**Archbright™**

**Insights Newsletter**

**December 2019**

**Develop Effective Leaders at the Management Academy**

For companies ready to take the next step in the development of their management teams, Archbright University offers the Management Academy, powered by Development Dimensions International (DDI).

This 6-week cohort program encourages a more collaborative, and supportive learning. It is designed for those who:

• Lead a team

• Are experienced and comfortable with basic management skills of feedback, coaching, and delegation

• Can commit to the follow-up assignments, prep work, and peer coaching calls

Participants join a small group of peers to complete six key DDI leadership courses. The courses occur over a 6-week period and include prep work, ongoing action items, and peer check-ins. This is a terrific opportunity to empower managers, cultivate leadership, and make a lasting impact in your organization.

Registration is now open for 2020 sessions of the Management Academy in our Seattle office:

Winter | Thursdays, 1/9 through 2/13 | 8:30 am to 12:30 pm

Spring | Tuesdays, 4/21 through 5/26 | 8:30 am to 12:30 pm

Fall | Fridays, 9/11 through 10/16 | 8:30 am to 12:30 pm

For more information or to register for an upcoming session, visit Archbright.com, call 206.329.1120, or 509.381.1635.

**What a Year It’s Been**

The time has come. THE END OF YEAR is upon us!

And, what a year it has been. It started with a snowstorm for all snowstorms. And, for some of you the 2019 economy softened, causing additional challenges. But for others it surged. Whichever is your reality, this is probably true for you all... it went so fast!

For Archbright, it certainly was a busy year. We welcomed another 257 members, bringing Archbright membership to a community of 1,861 employers in the Pacific Northwest. You are in good company!

There are so many things we’ve been working on in 2019, but here are some highlights:

• We launched several new services for members, including Pay Equity, Employee Engagement Survey, Workplace Harassment Awareness in Spanish, Workplace Harassment Awareness via OnDemand, and more!

• Our Workers’ Compensation teams worked hard and our retrospective rating groups returned millions of dollars back to participating members this year!

• We launched our Mobile App, which now allows members to schedule time with the HR Hotline, access and share tools in the HR Toolkit, register for classes, and more!

2020 looks to bring even more new services, an expansion of training facilities in Seattle, Spokane, and Portland, additional virtual CoffeeTalks, and more. SO stay tuned. ITR Economics is also predicting a stronger 2020, so the economic future looks good!

In the meantime, on behalf of your entire Archbright Team… we wish you the Happiest of Holidays and a Prosperous New Year!

**CoffeeTalk - What Might Surprise You about Employee Engagement**

87% of C-Suite leaders recognize that disengaged employees are the biggest threat to their organization. That’s because employee engagement is directly correlated with such important organizational outcomes as productivity, profitability, quality, customer service, absenteeism, turnover, and safety. The nature of the drivers of employee engagement has been researched and reported by the Conference Board, Gallup, Blessing White, and others.

Archbright has recently completed extensive research on the drivers of employee engagement using a national employee satisfaction and engagement survey. We found drivers consistent with prior research AND some surprising new drivers of employee engagement.

In this CoffeeTalk, Archbright experts will share the new drivers of employee engagement and their implications.

Two Options to Attend:

Spokane CoffeeTalk | Presenters Dr. Joseph Marth & Krisann Hatch

When: January 8 | 9:00 am to 10:30 am Where: Hilton Garden Inn – Granite Room Cost: FREE for Members; $25 for Non-Members | a continental breakfast will be served

Seattle CoffeeTalk | Presenter Dr. Joseph Marth

When: January 23 | 9:00 am to 10:30 am Where: Museum of Flight – South View Lounge Cost: FREE for Members; $45 for Non-Members | a continental breakfast will be served

**New Year, New Possibilities**

Happy Holidays! As 2019 comes to a close, leaders are buzzing about what’s in store for their organizations in 2020! It’s an exciting time to look at what lies ahead and put this year’s successes and failures behind us. Will 2020 be a year of change? Leaders must begin laying the foundation for organizational change as soon as the new year arrives to ensure successful change efforts, large or small.

John Kotter, thought leader in Leading Change tells us, “Leadership is about setting a direction. It’s about creating a vision, empowering and inspiring people to want to achieve the vision, and enabling them to do so with energy and speed through an effective strategy. In its most basic sense, leadership is about mobilizing a group of people to jump into a better future.”

To ensure effective change management in any organization, Archbright University has training to assist employees at any level. For leaders, Archbright offers Driving Change, in partnership with Development Dimensions International (DDI). The course goal is to engage leaders to convert employee change resistance to commitment, while accelerating the process of making change happen.

Additionally, Archbright University offers Change Management to address the ever-evolving needs of front line employees cycling through a change process. Best practice shows that training both leaders and employees is crucial to successful change management.

To schedule your Change Management series in 2020, contact your Archbright Account Executive at 206.329.1120 or 509.381.1635. We are thrilled to be your partners in change in the new year.

Source: Amy Bachmann, Director of Archbright University

**Layoffs Without Lawsuits**

The U.S. job market remains strong, but Archbright’s HR Advisors are receiving a noticeable increase in calls to the HR Hotline regarding planned or potential layoffs.

Uncertain economic conditions, failure to meet year end budgets, and disappointing sales are all reasons why a company might need to stabilize costs by reducing the employee headcount through layoffs (or reductions in force). Few business decisions involve as many legal, emotional, and practical considerations as the decision to lay off employees. The challenge for management is to reduce the workforce in a legal yet humane way while still achieving the intended cost savings associated with a leaner workforce.

Should your company find it necessary to reduce your labor force through involuntary layoffs, do so with caution. Regardless of the size of the layoff, seek guidance from an Archbright HR Advisor or employment attorney and consider these steps:

1. Start with a group of decision makers to avoid the risk of individual bias;

2. Establish criteria for layoff decisions based on objective and verifiable information. This can include seniority, wage or salary rates, productivity, education, test scores, and demonstrable abilities for the available work. There is room for subjective opinion in making a layoff decision, but that opinion must be supported by examples and verifiable history;

3. Use caution if relying on job performance as a layoff criterion; ensure pre-layoff performance evaluations are consistent and correspond to management’s historical perspective of the employee. In other words, a negative layoff review that contradicts a history of positive performance reviews may be a recipe for a lawsuit;

4. Ensure layoff selections do not violate discrimination laws that protect employees from discrimination in any employment decision. For example, in a layoff, an employee in a protected status may claim disparate treatment by showing that the employer discriminated against the employee (i.e., selected the individual for layoff) because of the person’s protected characteristic;

5. Review all policies, employee handbooks, collective bargaining agreements, and employment agreements, if any, to ensure the company follows its own rules for implementing layoffs. Noncompliance with its own written commitments can create additional liability and support the inference of discrimination against a protected group or individual;

6. Should you give advance notice of a layoff? The Worker Adjustment and Retraining Notification Act (WARN) requires employers with 100 or more employees to give employees sixty (60) days advanced notice of mass layoffs or a plant closure.

7. Create a communication plan for delivering the layoffs that includes how to get unemployment benefits, use of Employee Assistance Plan (EAP) benefits, and/or if available, severance and outplacement services;

8. Create a communication plan for remaining employees that assists with morale and engagement; and

9. Consider alternatives like work share or offering employees to volunteer for lay off first; and

10. If providing a severance agreement and/or retention bonus, ensure all agreements are reviewed by legal counsel before presenting to the affected employee(s).

Eligible Archbright members are encouraged to call with questions or seek clarification when necessary and have an Archbright HR Advisor or Legal Counsel review layoff processes and decisions prior to implementation.

Source: Kellis Borek, Vice President, Labor and Legal Services at Archbright

**Washington Minimum Wage Increases January 1, 2020**

Reminder: Effective January 1, 2020, Washington’s standard minimum wage will increase to $13.50. Seattle’s minimum wage will increase to $16.39 for all large employers (employing more than 500 workers worldwide) and $15.25 for small employers (with 500 or fewer employees). Small employers may meet the $15.25 minimum wage by paying no less than $13.50 per hour in wages and contributing at least $2.25 per hour toward an employee’s medical benefits and/or reported tips.

**Supplementing Paid Time Off Under Washington’s PFML Program**

Beginning January 1, 2020, paid family and medical leave will be available through a State administered plan to all employees employed by an employer in the State of Washington. When benefits become available in January 2020, Paid Family and Medical Leave (PFML) will provide partial wage replacement to all eligible workers in Washington state for leave to bond with a new child through birth, adoption, or foster placement, to care for themselves or a family member during a serious illness or injury and for certain military related events.

The original law stated that “an employer may allow an employee who has accrued vacation, sick, or other paid time off to choose whether: (a) To take such leave; or (b) not to take such leave and receive paid family or medical leave benefits” – which meant that paid time off could not be taken at the same time PFML payments were paid to an employee, even if both employer and employee wanted to. H.B. 1399, passed in April of 2019, modified the law so that employers could supplement PFML with available paid time off plans. However, employers may not require an employee to receive supplement benefit payments; the choice to receive supplemental benefit payments lies with the employee.

Phase 6 of the State’s ongoing rulemaking process (not final until December 20) states that employers may, but are not required to, designate all or certain paid time off plans as a “supplemental benefit payment” offered to an employee who is taking PFML leave. Employers will have the option of allowing employees to request paid time off during PFML – but they don’t have to. Under this rule, paid time off considered “supplemental” would not be reported to the state as wages, and therefore can be taken at the same time as PFML benefits. A paid time off benefit not designated as supplemental would be reported to the state as wages and therefore PFML cannot be requested for the same timeframe an employee is being paid by the employer. If an employer chooses not to designate a paid time off plan as supplemental, employees will be unable to “top off” or request paid time off from their employer and still receive full payment from the State.

Archbright will continue to monitor the rules and update members as information is available. In the meantime, employers should begin considering whether – or which – paid time off plans will be designated as supplemental. Eligible members may access Archbright’s comprehensive KeyNote and FAQs on the Archbright HR Toolkit located on the Members Only website and mobile app.

Source: Joy Sturgis, SPHR, SHRM-SCP, Content Manager at Archbright

**HR FAQ**

**Question:** We have an exempt employee that broke company equipment. I know we can’t deduct from pay, but can we require the employee write us a check?

**Answer:** According to a Department of Labor Opinion Letter interpreting Federal Wage and Hour law, any employer policy that requires deductions from the salaries of its exempt employees to pay for the cost of lost or damaged tools or equipment issued to them would violate the salary basis requirement. It would not matter whether an employer deducts from employee salaries or requires employees to make out-of-pocket reimbursements from compensation already received. Either approach would result in employees not receiving their predetermined salaries when due on a “guaranteed” basis and would produce impermissible reductions in compensation because of the quality of the work performed under the terms of the employer’s policies.

DOL Opinion Letters are not law, nor do they set precedent, but they can be used to determine how the Fair Labor Standards Act (FLSA) applies in a specific circumstance. Thus, in this situation, the employer should instead discipline for the broken equipment.

Also note that in Washington, employers may deduct from an exempt employee’s pay for equipment breakage caused by a dishonest or willful act if the breakage occurred in the employee’s final pay period (WAC 296-126-25). However, employees are entitled to the most favorable application of the law, so the FLSA’s restriction would apply and employers should not deduct any money from exempt employees’ pay checks or require repayment for the cost of broken equipment.

Source: Joy Sturgis, SPHR, SHRM-SCP, Content Manager at Archbright

**Online Employer Reviews: Fake News?**

In a digital world crammed with sources of opinions and reviews, should you trust what you read or be skeptical?

Employers need to be attentive to company reviews on sites like Glassdoor or Indeed, especially since more and more people (current and potential employees, and consumers of the company services and/or products) are relying on either positive or negative reviews to influence their view of that company.

Despite this reliance on reviews, be aware that you’re most likely to hear from the extremes—those either very happy/satisfied or very unhappy/dissatisfied with culture, salary, benefits, work-life balance, management, job security, etc. The extreme negative review could be a very unhappy former employee venting recent frustrations, or even a competitor. Likewise, be wary of reviews skewing too heavily to mostly 5-star ratings (is any company, or its employees, truly ‘perfect’?!).

The employer (and potential employee or consumer) must sift through what may be “fake news” (fabricated or extreme reviews) and lean toward what are more likely honest evaluations:

1. Look for backup to the content within the review;

2. Look for specific internal details about your company;

3. It’s more likely to be trustworthy if there are numerous reviews, with a variety of content.

Should a review be so negative, to the detriment of company culture and/or recruiting, employers have options. They can post a response to the review, contact the site and ask them to determine if the review violates their policy, invite employees to leave reviews, or take legal action. The latter, however, can draw even more public attention to the negative review.

While courts weigh the right for an employee/consumer to say what they want vs. a company protecting its reputation, it has been established that employees’ complaining about their company to try to improve working conditions is protected speech.

At Archbright, our goal is to help members increase employee engagement. Engaged employees are more likely to provide discretionary effort and are more productive. They are also more collaborative, react more positively to change, persist longer at difficult tasks, help others, and are more committed to the organization’s mission and vision.

With services like our Employee Engagement Survey we can help you uncover and respond to employee concerns. Learning what areas are causing the most harm and taking action on those issues will lead to increased engagement, less poor reviews, and more positive reviews for the company, its managers and employees!

Source: Michael Osthoff, HR Consultant at Archbright

**Safety Tips for the Holidays**

The winter holidays are meant to be a joyous occasion, but we must still be mindful of hazards that could ruin the season. As there is an increased opportunity for safety mishaps with holiday decorations, potlucks, travel, and weather, we must all do our part to keep each other safe and merry!

Food Hazards

If your workplace is hosting a potluck to celebrate this year, keep these tips in mind:

• When preparing a dish ahead of time that contains meat, ensure its cooked properly. The USDA recommends the minimum internal temperature of raw ground beef, pork, and lamb; to be 160°F and all poultry items have a minimum internal temperature of 165°F.

• Concerned about the casserole that has been sitting out all day? USDA notes that hot foods should be kept at 140°F or warmer by using crockpots. Cold foods should be 40°F or colder by placing dishes in bowls of ice or by serving in small batches and replenishing from the refrigerator as needed.

• Food allergies are on the rise and to ensure everyone can enjoy your potluck dish, consider avoiding wheat, dairy, eggs, fish, soy, peanuts, and nuts when making food to share.

• Every year, deep-fryer fires are responsible for 5 deaths, 60 injuries, and more than $15 million in property damage. Consider using an oil-less turkey fryer or if frying your own turkey, follow all U.S. Fire Administration turkey fryer guidelines.

Decorating Safely

When decorating, follow these tips:

• If using an artificial tree, ensure that it is “fire-resistant”. If using a live tree, cut off two inches of the trunk to expose fresh wood for better water absorption. Remember to water it and remove it when it is dry.

• Place your tree at least three feet away from heat sources.

• Only use indoor lights indoors, and outdoor lights outdoors. Replace sets that have broken or cracked sockets, frayed or bare wires, or loose connections. Follow package directions for the number of sets that can be plugged into one socket.

• Turn off all the lights and decorations when you leave.

Candles and Portable Heaters

A third of holiday decoration fires are started by candles, and a quarter of these fires are caused by decorations placed too close to a heat source.

• Candles should not be allowed in the workplace. Use flameless rather than lighted candles.

• If space heaters are allowed in the workplace, employers should have guidelines specifying safe use, such as when and where they can be used and to unplug when unattended.

• Heaters must be kept at least three feet away from anything that can burn, including papers, cardboard, clothing, and rugs.

• Plug space heaters directly into a wall outlet away from high traffic areas where people could trip over the cords. Do not use extension cords or power strips, which could overheat and result in a fire, and nothing else should be plugged into the same outlet.

Have a safe and happy holiday season!

Source: Tiffany Knudsen, Content Manager at Archbright

Please join us on Thursday, December 19th during our Monthly Safety Webinar to learn about Moving the Needle: Going Beyond Safety Compliance. For questions or more information, please contact us at 206.329.1120 ext. 4, 509.381.1635 ext.4, or email safety@archbright.com.

**Monthly Safety Webinar**

Moving the Needle

Thursday, December 19th, 2019 | 2:15 p.m.

Would you like to improve your company’s safety performance but aren’t sure what measures will make the biggest impact? Developing an effective safety culture is not passive, it is active. In this webinar, we will discuss going beyond safety compliance to improve your company’s safety culture and performance.

Visit the Safety Webinars page at Archbright.com for registration information. Reserve your seat today!

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We welcome your comments and suggestions.

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