## PEOPLE POINTERS

Volume 6, Issue 2 April 2009

### **Reminders**

- 1. Employers must use the new I-9 form effective 4/3/2009.
- 2. The federal minimum wage increases to \$7.25 per hour on 7/24/2009.
- 3. The new COBRA notices must be sent out by 4/19/2009.

### Effective Human Resource Reduction

By: Sandra Kay Neal, Ph.D., Industrial Organizational Psychologist Independent Consultant

As the economic crisis continues, many organizations are forced to lay off employees to reduce costs. This is always a difficult task, because each laid off employee means a family will be affected. Laying off employees is almost always the last option considered by management.

When faced with the need to lay off employees, the usual procedure is to look at the amount of money it costs to pay for each employee. If it is necessary to cut X amount of dollars, the focus is finding employees whose costs to the company add up to X amount.

In the short-term, this seems to solve the problem.

For example, a non-profit organization needed to cut expenses, so it let go the one person on the staff (who organized fund raising programs) that generated the most income for organization. Instead of saving the organization the cost of that employee's wages and benefits, the elimination of that job cost the organization four times the cost of that employee.

Instead of looking at the cost per employee, the focus should be what exactly is each employee doing for the company. What are the essential tasks that each employee does. How much of the employee's time is spent on each of these tasks. A cost per task can then be established.

Now management can look at the cost of tasks, and determine which tasks can be eliminated, or which tasks need to be shifted to other employees so that an essential task is not lost with the loss of an employee.

Management tends to focus on hourly employees when considering reductions. These are usually the production employees. When sales are down, it makes sense to reduce production. But management also needs to look at their

management jobs as well. If there are fewer production employees, there will be less of a need for managing employees. It may be appropriate for the organization to reduce the tasks of management at the same time as they reduce production employees. Or it might make sense to spread the management tasks among the employees.

When reducing human resources (both hourly and management), it may work best to go to threefourths time or one-half time rather than eliminate the position entirely. When the economy is normal, this is usually impossible as employees will find another full-time job. But in the current economic climate, any job is preferable to no job, so employees are usually willing to work reduced hours to maintain their job. If the cost per task has been estimated, it can be determined which tasks must continue and which ones eliminated from each person's job. This tactic ensures that the essential tasks of organization will be done, while at the same time increasing employee loyalty to organization. This also ensures that when the economy returns to normal, the organization has its full work force able to return to normal production. In the short-term and in the long-term, everyone benefits.

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## Human Resources (HR) Strategic Planning

By: John M. Turner, Ph.D., President

Part 1

Many company owners recognize the importance of Human Resources but have concerns about the lack of quantifiable measures of HR efforts. The best way of showing that HR management is strategic is to present better data on the financial effects of HR programs. Effective management of all resources, including HR, is critical to organizational longterm success. Organizational effectiveness is measured by the extent to which companies reach strategic goals their objectives. HR will contribute to a competitive advantage.

Strategic HR management refers to the use of employees to gain or keep a competitive advantage, which will result in greater effectiveness. organizational Because business strategies affect HR plans and policies, consideration of HR issues should be part of the strategy formulation process. HR must evaluate the current environment to determine what workforce skills are and are not available. It is important to be able to estimate lead times for adjusting to labor shortages or surpluses. HR should be involved in implementing strategies that affect and are affected by Human Resources.

There must be a close relationship between organizational strategy and HR strategy. There are two basic types of organizational strategies.

- Cost-leadership
- Differentiation

cost-leadership strategy approaches competition on the basis of low price and high quality of product or service. The differentiation strategy is used more often in a dynamic environment characterized by rapid change. This strategy requires continually finding new products and new markets. The two strategies are not mutually exclusive. It is possible for a company to pursue one strategy with some products or services, and the other strategy with other products or services.

cost-leadership strategy usually requires the company to "build" its own employees to fit its specialized needs. This approach needs a longer HR planning horizon. differentiation strategy is more responsive. This means that HR planning is likely to have a shorter time frame. approach will make greater use of external sources, such as the acquisition of another company with specialized employees, to staff the company.

The globalization of business has meant that more companies operate in multiple countries or have foreign operational links to international suppliers, vendors, and outsource contributors. Rapid growth of international outsourcing also indicates the linkage between global competitiveness and HR management.

Companies will typically pass through three stages as they develop into global operations.

The first stage consists of importing and exporting. A company will begin buying and selling goods and services with companies in other countries. This phase doesn't have a big impact on HR management. One area to focus on would be the travel policies for those going to other countries.

The second phase is called a Multi-National Enterprise (MNE). This is a situation where a company has operating located in foreign countries. Employees are hired from the country of operation. HR must become knowledgeable of the laws and regulations of the foreign country. Areas of focus would include: staffing, training, compensation, health and safety, and labor relations.

Phase three is called a global organization. The company has corporate units in a number of countries that are integrated to as one company operate worldwide. At this phase, key managers and professionals must be able to move throughout the world. HR must be looked at from a global perspective, using ideas and resources throughout the world. and ensuring openness to other cultures and ideas. Areas of focus would

include: legal, political, cultural, and economic forces that significantly affect the competiveness of companies.



# Continuing Down the Road to Safety

By: Vicki Hershey Independent Safety Consultant

Safety is a fundamental way to demonstrate your company's core value of integrity and commitment. quality and innovation. Here are some of the tools needed to help communicate your commitment and reach out to your employees.

- 1. Safety posters on walls and in break rooms.
- 2. Safety articles in your company newsletter.
- 3. Process safety checklists for operators and supervisors.
- 4. Educational brochures or training classes.
- 5. Visual aids such as alarm lights or meters verses sound.
- 6. Safety DVD's for near-

miss or violation follow-up training.

7. Hands-on safety instructions verses reading materials.

#### **Get Going**

The first step is to determine will champion vour company's program and who will serve as part of the committee. To help you increase your chances success, it is recommended you choose representatives from all areas of the business: Executives. Managers, Supervisors, Sales, Operators, Line Workers, etc. You should choose numbers keeping in mind less is not better, but more can be overwhelming.

Depending on the size of your company, anywhere from five to ten is a good number.

The next step is to determine how you want your company's safety program to operate, develop a plan, and document the program and guidelines. This will help your committee company meet and their objectives and stay with the guidelines and budget. Having your company's CEO or Owner sign your plan sends a clear message of your company's commitment.

#### Success

With the right strategy, the right tools, the right people and the company's commitment, your program can be a huge success

and benefit to both the company and its employees, by reducing the chances of accidents and injuries.

# Communication In Troubling Times

By: Bonnie L. Thompson, M.A.O.M. Independent Consultant

Effective communication strategies can help employees deal with changes in the workplace. In these troubling economic times, many companies find themselves faced with the challenge of changing how they operate their business. These changes might include, staffing requirements, hours of work, decreases in benefits etc. The question is "How do you get your employee to accept the changes in the workplace and not put up resistance?"

Often, many companies focus solely on tactics such as channels, messages and timing while failing to do a contextual analysis and failing to consider the audience. It is important to chose the correct message strategy. Here are some suggested strategies.

"Spray & Pray" – Managers shower employees with information, hoping employees can sort significant from insignificant. The thinking is that more information equates to better communication and decision-making.

<u>"Tell & Sell"</u> – Managers communicate a more limited set of messages, starting with key issues, then sell employees on the wisdom of their approach. Employees are passive receivers and feedback is not necessary.

"Underscore & Explore" –
Managers develop a few core
messages clearly linked to
organizational success and
employees explore implications.
Managers listen to potential
misunderstandings and
obstacles. Many believe this is
the most effective strategy.

"Identify & Reply" – Executives identify key employee concerns and reply to those issues. This strategy emphasizes listening to employees; they set the agenda, while executives respond to rumors and innuendos.

#### "Withhold & Uphold" -

Executives withhold information until necessary; when confronted by rumor, they uphold the party line. Secrecy and control are implicit. The assumption is that employees are not sophisticated enough to grasp the big picture.

When reviewing organizations and the communication strategies they use during these troubling times several lessons have been learned including:

- Robustly communicate the core message.
- Tell employees the decision, how and why it was made and what some rejected alternatives were.
- Explain how the decision fits into the organizational

- mission and vision and how it impacts the organization and employees.
- Recognize that in most cases, dialogue trumps "information dump."
- Dialogue provides the basis for deep understanding, "buy-in" and alignment."
- Dialogue also requires understanding how employees interpret the situation from their own perspective.

### EAPs Provide Proactive Workplace Safety Initiative

By: Valerie S. Nosek EASE@Work EAP Coordinator 4500 Euclid Avenue Cleveland, OH 44103 (216) 432-7200

"Workplace safety" is an allencompassing term that includes many different factors, all of which impact the safety and health of employees. Addressing workplace safety includes how organizations manage environmental hazards inherent to the job, working conditions, work practices and processes, drug and alcohol issues, and potential for violence.

Employers should routinely be assessing safety records and revising safety goals – not only because of Occupational Safety and Health Administration (OSHA) standards, but also

because safety directly affects a company's bottom line. How an organization approaches workplace safety ultimately impacts profits through employee morale and retention, productivity, worker's compensation claims, insurance rates and legal costs.

To exemplify this point as related to drug and alcohol safety-related issues, over "14 million Americans use illegal drugs. As workers, they are 3.6 times more likely to be involved in an accident at work and 5 times more likely to file for worker's compensation benefits than non-users," (W. Atkinson "EAP's: Investments, Costs," 2001); and, according to the Ohio Bureau of Workers' Compensation, a co-worker is injured 40 percent of the time when an accident is caused by a substance user.

Additionally, 2001 statistics estimate that 47 percent of industrial injuries and 40 percent of industrial deaths were directly linked to alcohol consumption – a legal drug.

Performance and behavior problems commonly are associated with employees who abuse alcohol or other drugs: some issues may include inconsistent work quality, poor concentration, lowered productivity, increased absenteeism, carelessness and mistakes, errors in judgment, needless risk-taking and disregard for safety, extended lunch periods/early departures/unexplained appearances from the job and

theft. In fact, the Ohio BWC estimates that approximately 50-80 percent of all pilferage, theft and loss is due to substance-abusing employees.

Any one of these issues will negatively affect job performance, overall company productivity, and eventually, profits – more so if the problems are widespread, prolonged or not addressed by management. In the worst-case scenario. situations such as the ones mentioned above can result in liability and legal issues for the employer.

Clearly, your Employee Assistance Program (EAP) should be an integral part of any workplace safety process.

"Early interventions with employee performance issues generally result in an improved prognosis for the employee, but it also makes sense for the organization," said Kurt Neumann, EASE@Work EAP Senior Clinical Specialist. "Early intervention is extremely regards important in minimizing safety and litigation concerns, while expediting a return to normal levels of productivity."

EAP An can help with developing Free Drug Workplace policy and implementation; the EAP also provides a convenient and confidential means for employees who voluntarily seek help for drug/alcohol abuse, along with providing mandated counseling for management referral cases.

Of course, the EAP can assist with a myriad of other work-life issues, which may also be affecting safety in the workplace. For example, if an employee is distracted due to job, home, or financial stressors, this can result in increased safety risks while on the job. The EAP can help this employee manage the stressors, so that he/she returns to normal attention patterns, therefore reducing the safety risks associated with a lack of focus while at work.

"Unfortunately, many managers relegate their EAP to only addressing difficult employee issues once they have become full blown problems," Neumann said. "This is certainly well within the job description of any good EAP, but it negates the powerful prevention aspect of the EAP.

"Activities like making suggested EAP referrals, calling to schedule a management consultation with an EAP professional and scheduling various trainings for your staff are all good proactive examples of the prevention potential of your EAP."

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## Corps (MRC)

The Medical Reserve

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The Medical Reserve Corps (MRC) is a government service organization put in place to enhance disaster preparedness in communities all over the United States. Many Medical Reserve Corps units work within housing organizations such as the Emergency Management Agency Health local or Departments. The **MRC** consists of a pool of trained and licensed health professionals and supplemental staff, all willing to volunteer their time. Since its inception in 2002, the Medical Reserve Corps has helped thousands of people in disaster response and disaster preparedness.

Many are under the false impression that the Medical Reserve Corps serves as first responders in a disaster or event. The Medical Reserve Corps is essentially an aide to the first responders (i.e. EMT, Police, A well trained MRC Fire). volunteer will have the knowledge and skills to take care of themselves and their families first. This is done by making sure that their family has a disaster preparedness plan. The MRC volunteer can then help by assessing victims of disaster to see if they need to be sent to an emergency care

facility or if they only need minor treatment.

In Wayne County, the Medical Reserve Corps is housed in the Wayne County Health Department. The health department utilizes the MRC in their Public Health Infrastructure program. This program focuses on preparation for public health emergencies ranging terrorism to pandemic flu. The Wayne County MRC was established in February, 2007, and now has over seventy volunteers.

The Wayne County Health Department along with the Wayne County MRC members of the Wayne/Holmes Emergency Coalition (WHEC). This is a board of first responders and disaster response agencies from Wayne and Holmes counties. The coalition meets monthly to discuss disaster drills and exercises. The WHEC also publishes monthly articles in The Daily Record and on their Web Site (www.whec.org) pertaining to emergency preparedness.

October the Wayne Since County MRC has had monthly newsletters that keep volunteers informed about local disaster preparedness efforts. All of these newsletters are open to the public and can be viewed at http://wayne-health.org/wchdmain/PHI/wchd\_MRCVolunteer Events.html. Those interested in joining the cause can also find **MRC** application download. For any questions concerning the Wayne County

Medical Reserve Corps, please contact Megan.

## Where Do They Fit In?

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Creating an Electrical Safety Program can be a complicated endeavor. It can be confusing when you try to include all the different aspects that should be addressed: FR (fire resistant) clothing, insulated tools, training, hazard analysis, etc.

Trying to pick one part at a time seems to be the best approach in an effort to create budgets and address the specific needs of your company/facility. For many, the hardest part is simply deciding what part to address first. Ironically, the best first-step is the most important AND the least expensive.

This first step involves a selfaudit of your employees to determine "where they fit in." Simply put, what levels of exposure to electrical hazards do each employees have and what level of "qualified" are they with respect to their level of exposure.

Let's start with the definition of

a "Qualified Person." NFPA 70E 2009 edition, Art. 100 define it as: "One who has skills and knowledge related to the construction and operation of the electrical equipment and installations and has received safety training to recognize and avoid the hazards involved."

This definition is all encompassing and far too vague. We need to look at the different groups of employees and what hazards they are exposed to in order to not only place them properly, but to also prepare them properly. All companies no matter what their business could have the same three groups of qualified persons. It is vital to understand what qualities qualifications synonymous with each group.

#### **Qualified (Authorized) Group**

This group would represent your top of the line, most technically skilled employees, and in many cases, your subcontractors whom are hired to do the more involved electrical work. These individuals would have the highest exposure to energized electrical equipment and be in need of comprehensive training curriculum and skill sets.

The NFPA 70E 2009 lays out a detailed list of requirements for those individual that are at the highest level of exposure. Under Article 110.6(D), entitled Employee Training, it says:

(1) Qualified Person. A qualified person shall be trained and knowledgeable of the

construction and operation of equipment or a specific work method and be trained to recognize and avoid the electrical hazards that might be present with respect to that equipment or work method.

- (a) Such persons shall also be familiar with the proper use of the special precautionary techniques, personal protective equipment, including arc-flash, insulating and shielding materials, and insulated tools and test equipment. A person can be considered qualified with respect to certain equipment and methods but still be unqualified for others.
- (b) Such persons permitted to work within the Limited Approach Boundary of exposed energized electrical conductors and circuit parts operating at 50 volts or more shall, at a minimum, be additionally trained in all of the following:
  - (1) The skills and techniques necessary to distinguish exposed energized electrical conductors and circuit parts from other parts of electrical equipment.
  - (2) The skills and techniques necessary to determine the nominal voltage of exposed energized electrical conductors and circuit parts.
  - (3) The approach distances specified in **Table 130.2(C)** and the corresponding voltages to which the qualified person will be exposed.
  - (4) The decision-making process necessary to determine the degree and

extent of the hazard and the personal protective equipment and job planning necessary to perform the task safely.

This can be simplified with a quick "litmus test" as to the exposure for someone expected to be categorized in this group. Individuals who fit this category will be ones who are expected to do the following tasks:

- a. Be asked to use a multimeter to troubleshoot a problem in an electrical device.
- b. Use an approved voltage reading device to do a zero energy check in an effort to create an electrical safe work condition for themselves or for someone else to perform a needed repair or related work.
- c. Any other task that would cause the individual to be exposed to energized or presumed energized parts of an electrical device.

Although that is not a complete list of tasks that would be used to associate some qualified at the top level, it should be fairly easy to whittle down the list of employees who do not qualify for inclusion in this group. However, it may create an uncomfortable reality to find maintenance staff or mechanics doing work that is described above who really shouldn't be involved with such dangerous tasks.

#### Qualified (Task Specific) Group

Those not meeting the requirements for our first group would then be re-evaluated to see if they belong in the less involved "task specific" group. Just as the group name suggests, this group can turn into quite a large number of sub-groups since now we are dealing with very specific needs in training, procedures, protection methods, This group can be summarized as any electrical hazard exposure that does not include exposure to energized electrical parts. That would narrow it down to interacting with electrical equipment that is energized or assumed energized. specifically operating a circuit breaker or the handle on a disconnect switch.

This groups primary hazards are arc flash and arc blast. Examples of someone who might fit into this category could be someone whose primary job function is to be a welder as he'll need to turn off the power to the outlet that feeds their welding equipment. Whether it is a breaker or disconnect, there would still involve training on how to determine the protection from an arc flash that could occur from interacting with a disconnect during the opening/closing of the switch handle and what PPE (personal protective equipment) and other protection (boundaries, tools, etc.) are needed for the task.

A similar task that might be more common would be an

employee that works on an assembly or process line who might need to stop the machine for component set-up or changes or minor repairs. This may involve a lock-out tag procedure that might be needed to ensure that movable parts are isolated while the needed repairs etc. are Again, our primary made. hazards are arc flash and arc blast so we still need to train in the awareness and how to determine what PPE and other related safe work practices that would be appropriate for the tasks. This could easily turn out to be quite a few specific qualifications and procedures even for each specific process or assembly piece you have, but in the long run it may prevent hundreds of hours of training not necessarily needed individuals who only work on a few or even a single piece of equipment.

#### **Unqualified Group**

The last group would consist of all the remaining employees that you have or that you hire to your come into facility. Regardless of whether it is the custodian, painter, manager, secretary or engineer not listed in the first two groups... anyone not skilled, trained, or equipped to do any of the tasks we have discussed so far (operate a switch, breaker, etc. or be exposed to energized presumed energized parts).

The most difficult part of identifying this group is to determine which of your employees is actually interacting

with electrical equipment and why? This would include anyone in an office who might simply be operating a breaker in a 120v lighting panel.

Once you have determined who is interacting with electrical equipment, determine if the scope of their job actually requires for the operation of a disconnect or breaker. If there is no real need for their involvement with the device don't let them interact with it anymore.

If in fact the device is required to turn it on or off; then you are really looking at two options:

- 1. Provide the individuals involved with the proper training, PPE and other necessary procedures to protect themselves when operating device.
- 2. If it is not a frequently performed task, confirm to them their status as a nonqualified person instruct them on when to get a more qualified who individual designated to operate the device and make electrically safe before they are permitted to perform any tasks needed.

Determining how often the device needs to be opened (daily, weekly, monthly, etc.) will help to determine if it is more cost effective to get someone more qualified involved or to engage in training and securing protective

equipment for a larger group of individuals.

By completing a self audit of your employees and determining what group they fit into (Qualified-Authorized,

Qualified-Task specific, or Unqualified) will enable you to more accurately and more efficiently address the best course of action when creating or updating your electrical safety program and not waste extra money on excessive training, PPE and procedural involvement of employees who might really not be needing it nor who should be exposed to the danger in the first place.

Safety Consultants Stark specialize in Arc flash hazard analysis and electrical safe work practices training as well as related consulting services to aid in the creation and updating of electrical safety policies. Stark Safety Consultants is a proud National **Training** Partner of the National Joint *Apprenticeship* Committee (NJATC).

#### **SURVEY**

#### The Price of Absence

Employee absence costs U.S. organizations the equivalent of 36 percent of their base payroll, according to a survey of 455 employers.

Source:

Mercer, New York, and Kronos, Inc., Chelmsford, Mass.

#### SERVICE UPDATES

## Americans with Disabilities Act (ADA)Training

JMT & Associates, LLC is now offering a 3-hour workshop for supervisors on The Americans with Disabilities Act.

#### **Construction Safety Training**

JMT & Associates, LLC is now offering OSHA 10 hour and 30 hour construction industry outreach training programs.

#### **Educational Books**

John M. Turner, Ph.D. has written a series of books entitled "Interviewing for Success – Finding the "Right" Person." Please visit our Web site at <a href="https://www.jmt-associates.com">www.jmt-associates.com</a> for additional information.

#### **ABOUT US**

JMT & Associates, LLC is a full service Human Resources (HR) and safety solutions provider. We partner with small, mid-size, and large companies to develop and improve HR processes and procedures. We offer extensive "real-world" experience in a variety of industries, including: manufacturing, service, union, union-free, profit, not-for-profit, private, and public sectors. Our level of involvement ranges from complete management of your HR needs to providing projectbased assistance to your inhouse HR person, depending on vour specific business requirements. These services range from basic policy development to in-depth HR strategic planning. We begin with a comprehensive HR assessment of your current policies and procedures, then we provide a detailed analysis and a "roadmap of recommendations" to maximize your HR investment. We then provide the necessary follow-up to ensure process effectiveness.

Areas of Expertise: Coaching & Leadership Development, Compensation & Benefits, HR & Safety Compliance, Diversity, Employee Relations, General HR, HR Assessments, HR Policies & Procedures, HR Strategy & Planning, Labor Relations, Organizational Development, Performance Management, Job Analysis, Job Descriptions, Employee Assessments, and a vari-

ety of HR & Safety Training courses.

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