



NORTHEAST S.D. SOCIETY FOR HUMAN RESOURCE MANAGEMENT



Quarter 3 Newsletter

September 2016

Goodbye, Summer! Hello, Fall!

Can you believe summer is on its way out for the year? This summer was crazy busy for everyone—from the ball games to the family vacations. Now, with school back in session and children hauling backpacks full of books and homework, we are ready to roll out our own education plans for the remainder of 2016. Here is what is upcoming:

Tuesday, 9/13/2016 @ 11:30am—1pm

OSHA’s Recordkeeping Rule has changed!

Speaker: Tom Slattery, CSP, ARM, Corporate Safety & Risk Manager at Raven Industries

(formerly with the South Dakota Safety Council)

Location: Second Street Station

Changes to OSHA’s 1904 include:

- ▶ Employee involvement and updates to employee rights;
- ▶ Prohibition against discrimination and how that affects your policies;
- ▶ Electronic submission of record changes;
- ▶ What is legal in drug testing; and
- ▶ What incentive programs are acceptable.

Do not miss this timely and informative session covering the recent mandated changes in OSHA’s recordkeeping and drug testing rules!

RSVP at the Chapter Website: <http://nesd.shrm.org> under the Events & Education Tab by **Friday, 9/9/2016. Hope to see you there!**

Also, do not forget to mark your calendars for our other 2016 Programs:

- ▶ Tuesday, 10/11/2016: Jackson Lewis Breakfast Session—Topic TBD
- ▶ Tuesday, 11/8/2016: Non-DOT Reasonable Suspicion Drug Testing
- ▶ Tuesday, 12/13/2016: Holiday Social

More information and details to come at later dates!

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Fair Labor Standards Act (FLSA) Overtime Regulations: an impact that hits close to home here in S.D.

To follow up to our last newsletter, we learned that the Department of Labor released its final regulations that make changes to Part 541 governing overtime exemptions under FLSA. These changes will cause many employers to rethink their job reclassifications and how to address employee pay as a result. The following example is one employee's struggle that hits close to home here in South Dakota.

Convincing Young Employees that Hourly Is as Good as Salaried

Focus on career development to keep emerging adults engaged

Before she discovered a passion for HR, Jennifer Colclazier worked for eight years in various administrative roles with a small Midwestern company. In those jobs, she had many HR-based responsibilities, including interviewing and coordinating performance reviews. So when she decided a career in HR was for her, she enrolled in an online degree program and earned a bachelor's degree in human resources, which led to her current salaried position as an HR assistant for Enertech Global, a geothermal manufacturing company with locations in South Dakota.

As the sole HR professional for the company's 51-employee facility in Mitchell, S.D., Colclazier manages recruitment and hiring, facilitates onboarding, administers employee benefits, ensures compliance with Occupational Safety and Health Act regulations, and oversees employee relations. She said that she works long hours and earns a fair salary for her location. But under the new overtime regulations, set to become law on Dec. 1, Colclazier expects to be reclassified as an hourly employee.

While Colclazier, 34, doesn't view her pending change from exempt to nonexempt as a demotion, she's not sure how she can meet all of her responsibilities within an eight-hour workday.

"It's much more than a 40-hour job," Colclazier said. "A lot of the administrative work happens after 4:30 when everyone goes home and I have some quiet time to concentrate."

Colclazier prides herself on being available to meet her employees' needs as they arise, and she said she'll struggle with how to make herself less available without hurting their feelings or making them feel like their needs are being neglected.

Enertech Global is among the hundreds of thousands of organizations nationally trying to determine how to comply with the new overtime rule. More than 4.2 million white-collar workers in the U.S. will become eligible for overtime under the new Fair Labor Standards Act (FLSA) criteria, according to the U.S. Labor Department.

The revamped regulations likely will impact young employees the most, since many of these relative newcomers to the workplace fall below the new \$47,476 threshold for salaried employees. Many who are currently salaried professionals may be reclassified as hourly employees rather than receive pay hikes to reach the new minimum.

For young employees, especially those who are working in their first salaried position, figuring out how to live and work within the new parameters will be a challenge. For some like Colclazier, the issue will be learning how to do their jobs without working more than 40 hours weekly. For others, it will be dealing with the perception that they've lost flexibility and are now hourly workers, which many perceive to be less prestigious. *(continued on next page)*

Convincing Young Employees (continued from previous page)

"Less workplace autonomy and flexibility may cause quite a backlash with our youngest workers, as this new approach runs counter to so much of what they strive for at work," said Michelle Smith, marketing vice president for OC Tanner, an employee rewards and recognition company in Salt Lake City, Utah.

"It will take time for everyone to adjust to new ways of thinking and working," said Chicago psychologist Laurie Anderson. "Change is difficult."

Anderson believes that the new overtime rule will force organizations to rethink how newly reclassified employees can accomplish their goals within a restricted time frame—and re-engineer the way that people get their work done. "There are a lot of wasted hours during the day that can be converted into productive activity," she said.

The impact of the new ruling, and the potential ramifications for how ambitious emerging adults deal with the implications, will reverberate throughout organizations for many years to come, say industry analysts, who add that it's important for HR to manage the process by regularly meeting on an individual basis with these younger employees, soliciting their feedback and helping to resolve their problems.

"Providing a strong, clear vision and as many options as possible for making the new law work for young workers will be HR's most important role in preventing a rash of disgruntled workers from exiting corporate life for something more entrepreneurial," Smith said.

It's not just about complying with the rules, added Anderson. How those rules are explained and implemented may determine whether younger employees are motivated to succeed or become increasingly disengaged. For instance, the new rules could push them to develop skills and experiences that enable them to grow their salaries along with their experience. A shared investment in career development between HR and younger employees can ignite motivation and give meaning and purpose to the change, she says.

"HR can help them realize that this is a stepping stone on their path," Anderson said.

Otherwise, engagement may become even more of a challenge and job hopping may be encouraged as younger employees migrate to the highest bidder, especially if the highest bidder lets them cross the threshold from nonexempt to exempt.

One approach is for employers to double down on their commitment to employees who are reclassified from salaried to hourly, said Paula Kosin, president of the Kosin Group, an HR consulting firm in Chicago.

"I feel strongly that employers really need to boost their commitment to offering professional and career development opportunities with the change from exempt to nonexempt," said Kosin. "Through their actions they can demonstrate their commitment to these employees' development."

Among the possible actions she suggested:

- Schedule regular career discussions with affected employees.
- Develop mentoring programs so these employees don't feel alone.
- Offer career development workshops or webinars.
- Provide chances to participate in cross-functional teams.
- Encourage volunteer activities as a group or on an individual basis.

Anderson said business leaders need to explain the context for the rule to younger employees. "They need to understand that the rule exists to protect them," she said. "While it may feel personal, it's not a reflection of their abilities. They need to know that they are still valued members of the organization and that their employer is committed to them."

Sharlyn Lauby, creator of the blog HR Bartender and president of ITM Group Inc., a Miami/Fort Lauderdale, Fla.-based HR consulting firm, urged employers to make sure that younger employees understand that they aren't being singled out because of their performance—that it's not personal, it's the law.

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Convincing Young Employees (continued from previous page)

"They need to know that it's not about how they get paid. It's about the experiences that they accumulate," said Lauby. "Tell them: 'Your experiences define your career.' "

The experts agree that younger employees also need to feel like they are part of the conversation—that they have a say in what is happening to them.

"HR and other leaders must find a way to communicate 'with' rather than 'at' young adults," Smith said. "Provide ample opportunity for young workers to express their concerns about this change."

Anderson agreed. "When newer employees aren't part of the decision, it feels like something is happening to them and they focus on the negative," she said. "You have to make them part of the conversation so that they understand that this isn't personal. They are part of an evolving workplace."

Encourage young employees who work in HR to develop their own expertise in the FLSA. Colclazier said her experience as a board member of the South Dakota SHRM State Council has helped because the council has been actively involved in helping its members understand and comply with the new ruling.

Source: Arlene S. Hirsch, Career Counselor and Author with a private practice in Chicago (www.arlenehirsch.com)



Interested in HR Certification or Recertification? Here is how!

HR Certification Institute® (HRCI®), headquartered in the U.S., is the premier credentialing organization for the human resources profession. For 40 years, HRCI has set the standard for HR mastery and excellence around the globe. An independent non-profit organization, HRCI is dedicated to advancing the HR profession by developing and administering best-in-class accredited certifications such as Professional in Human Resources (PHR) and Senior Professional in Human Resources (SPHR).

Whether you are considering applying for the first time, interested in certifying your HR team or ready to add another credential to your portfolio, now is the perfect time! Use the code **HCRI40** on your application payment page to pay a reduced application fee of \$40 for any HRCI exam applied to, scheduled and taken on or before December 31, 2016. Google **HRCI certification code HRCI 40** for more information.

This is an opportunity to save \$\$\$ and invest in your future. Take advantage of this offer today!



with National SHRM: Recertification Portal

SHRM believes that recertification should be about learning and growing in your profession, not about paperwork, so it is making the process easier. To eliminate the hassle of memorizing or writing down the Activity ID's for many learning programs that SHRM offers, it has added a new feature to the Recertification Portal: auto-fill.

From now on, all SHRM conferences, seminars and e-Learning programs that you attend, that can be matched to your SHRM membership account*, will auto-populate in your recertification portal, so you don't have to enter anything yourself. Get started earning your PDCs today! Visit www.shrm.org for more information.



Entice Millennials with a Culture Emphasizing Quality of Life

CLEVELAND—Employers need to encourage and emphasize the importance of having a life outside work if they hope to attract Millennials, two big-city mayors said Tuesday during a panel presentation at the Republican National Convention.

Betsy Price and Mick Cornett, mayors of Fort Worth, Texas, and Oklahoma City, respectively, offered their advice at the GOP Urban Mayors Forum sponsored by the Republican Main Street Partnership. The forum—held in the Maxine Goodman Levin College at Cleveland State University—addressed the revitalization of cities and suburbs, including the many human capital issues they're facing.

"We realized we were quickly hemorrhaging all of our college graduates to Austin, Texas, while the others were going to Dallas, and we started looking at why that was," Price said.

The city learned that Millennials were looking to locate in cities that offered such amenities as hiking trails, bike paths and other opportunities for "outdoor living," as well as cultural outlets and transit options that go beyond cars. So, she says, business leaders quickly took steps to add those amenities.

Once a city starts to improve its competitive position, employers need to take steps to attract recent college graduates, Price told *SHRM Online*. She suggested that companies emphasize the importance of having a "quality of life" outside of work, which they can do best by encouraging civic volunteerism; providing workplace flexibility; and communicating expectations that employees should have time for family, even during working hours for school events.

"Encourage them and get them engaged," she said. It's a way "for employers to say 'we want you' in our city and at our organization." It's a strategy that is working for Fort Worth, she noted. "Fort Worth is the cool place to be."

Listening to the needs and expectations of local graduates entering the workforce is also key, Cornett said. In Oklahoma City, he said, it's been a challenge helping older business owners understand that many of the business practices that worked well 20 years ago don't work anymore. And, he added, because employers can't expect those practices that work well today to still be viable 10 years from now, they must plan ahead to stay competitive in 2026 and beyond.

Sources: Kathy Gurchiek, Associate Editor for HR News, and Tony Lee, VP of Editorial for SHRM (online article)

Fast facts on Millennials as Employees, Entrepreneurs and Consumers:

- ▶ By next year, millennials will account for 36% of the U.S. workforce, and by 2025, they will account for 75% of the global workforce. —*U.S. Bureau of Labor Statistics*
- ▶ 84% say that helping to make a positive difference in the world is more important than professional recognition. —*Bentley University's Center for Women and Business*
- ▶ More than a quarter (27%) are already self-employed. —*U.S. Chamber of Commerce*
- ▶ 41% of millennials have no landline and rely on their cellphones for communication. —*Pew Social Trends*
- ▶ 44% are willing to promote products or services through social media in exchange for rewards. —*Aimia*

CONGRATULATIONS



Congrats to our chapter on its
2015 SHRM Excel Silver Award designation!



The award is part of the SHRM Affiliate Program for Excellence, which aligns individual chapters and councils' activities with SHRM's aspirations for the HR profession. The award recognizes accomplishments and strategic activities and initiatives that enhance the human resources profession.

"SHRM rewards chapters and councils that demonstrate a strong commitment to advancing the human resources profession through service to the community, local networking and professional development activities," said Henry G. (Hank) Jackson, president and CEO of SHRM. "Advancing the HR profession is at the heart of what SHRM does and your chapter's work this year helps us further showcase that mission."

We received a certificate of recognition and will receive recognition in SHRM publications and conferences.

A long road ahead with OSHA's changes

June 1, 2016—New changes to the OSHA's Hazard Communication Standard are bringing the United States into alignment with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS), further improving safety and health protections for America's workers. Building on the success of OSHA's current Hazard Communication Standard, the GHS is expected to prevent injuries and illnesses, save lives and improve trade conditions for chemical manufacturers. The Hazard Communication Standard in 1983 gave the workers the 'right to know,' but the new Globally Harmonized System gives workers the 'right to understand.'

Visit <https://www.osha.gov/dsg/hazcom/HCSFactsheet.html> to learn more.

January 1, 2017—A new rule requires certain employers to electronically submit injury and illness data to OSHA that they are already required to record on their onsite OSHA Injury and Illness forms.

- ▶ Establishments with 250 or more employees in industries covered by the recordkeeping regulation must submit information from their 2016 Form 300A by July 1, 2017. These same employers will be required to submit information from all 2017 forms (300A, 300, and 301) by July 1, 2018.
- ▶ Establishments with 20-249 employees in certain high-risk industries must submit information from their 2016 Form 300A by July 1, 2017, and their 2017 Form 300A by July 1, 2018.

Then, beginning in 2019 and every year thereafter, the information must be submitted by March 2 by all employers covered by recordkeeping regulation. Visit <https://www.osha.gov/recordkeeping/finalrule/> for more information.



CONTACT US



Do you have ...

- a HR or business-related question;
- exciting news or information to share with our group; or
- maybe an upcoming event?

If so, contact one, two or all of us any time, any day.

We want to hear from you!

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Our last-minute tidbits and events:

- ▶ **Updated Labor Law Posters are now available!** Please contact Lisa Johnson, Manager of the S.D. DOL Office—Watertown, at 65-882-5131 or via email at LisaM.Johnson@state.sd.us to request new ones. The staff is willing to deliver them to your local business.
- ▶ Our Chapter will be volunteering for the **People Against Childhood Hunger (PACH) Program on Wednesday, 9/7/2016, at 6:30pm.** We will be assembling food packages for schoolchildren. The event is expected to last one hour. Please let Audra Hunt know ASAP if you plan to attend.
- ▶ **S.D. Manufacturing Week will take place October 3rd—7th at LATI, Watertown.** An HR Panel Discussion is scheduled for Thursday, 10/6/2016, at 1pm in the Student Center.
- ▶ Are you looking to get **HRCI or SHRM certified** soon? Are you looking for a study group to help you? If so, contact Tammy Davis at tammy.davis@we-online.com for more information.

