms haven't taken precautions to help limit the likelihood that a government auditor or court will determine such workers have been misclassified. Taking the time to design a workforce model in advance can reward productivity, lower overall labor costs, and help avoid findings such workers have been misclassified. The penalties, interest, and uncompensated overtime can add up very quickly," he said. Survey respondents were also asked if their organization had seen an increase in flexible working practices over the past year. Twenty-three percent said "Yes, a lot," and 54 percent said "Yes, somewhat." Only 22 percent said no.

Haid advised that such HR policies and practices are on the increase. "These might be more flexible work hours, telecommuting, or even a greater use of temporary or contingent workers for specific projects or short-term assignments." ❑

VETERANS

Proposed VEVRAA revisions would require numerical targets for veterans, increase data collection obligations

The first major changes since 1976 to the regulations regarding federal contractors' responsibilities with respect to affirmative action, recruitment, and placement of veterans was proposed by the OFCCP in the April 26 *Federal Register*.

In a Notice of Proposed Rulemaking published on Tuesday, April 26, the OFCCP proposed to revise its regulations implementing the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA). VEVRAA requires specified government contractors and subcontractors to "take affirmative action to employ and advance in employment" covered veterans. The proposed rule would amend the agency's VEVRAA rules at 41 CFR Parts 60-250 and 60-300. It would require contractors — for the first time ever — to establish annual hiring benchmarks to assist in measuring the effectiveness of their affirmative action efforts and would increase data collection requirement on job referrals, applicants and hires.

The proposal also would clarify mandatory job listing requirements, under which a contractor must provide job vacancy and contact information for each of its locations to an appropriate employment service delivery system. It would also require contractors to engage in at least three specified types of outreach and recruitment efforts each year. In addition, the rule would require that all applicants be invited to self-identify as a "protected veteran" before they are offered a job.

Benchmarks

The proposed benchmarks would be expressed as the percentage of total hires who are protected veterans who the contractor seeks to hire in the following year. They would be established by the contractor using existing data on veteran availability, while also allowing the contractor to take into account other factors unique to its establishment that would tend to affect the availability determination. The proposed rule would require that the contractor consult a number of different sources of information, which, according to the OFCCP, will be made readily available to the contractor in establishing hiring benchmarks. These sources would include:

It would require contractors — for the first time ever — to establish annual hiring benchmarks...

1) the percentage of veterans in the civilian labor force, tabulated by BLS and published on OFCCP's website;
2) the raw number of veterans who were participants in the state employment service in the state where the contractor's establishment is located, which will also be published on OFCCP's website;
3) the referral ratio, applicant ratio, and hiring ratios as expressed in the proposed Part 60-250.44(k);
4) the contractor's recent assessments of the effectiveness of its external outreach and recruitment efforts, as expressed in the proposed Part 60-250.44(f)(3); and
5) any other factors, including but not limited to the nature of the contractor' job openings and/or its location, which would tend to affect the availability of qualified protected veterans.

Possible rescission of Part 60-250

The VEVRAA implementing regulations found at 41 CFR Part 60-250 apply to contracts of $25,000 or more entered into prior to December 1, 2003. The regulations at 41 CFR Part 60-300 apply to government contracts of $100,000 or more entered into, or modified, on or after December 1, 2003. In the NPRM, the OFCCP proposes two alternative approaches to the regulations at Part 60-250: (1) rescind part 60-250 in its entirety; or (2) a revised part 60-250 that mirrors the changes that have been proposed to part 60-300. The rescission approach is based on the OFCCP's belief that unless special excepted contracts exist, contracts covered exclusively by part 60-250 would have expired by December 1, 2008. However, to ensure that it does not inadvertently deprive protected veterans of their VEVRAA rights, the OFCCP is seeking comment from the public as to whether any contracts that are covered by part 60-250 still exist. In the event that contracts are discovered that do fall under Part 60-250's coverage, the OFCCP will not rescind Part 60-250, but will instead revise Part 60-250 to mirror the proposed changes to Part 60-300. A section-by-section analysis of the second alternative is included in the NPRM.

"At the Labor Department, we support veterans as they seek meaningful ways to apply their talents to expand the American economy," said OFCCP Director Patricia A. Shiu in a statement issued April 25. "By re-examining our affirmative action requirements, we will ensure that our nation's veterans are protected against discrimination and provided equal opportunity in the workforce." Increasing numbers of veterans are returning from tours of duty, Shiu noted, and many are faced with substantial obstacles in finding employment upon leaving the service.

The OFCCP sent the NPRM to the OMB on July 2, 2010. After an extended review period, the OMB approved the rule on March 30. Comments on the NPRM are due by June 25, and may be submitted via the federal e-rulemaking portal at http://www.regulations.gov. ❑

ARBITRATION AGREEMENTS

Hollywood drama should remind employers of importance of maintaining a well-drafted arbitration agreement

With the recent controversy surrounding Charlie Sheen and his termination from the television show, "Two and a Half Men," much light has been shed on the issue of arbitration agreements. Sheen, who filed a $100 million lawsuit against Warner Bros. upon his termination, wanted the proceedings to be held in front of a jury rather than adjudicated privately by an arbitrator as dictated in the agreement. Due to the sound nature of Warner Bros. arbitration agreement, however, Sheen's request for an emergency restraining order to get an injunction against the arbitration was denied by a judge.

The judge's ruling in favor of the employer illustrates the significance of having a thorough and well-written arbitration agreement. Unfortunately, due to the complex nature of arbitration agreements — and requirements that vary by state — it can be easy for employers to become ensnared with the details of the agreement.

"The situation surrounding Charlie Sheen is a perfect example of how a valid arbitration agreement can and should be enforced," says Tamara Devitt, managing partner at the Los Angeles office of Fisher & Phillips LLP. "However, there are several pitfalls that could undermine an otherwise valid arbitration agreement, and unwary employers can get trapped."

While the rules vary from state to state, Devitt recommends erring on the side of caution and complying with the most stringent requirements — such as those required in the state of California. Devitt offers the following guidelines for employers to help them avoid common pitfalls when drafting arbitration agreements:

1. **Employment arbitration agreements should not limit remedies.** When an employment dispute arises, employees often claim the arbitration agreement they signed at the beginning of employment is "unconscionable" in order to avoid binding arbitration. Any provision limiting damages could be considered one-sided and gives an employee a chance to invalidate their agreement, so employers should not limit remedies in arbitration agreements.

The judge's ruling in favor of the employer illustrates the significance of having a thorough and well-written arbitration agreement.

2. **In some states, the employer must pay for the cost of arbitration.** Some states like California, where Charlie Sheen's agreement was drafted mandate that employers cannot require employees to bear any expense that they would not otherwise be required to bear had they elected to bring the action in court. As a result, the agreement should not require the employee to pay for costs that are unique to arbitration, including arbitration forum costs. Depending on the nature of the case, arbitration may be less expensive because generally the proceedings are simpler and there typically is no appeal. Employers should be sure to work with legal counsel that specializes in their state's specific arbitration agreement guidelines.
3. **There must be a neutral arbitrator.** A stringent code of ethics regarding neutral arbitrators in contractual arbitration is essential. Arbitrators should serve impartially, whether selected or appointed, in adjudicating employment disputes. Maintaining impartiality during all stages of the arbitration is imperative to upholding the integrity and fairness of the process, and the presence of a neutral arbitrator ensures a valid and secure arbitration agreement.
4. **A written arbitration award should be required.** The rules of the American Arbitration Association state that for employment cases, there should be a written award unless the parties agree otherwise. A written award helps to show that the decision is justified and that it should not be invalidated, in the event a party attempts a post-award challenge to the outcome of the arbitration.
5. **The agreement must provide for adequate discovery.** The denial of adequate discovery — or a pre-trial investigation for truth — may violate an employee's rights. Both the employee and employer are entitled to discovery as provided in the agreement, such as requests for necessary documents, land inspections and subpoenas. A lack of specific discovery procedures in an arbitration agreement may not necessarily be fatal to the case; but the agreement should contain specific provisions to allow for an adequate discovery and investigation, such as depositions.
6. **Know which items cannot be compelled to arbitration.** Certain matters, such as worker's compensation and National Labor Relations Board disputes, cannot be compelled to arbitration. Knowing the items excluded under arbitration agreements can help employers avoid common errors when drafting the agreement. ❑

Source: *Fisher & Phillips LLP; www.laborlawyers.com.*

Additional guidance on the subject of designing arbitration policies can be found at ¶3037 in the Human Resources Practices Guide Explanations.

ARBITRATION AGREEMENTS

Supreme Court protects against abuse of class actions

In a consumer case with broad implications for the arbitration of employment disputes, the US Supreme Court ruled that the Federal Arbitration Act preempts states from prohibiting enforcement of arbitration agreements that bar classwide arbitration of disputes (*AT&T Mobility LLC v Concepcion,* Dkt No. 09-893, April 27, 2011, Scalia, A). In a 5-4 decision, the Court reversed a Ninth Circuit holding that a class action arbitration waiver in AT&T Mobility's wireless service agreement was unconscionable and unenforceable under California law. In a majority opinion authored by Justice Scalia, the Court held that California's law "stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress" in enacting the FAA. In so ruling, the Supreme Court potentially redefined the parameters in which employers may impose mandatory arbitration of employment-related disputes. But the majority went further: not only did it uphold the enforceability of arbitration agreements on equal footing with other contracts, it expressly disfavored classwide arbitration itself as inconsistent with the FAA.

A boon for employers. "From a litigant's perspective, we are obviously pleased with [this] Supreme Court ruling," said Chris Bourgeacq,a labor and employment attorney for AT&T Services, Inc, and member of the CCH Employment Law Daily Advisory Board. "The majority's decision not only reiterates the Court's longstanding endorsement of bilateral or traditional arbitration as an effective means of dispute resolution, but at the same time affords protection against the growing abuse of class actions. Irrespective of their merits, class and collective actions raise the specter of huge expenses to businesses, large and small alike. And as the Court noted, the lack of meaningful appeals and other procedural safeguards renders arbitration "poorly suited to the higher stakes of class litigation."

"Affirming the broad preemptive scope of the FAA, the Court's decision will no doubt reach beyond just consumer disputes," Bourgeacq predicted. "With courts approving arbitration of virtually any employment-related dispute, employers should immediately revisit their arbitration policies and agreements to determine whether they wish to carve out arbitration of consolidated and class claims. Doing so could possibly insulate an employer against a class action in any forum."

"Arbitration of employment disputes has produced mixed results and reviews from employers in recent years," Bourgeacq noted. "[This] decision, however, may warrant a second look from employers who now have a new way to mitigate their exposure to future class and collective actions." ❑

CORPORATE SOCIAL RESPONSIBILITY

HR is central to an organizations' sustainability efforts

Almost three-fourths of organizations (72 percent) report engaging in sustainable workplace or business practices, the Society for Human Resource Management (SHRM) said in announcing the results of a survey entitled,*Advancing Sustainability: HR's Role*. Key drivers behind organizations' investment in sustainability are the desire to make a positive contribution to society, gain a competitive financial advantage and help the environment, according to report findings. "Many benefits of sustainability initiatives are closely related to employees and how they do their jobs," explains Jennifer Schramm, manager of workplace trends and forecasting in SHRM's Research Department.

The top four benefits reported by survey respondents coincide with responsibilities that are often housed within an organization's HR function: Improved employee morale (55 percent); More-efficient business processes (43 percent); Stronger public image (43 percent); and Increased employee loyalty (38 percent).

Workplace flexibility is critical. Respondents whose firms practice sustainability in regular operations identified that their organizations offer recycling programs, use virtual tools to conduct meetings, donate/discount used office furniture, use energy-efficient lighting systems and equipment, and partner with environmentally friendly suppliers and companies. Additionally, almost 40 percent of survey respondents said their companies offer telecommuting options to reduce the environmental impact of commuting. "Sustainable practices often intersect with workplace flexibility," says Schramm.

Cost concerns keeping some organizations away. While survey results show that a majority of companies are already engaged in sustainable workplace or business practices, the data also indicate that about one-quarter (28 percent) have yet to adopt such practices. One of the biggest hurdles cited in implementing sustainability programs is overcoming the perception that the programs would be expensive to launch or maintain, or difficult to measure return on investment. Even with these obstacles, no company practicing sustainability and tracking its ROI reported a negative return on investment.

"The HR function is one of the key groups responsible for implementing a sustainability strategy in their organizations," says Schramm. "For any such effort to succeed it needs to be communicated effectively to employees, and employees must be actively involved in putting the strategy into practice. HR is central to making this work and needs to be involved from the ground up — from the strategy phase all the way through to implementation and evaluation." ❑

Human Resources Management
Ideas & Trends

CCH, a Wolters Kluwer business
4025 West Peterson Avenue Chicago, Illinois 60646-6085

PERIODICALS POSTAGE
PAID
AT CHICAGO, ILLINOIS
AND AT ADDITIONAL
MAILING OFFICES

HR Notebook

Consumer prices continue to rise

Consumer prices as measured by the Urban Wage Earners and Clerical Workers index (CPI-W) rose 0.6 percent over the month, as seasonally adjusted, the Bureau of Labor Statistics (BLS) reported. The CPI-W, which is used as an escalator in union contracts and in federal entitlement payments, registered a March level of 220.024, which was 3.0 percent higher than in March 2010, prior to seasonal adjustment. Consumer prices as measured by the All Urban Consumers index (CPI-U) rose 0.5 percent on a seasonally adjusted basis; the March level of 223.467 was 2.7 percent higher than in March 2010 (unadjusted). Prior to seasonal adjustment, the CPI-W rose 1.1 percent over the month, while the CPI-U rose 1.0 percent.

Among the various components comprising the CPI-W as seasonally adjusted, *Transportation* once again registered the highest increase, up 2.4 percent, followed by *Food and beverages,* which rose 0.7 percent, and *Medical care,* up 0.2 percent. *Education and communication, Housing,* and *Recreation* indexes each rose 0.1 percent. *Apparel* registered the largest decrease, down 0.6 percent, while *Other goods and services* fell 0.1 percent.

Mass layoff actions down in March

Employers took 1,286 mass layoff actions in March involving 118,523 workers, seasonally adjusted, as measured by new filings for unemployment insurance benefits during the month, the BLS reported. Each mass layoff involved at least 50 workers from a single employer. The number of mass layoff events in March decreased by 135 from February, and the number of associated initial claims decreased by 12,295. These were their lowest levels since September 2007 and May 2007, respectively. In March 253 mass layoff events were reported in the manufacturing sector, seasonally adjusted, resulting in 27,619 initial claims. Manufacturing events decreased by 38 from the prior month to the lowest level on record, while associated initial claims increased by 1,559 from a program low in February (data begin in April 1995).

Employment situation little changed in March

Nonfarm payroll employment increased by 216,000 in March, and the unemployment rate was little changed at 8.8 percent, the BLS reported. Job gains occurred in professional and business services, health care, leisure and hospitality, and mining. Employment in manufacturing continued to trend up.

The number of unemployed persons (13.5 million) and the labor force both also changed little in March. Since November 2010, the jobless rate has declined by 1.0 percentage point.

25 percent of workers have felt bullied at work

A new study from CareerBuilder shows the playground isn't the only place one will encounter bullies. Twenty-seven percent of workers report they have felt bullied in the workplace with the majority neither confronting nor reporting the bully. Comparing genders and age groups, the segments that were more likely than others to report feeling bullied were women, workers age 55 or older, and workers age 24 or younger. The study was conducted from February 21 to March 10, 2011 and included more than 5,600 full-time workers nationwide.

Women reported a higher incidence of being treated unfairly at the office. One-third (34 percent) of women said they have felt bullied in the workplace compared to 22 percent of men. Looking at age, 29 percent of workers age 55 or older and 29 percent of workers age 24 or younger reported they had been bullied on the job, the highest among age groups. Workers age 35 to 44 were the least likely to report feeling bullied at 25 percent.

The most common culprit is typically the boss, according to the survey. Fourteen percent of workers felt bullied by their immediate supervisor while 11 percent felt bullied by a co-worker. Seven percent said the bully was not their boss, but someone else higher up in the organization while another 7 percent said the bully was their customer. ❑