

The SESCO Report

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Your "Human" Resource Since 1945

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Human Resource Planning for 2019

Human resource professionals wear a multitude of hats and play a significant role in an organization's overall success. Unfortunately, too many leaders view HR leaders as "compliance officers" and don't recognize the significant and important roles that they play to ensure success. In 2019, it's important that owners, senior leadership and human resource professionals prioritize HR goals and responsibilities so that their full impact on the organization's success can be felt. Consider the following priorities:

1. Employee Retention - With such a growing and successful economy, it is critical that organizations retain those employees who are worthy of an opportunity. Employers cannot afford turnover in today's economy. Replacing a key or productive employee is most difficult with unemployment well below 4%. Turnover is costly in terms of the effects it has on morale within the workplace, the negative effects it has on clients and customers, the result in poor performance and low quality, and the simple time and cost of recruiting and training new employees.

So what can human resource departments do to create an atmosphere and culture that will retain your good employees? Consider the brief bullet point list below:

- Communicate, communicate, communicate - this includes daily/active communications on the individual's job responsibilities, how those responsibilities impact the organization's success, provide feedback and mentoring and coaching and counseling.

- Conduct a formal employee satisfaction survey - the organization's report card on what employees like most about working for the organization and what suggestions they may have to make it better.
- Express appreciation.
- Keep employees informed of the organization's goals, vision and mission.
- Ensure that the employee's supervisor/manager is representing them - going to bat for them and their success.

In today's workplace, to retain employees you must actively engage them.

2. Conduct HR/Labor Law Compliance Assessment - The second priority should be placed on ensuring compliance with federal and state employment regulations. Although the current administration in DC touts deregulation, there has been little to no deregulation when it comes to labor and employment laws. Please consider the following list of compliance priorities:

- Employee Handbook - If you have not had your employee handbook reviewed by a professional in the last 12 months, this should be your priority.
- Employment Documentation - A general (not all inclusive) list for review should include: employment application to include retention, interview questions and background check process, job descriptions and compliance to ADA, offer letters and employment agreements to include non-competition or non-solicitation agreements, active, medical and inactive personnel files and federal and state required documentation required and retention requirements.
- Conduct Wage and Hour Compliance Audit - The number one employment law liability for non-compliance deals with Wage and Hour guidelines and specifically not paying overtime

correctly or to those who are to receive it. SESCO's Wage and Hour compliance audit will focus on the following: review those being paid on a salaried basis to determine if they meet a complete white-collar exemption, review applicable partial exemptions that are available to reduce the need to pay overtime, review compliance to overtime requirements to be paid on bonuses, commissions and incentives, travel time, meetings, time records, retention guidelines and others.

- Independent Contractors - In our auditing practice we find that many employers misapply the 1099 regulations which avoid being liable for discrimination, harassment, tax, workers' comp, unemployment and Wage and Hour laws. The IRS is monitoring the issuance of 1099's closely and this is an area that should be audited.

3. Train Managers - All of the systems and compliance audits will be a waste of time if you don't properly train your managers on basic employment regulations and do's and don'ts. Ultimately, when we investigate and assist our clients in charges of alleged wrongdoing such as discrimination, harassment, unemployment and lawsuits, it's normally because a manager said or did the wrong thing or, frankly, ignored an issue. Most human resource professionals know and understand the rules and regulations, but it is critical that those who are actively engaged with employees on a day-to-day basis know and understand how to interview, conduct coaching/counseling, conduct a performance review, react to attendance issues involving workers' comp and medical leaves, respond to a complaint of harassment and many others. An organization's ability to comply with various employment, leave and Wage and Hour laws is only as good as the ability of managers to both understand and do their part. While they do

Inside This Issue

Human Resource Planning for 2019	1
Interviewing Do's and Don'ts	2
Featured SESCO Client	4
SESCO's Spring Seminar Series 2019	4

See "HR PLANNING FOR 2019," page 2

HR PLANNING FOR 2019

not need to be experts and understand the nuances of every law, they need to know enough to realize when they need to be proactive and when they should contact human resources.

4. Review Compensation, Benefits and Performance Management Systems -

As an organization's largest, single controllable cost, it is critical that the organization align compensation, benefits and performance management with the organization's goals and ultimate success. Human resource goals in 2019 should include surveying other "like" organizations, working with CFO's

and finance executives to determine affordability, challenging performance review systems and practices, ensuring managers and leaders understand the need to manage lean and maintain high performers and your process of increases and compensation practices.

5. **Conduct Harassment Training** - The number one topic that we hear from clients as a consulting firm over the past 18 months has been harassment. Everyone is familiar with the "Me Too" movement and harassment has become a day-to-day issue in most all workforce environments. It is critical that

managers know and understand their responsibilities as well as their legal liabilities as agents of the organization. Employees also need to know their responsibilities as well under the laws and it is best that employers provide training to all on an annual basis.

SESCO's Retainer Clients

SESCO's retainer clients receive annual compliance assessments and required harassment training as part of their monthly fee. Contact SESCO to ensure that these two (2) critical goals are met in 2019.

Interviewing Do's and Don'ts

SUBJECT:

Address or Duration of Residence

Acceptable Pre-Employment Inquiries:

- Applicant's place of residence.
- How long applicant has been resident of this state or city.

SUBJECT:

Birthplace

Unacceptable Pre-Employment Inquiries:

- Birthplace of applicant.
- Birthplace of applicant's parents, spouse, or other relatives.
- Requirement that applicant submit a birth certificate, naturalization or baptismal record.

SUBJECT:

Age

Acceptable Pre-Employment Inquiries:

- "Can you, after employment, submit a work permit if under 18?"
- "Are you over 18 years of age?"
- "If hired, can you furnish proof of age?" or statement that hire is subject to verification that applicant's age meets legal requirements.

Unacceptable Pre-Employment Inquiries:

- Questions which tend to identify applicants 40 or more years of age.

SUBJECT:

Race or Color

Unacceptable Pre-Employment Inquiries:

- Complexion, color of skin, or other questions directly or indirectly indicating race or color.

SUBJECT:

Religion

Acceptable Pre-Employment Inquiries:

- Applicant's availability to meet work schedules.

Unacceptable Pre-Employment Inquiries:

- Applicant's religious denomination or affiliation, church, parish, pastor, or religious holidays observed.
- "Do you attend religious services or a house of worship?"
- Applicant may not be told "This is a Catholic/Protestant/Jewish/Atheist organization."

SUBJECT:

Sex

Acceptable Pre-Employment Inquiries:

- Applicant's availability to meet work schedules.

Unacceptable Pre-Employment Inquiries:

- "Do you have children?"
- "Do you plan to have children?"
- "Do you have child care arrangements?"
- "Can you travel alone?"

SUBJECT:

National Origin or Ancestry

Acceptable Pre-Employment Inquiries:

- Languages applicant reads, speaks, or writes fluently. (If related to job duties)

Unacceptable Pre-Employment Inquiries:

- Applicant's nationality, lineage, ancestry, national origin, descent, or parentage.
- Date of arrival in United States or port of entry; how long a resident.
- Nationality of applicant's parents or spouse/maiden name of applicant's wife or mother.
- Language commonly used by applicant. "What is your mother tongue?"

SUBJECT:

Health Condition

Acceptable Pre-Employment Inquiries:

- "Are you able to perform the duties of the job(s) for which you have applied with or without accommodation?"
- Statement by employer that offer of employment may be contingent on the results of a physical examination.

After a job offer:

- Questions on general medical condition
- Workers' Compensation claim history

Unacceptable Pre-Employment Inquiries:

- "Do you have any physical disabilities?"

INTERVIEWING

- “Do you have any health condition which may limit your ability to perform the job for which you have applied?”
- Statement by employer that offer of employment may be contingent on passing a physical examination.

SUBJECT: Photograph

Acceptable Pre-Employment Inquiries:

- Statement that photograph may be required after employment.

Unacceptable Pre-Employment Inquiries:

- Requirement that applicant affix a photograph to his application form.
- Request applicant, at his option, to submit photograph.
- Requirement of photograph after interview but before hire.

SUBJECT: Citizenship

Acceptable Pre-Employment Inquiries:

- “If you are not a U.S. Citizen, have you the legal right to work in the U.S.?”
- Statement by employer that if hired, applicant will be required to submit proof of citizenship or authorization to work in the U.S. and proof of identity.

Unacceptable Pre-Employment Inquiries:

- “Are you a U.S. citizen?”
- Whether applicant or his parents or spouse are naturalized or native-born United States citizens.
- Date when applicant or parents or spouse acquired U.S. citizenship.
- Requirement that applicant produce his naturalization papers or first papers.
- Whether applicant’s parents or spouse are citizens of the U.S.

SUBJECT: Work Days and Shifts

Acceptable Pre-Employment Inquiries:

- Statement by employer of regular days, hours, or shifts to be worked and applicant’s ability to meet those schedules.

SUBJECT: Education

Acceptable Pre-Employment Inquiries:

- Applicant’s academic, vocational, or professional education; schools attended.

Unacceptable Pre-Employment Inquiries:

- Date last attended high school.

SUBJECT: Organization

Acceptable Pre-Employment Inquiries:

- Organizations, clubs, professional societies, or other associations of which applicant is a member that enhance the applicant’s ability, knowledge, or status in the job-related field.

Unacceptable Pre-Employment Inquiries:

- “List all organizations, clubs, societies, and lodges to which you belong.”

SUBJECT: Character

Acceptable Pre-Employment Inquiries:

- “Have you ever been convicted of any crime? If so, when, where, and disposition of case?”

Unacceptable Pre-Employment Inquiries:

- “Have you ever been arrested?”

SUBJECT: Relatives

Acceptable Pre-Employment Inquiries:

- Names of applicant’s relatives already employed by this organization.
- Name and address of parent or guardian if applicant is a minor.

Unacceptable Pre-Employment Inquiries:

- Marital status or number of dependents.
- Name or address of relative, spouse, or children of adult applicant.
- “With whom do you reside?”
- “Do you live with your parents?”

SUBJECT: Notice in Case of Emergency

Acceptable Pre-Employment Inquiries:

- Name and address of person to be notified in case of accident of emergency.

Unacceptable Pre-Employment Inquiries:

- Name and address of relative to be notified in case of accident or emergency.

SUBJECT: References

Acceptable Pre-Employment Inquiries:

- “By whom were you referred for a position here?”

Unacceptable Pre-Employment Inquiries:

- Requirement of submission of a religious reference.

SUBJECT: Miscellaneous

Acceptable Pre-Employment Inquiries:

- Notice to applicant that any misstatements or omissions of material facts in his application may be cause for dismissal.

Unacceptable Pre-Employment Inquiries:

- Any inquiry that is not job-related or necessary for determining an applicant’s eligibility for employment.

Special Thanks to New SESCO Clients!

LG & W Federal Credit Union
Memphis, TN

District Three Governmental Cooperative
Marion, VA

Luxbrush Painting Company, Inc.
Manchester Center, VT

Lifespan Health
Savannah, TN

Krietz Auto Repair, Inc.
Frederick, MD

Mohr Service Center
Saratoga Springs, NY

Child Abuse Reporting and Enforcement
Agency of Southwest Virginia
(CARE Center)
Richlands, VA

One Stop Auto Care
Albuquerque, NM

Home Instead Senior Care
Fredericksburg, VA

Donovan's Auto and Tire Center
Cincinnati, OH



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RETURN SERVICE REQUESTED

SESCO Client Feedback

"Bill, it was a pleasure meeting you, and you can rest assured the attendees loved your session. You were well-prepared, professional, and you handled every question in an incredible fashion. Clearly you are the expert of the experts, and it was apparent to all of us." ~ Bob Cooper, President - Elite Worldwide, Inc.

Featured SESCO Client

LTK Engineering

SESCO is proud to be retained by LTK Engineering who provides highly-specialized technical and management expertise to meet their clients' toughest rail vehicle and rail systems engineering challenges. LTK owns a 60% market share for rail vehicle engineering, has 21 offices worldwide and employs 280 rail vehicle and system engineers.

SESCO's Spring Seminar Series 2019

Bristol, VA

Courtyard by Marriott

March 6-7, 2019

Effective Leader/Manager

April 2-3, 2019

**Human Resources -
Understanding the Basics**

May 7-8, 2019

**Human Resources for the Advanced
Professional**

Richmond, VA

Virginia Community Healthcare Association

March 26-27, 2019

Effective Leader/Manager

April 17-18, 2019

**Human Resources -
Understanding the Basics**

May 14-15, 2019

**Human Resources for the Advanced
Professional**

(SESCO has partnered with one of our valued clients, Virginia Community Healthcare Association, to host our Richmond Seminar Series.)

Visit our website at www.sescomgt.com

State and National Business and Trade Associations, Chambers of Commerce and Human Resource Associations are welcome to contact SESCO to book a professional speaker for annual conventions and seminars. Contact Bill Ford at 423-764-4127 or by email bill@sescomgt.com.