

To:

The HR Specialist

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Attend the #1 HR law conference ... March 25-27 at ARIA in Las Vegas! ... see p. 8

From: Business Management Daily

Subject: Practical HR strategies to boost your career

In The News ...

Plan now for 27 biweekly payrolls in 2020. Employees paid biweekly are paid 26 times a year. But with 2020 being a leap year, many employers will see a 27th biweekly pay period. That can cause changes to your payroll process, withholding, month-end accruals and budgeting issues. Plus, 401(k) nondiscrimination testing may be affected. For advice on how to respond, see www.theHRSpecialist.com/payroll27.

New hires can't withhold SSNs.

A New York company fired a new employee after he refused to provide his Social Security number, arguing that those numbers are the devil's "Mark of the Beast." The court dismissed his lawsuit, saying employers don't have to accommodate religious beliefs that pose an "undue hardship" on the company. And breaking tax and immigration laws would meet that standard. (*Lowman v. NVI*, WD NY)

Gen X: the easiest to work with.

Workers across all age brackets say that Generation X workers (born 1965-1980) are the easiest employees to work with, says a new Reflektive survey of 1,000 U.S. employees. The consensus across all generations was that the youngest staff (millennials and Gen Z) are the most challenging to work with.

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Political talk on the rise: How to draw the line

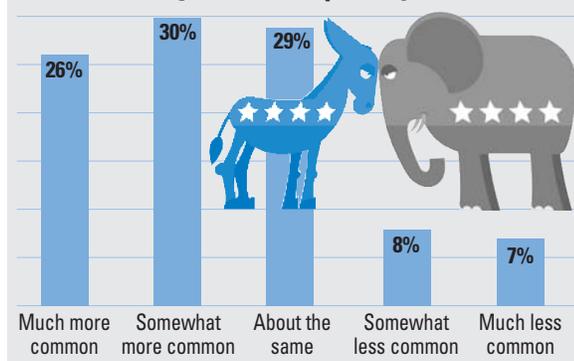
Check your political opinions at the door.

For decades, that's been the conventional wisdom for workplace etiquette (and survival). But America's hyperpolarized culture has opened the doors to more co-worker political talk—and conflicts. With 2020 shaping up to be a bruising election year, you can expect the conflict meter to rise even higher.

More than half of U.S. workers (56%) say talk of political issues at work have become more common in the past four years, says a new Society for Human Resource Management survey (see chart).

About 40% of workers say they've experienced or witnessed disagreements about politics at work. And 11% say they've experienced "differential treatment" at work because of their political views or affiliation.

How has the talk of politics among employees changed over the past 4 years?



Advice: While employees don't have First Amendment rights to say whatever they want in private workplaces, that doesn't mean you should put a gag order on employee political discussions. Instead draft a policy that minimizes distractions and maintains order but allows free speech. Five tips:

- 1. Have a business reason for any restrictions.** Only limit political

Continued on page 2

Nepotism: When does it become illegal?

At some organizations, employment decisions are a family affair. Maybe a boss hires only his friends or inexperienced family members. But is it illegal to play favorites in hiring, firing or compensation?

In the private sector, such nepotism is typically not unlawful. (If employees work for the government, most states have laws about hiring relatives or conflicts of interest laws at a certain level.)

However, nepotism in the private sector may cross the line into unlawful actions in a few cases, such as:

- **Discrimination.** If the favored few all come from the same race,



Playing favorites is typically not unlawful in the private sector, but there are situations that could trigger a lawsuit.

sex, religion or other protected class, that could trigger a Title VII discrimination claim.

- **Sexual harassment.** Say a manager promotes an employee who had a sexual relationship with him, but he demotes a woman who turned him down. That could spark a harassment claim.
- **Promises.** If a family member

Continued on page 2

Political talk at work

(Cont. from page 1)

expressions that might affect productivity or customer relations.

Example: You can ask a cashier to remove a “Legalize Pot” button but not that sticker on her car.

- 2. Be consistent and fair.** For example, don’t make employees remove pro-Smith buttons, while allowing pro-Jones ones.
- 3. Provide guidelines.** Clearly tell employees that all workplace speech—political or otherwise—must be respectful, accommodating and tolerant of others’ views.
- 4. Don’t retaliate against off-duty political activity.** In many states, employees are protected against discrimination or harassment for their after-hours political actions.
- 5. Never press employees to vote for a specific candidate.** Almost every state forbids employers from using threats to influence an employee’s vote.

Nepotism

(Cont. from page 1)

or friend gets a job that was previously promised to another employee (in a contract or verbally), that could spark a legal cause of action.

Recent case: Mary, who is white, was fired from her clerk job at a Mississippi city’s tax office. The two clerks who were retained are black and related to a city alderman.

Mary sued, claiming race discrimination. The city argued that even if the two clerks received job protection because of nepotism, that didn’t mean the firing was based on racial bias. The court dismissed the case, saying nepotism isn’t the same as discrimination. (*Harville v. City of Houston*, 5th Cir.)

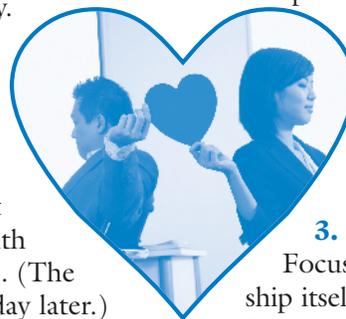
Final tip: This case doesn’t mean you should rubber stamp decisions that are caused by nepotism. Even in cases that don’t break the law, favoring only friends and family will crush co-worker morale and retention.

Rethink your ‘romance policy’: Lessons from the firing of McDonald’s CEO

With people spending most of their waking hours in the workplace—and technology making that a 24/7 connection—it’s no wonder workplace romances are hotter than ever. In fact, nearly half (48%) of American workers say they’ve dated a co-worker at some point, according to a new Reboot Digital Marketing survey.

A spotlight was shined on this topic last month after McDonald’s fired its CEO for violating the company’s policy against manager relationships with direct or indirect reports. (The HR chief departed one day later.) Last year, Intel’s chief exec stepped down for a similar reason.

While the survey found that nearly half (46%) of U.S. organizations would prefer that their employees not date one another, it’s unwise (and unworkable) to put a complete “no dating” ban on staff. Instead, have your policy focus on the real culprit—the possibility for favoritism, harassment and bias.



4 tips to manage relationships

1. Set a policy that bans relationships between supervisors and their subordinates. At the very least, require supervisors to notify HR if they get into such “power-differentiated” relationships.

2. Spell out the consequences.

Example: Transferring the subordinate to another boss may solve the problem. If performance or teamwork is affected, progressive discipline may be needed.

3. Investigate complaints.

Focus not on the relationship itself, but how their behavior affects the workplace. Remind them about the policy and explain that if the relationship interferes with work, one party may be transferred or dismissed. Document the meeting.

4. Consider agreements. Some companies ask such employees to sign agreements stating the relationship is consensual and it holds the company harmless for any fallout.

‘Tis the season for religious accommodations

The holiday season is upon us, which means employees may ask for leave for religious events. Recognize that you need to offer such accommodations, as long as they don’t create an undo hardship on your company.

Another, less obvious, issue to consider: Religious beliefs may affect how employees can participate in your holiday events—if at all.

Recent case: The owner of a medical facility told one of its administrative assistants to start planning the big holiday party, with directions to book cabaret-style dancers too.

The admin explained that she, as a Jehovah’s Witness, could not even



Training tool Teach supervisors how to legally handle religious requests with our Memo to Managers article, *Accommodating Religion: What Managers Need to Know*, at www.theHRSpecialist.com/religion.

attend such a party, let alone plan it. Shortly after, the owner sent her an angry email saying, “We can’t tolerate religious privileges from anyone.” Then he fired her. Several other workers who couldn’t attend the party due to schedule conflicts were not fired.

The admin complained to the EEOC, which sued the medical facility on her behalf, saying it refused to accommodate her religion while allowing other employees to skip the party. (*EEOC v. Pediatrics 2000*, SD NY)



When is more 'ADA leave' unreasonable?

In some cases, the ADA says you must offer time off to disabled employees as a reasonable accommodation. But take note: You don't have to grant leave if it won't help the employee return to work on a regular basis, when her presence is essential.

Recent case: Rosetta, who made collection calls for a bank, wasn't eligible yet for FMLA leave. The bank did give her periodic leave as a part of an ADA accommodation for medical ailments. But after receiving yet another doctor's note asking for

an extension of the ADA leave, the employer terminated her. She sued, alleging ADA wrongful termination.

The bank argued that it had done everything possible to help her perform the job's essential functions, but to no avail. She couldn't make it to work regularly, which was essential for making collection calls.

The court agreed and dismissed her case. Rosetta wasn't a qualified disabled person because her condition made it impossible for her to perform her job. (*Greene v. Santander*, ND TX)

Legal Briefs

Review prior complaints before terminating

A worker was fired, allegedly for performance. He sued because the firing came soon after he complained to HR about a co-worker proselytizing on the job. The court sent his suit to trial because his religious complaint was protected activity. A jury will decide if retaliation was the real reason for the firing. (*Smith v. Formaspace*, WD TX)

The lesson: Before approving any recommendation to terminate a worker, review records to see if the worker has filed any discrimination or harassment complaints. If so, make absolutely sure the discharge recommendation wasn't intended as retaliation.

All cash? Off the books? Don't play FLSA games

A small restaurant chain will pay 25 employees more than \$78,000 in back wages and penalties after a U.S. Department of Labor investigation found it paid workers in cash, off the books. Employees were paid straight time, even for hours beyond 40 in a week. The restaurant also failed to keep proper records.

The lesson: Games to dodge overtime generally don't pay off. It's easier than ever for disgruntled workers to report Fair Labor Standards Act violations to state or federal agencies.

Allowing mocking of accents: A manager's \$650k mistake

The EEOC sued a forklift company, saying a manager allowed employees to harass Hispanic co-workers, including derogatory slurs and open mocking of their accents. The situation was so bad, the Hispanic employees had to quit. The company agreed to settle the case for \$650,000 and train its staff. (*EEOC v. Pape Material Handling*, ED CA)

The lesson: Remember that your anti-harassment policies must address all forms of harassment based on protected characteristics, not just sexual harassment.

Warn younger bosses about ageist remarks

Grandpa ... pops ... elder statesman. Sometimes, new supervisors don't realize the long-term harm that a few unwelcome nicknames or comments can create, particularly about a person's age.

An older subordinate might feel insulted. And that could be the seed of an age discrimination lawsuit if the older worker ends up being terminated (even for good cause).

Recent case: For nearly 25 years, Michael worked in a white-collar energy job. But trouble started when his new boss (20 years his junior)



criticized Michael's work while calling him names like "pa" and "young feller."

After a year with this boss, Michael was fired, allegedly for a work mistake. But no other workers had ever been fired for the same mistake. Michael sued for age bias. The court said he had plenty of evidence to go to trial. (*Wyland v. Berry Petroleum*, ED CA)

Online resource Train managers to avoid this risk with our article, *What Managers Need to Know About Age Discrimination*, at www.theHRSpecialist.com/age.

It's OK to repost a job eliminated in a layoff

Sometimes after a reduction in force, the employer discovers that it laid off too many people. Or business may have picked up, requiring more hiring.

You may worry that posting jobs similar to the jobs that were eliminated could spur a discrimination lawsuit. But if you can clearly explain (and document) a business-based reason why you decided to reopen positions that were eliminated earlier, courts are unlikely to conclude that you intended to discriminate.

Recent case: When Reina was out on maternity leave, her job was one of several marketing jobs eliminated. A year later, the company advertised for open marketing positions.

Reina sued, saying this was evidence the RIF was an excuse to terminate a woman on maternity leave.

The company explained to the court why it needed to ramp up marketing again—and it had the numbers to prove it. The court sided with the company. (*Karunaratne v. Qiagen*, Court of Appeal of California)



Kinder, gentler? New DOL enforcement record

Despite the Trump administration's pro-business reputation, it continues to crack down on employers that cheat workers out of wages. In fiscal 2019, the U.S. Department of Labor recovered a record \$322 million in back wages from employers that violated the Fair Labor Standards Act. That's an average of \$1,150 for each worker owed back pay.

Feds ease rules on federal-contractor staffing

Companies that take over existing federal government contracts now have more flexibility to hire their own workers. A new White House executive order lifted Obama-era rules that required new contractors to retain most employees who were performing work for the previous contract holder.

IRS sets new limits for 401(k), travel perks

The amount employees can drop into their 401(k) or 403(b) accounts will rise to \$19,500 next year, an increase of \$500, the IRS announced. Employees age 50 and older can contribute \$6,500 in pretax catch-up

contributions, also a \$500 increase. Also, the monthly tax-free reimbursement for qualified employer-provided parking and pretax mass transit benefits is projected to increase by \$5 to \$270.

New DOL rules on fluctuating workweek pay

The DOL has proposed a new rule that would encourage employers to offer bonuses or other incentive-based pay to nonexempt workers who receive salaries under the "fluctuating workweek" method of compensation. The proposal would revise the calculation for overtime for salaried, nonexempt employees who work hours that vary each week. Read more at the FordHarrison site, www.tinyurl.com/workweekbonus.

Federal fair-scheduling bill: passage unlikely

So far, at least two states (Vermont and Oregon) and several cities (including Chicago and New York) have passed "predictive scheduling" laws. A new bill in Congress would require retail, restaurants and other employers to give employees at least 14 days' notice of changes to their work schedules. It would also mandate extra pay for workers who have their shifts cancelled after arriving at work. The GOP-led Senate would likely block any such bill, so expect more action within states and cities.

HR Q&A

Employee hospitalized for mental health issues: What actions can we legally take?

Q. An employee in good standing was hospitalized for mental health issues. We placed her on suspension to gather more details. She had previously disclosed mental health issues but provided medical clearance. Is this a qualifying FMLA event? Are we able to terminate her because of the assumed safety risk in the event of another episode? — *Anonymous, Pennsylvania*

A. Employees who work a sufficient number of hours to be eligible for FMLA are entitled to job-protected time away from work whenever they experience a "serious health condition." Overnight hospital stays will always qualify as serious, as will chronic conditions requiring ongoing monitoring. This employee meets both those standards.

Not only is FMLA leave job protected, the ADA prohibits you from discharging disabled workers because of that disability, unless the individual poses a "direct threat" to herself or others. You don't say whether the employee has done anything (at work or elsewhere) that suggests this. Even so, it sounds like it is too early to decide whether she can safely return to work.

Once she is ready to return, engage in the interactive process to determine if she is able to perform her essen-

tial functions safely—without posing a threat to herself or others—with or without first taking additional leave or requiring other accommodations.

Online resource For advice on accommodating mental health issues, go to www.askjan.org/disabilities/Mental-Health-Impairments.cfm.

Health benefits, the FMLA and W-2s

Q. Our company pays for full-time employees' health premiums. Employees only pay a portion of the premium on a pretax-basis when they cover their dependents. What do we report, if anything, on an employee's W-2, if she took FMLA leave and couldn't make her pretax contributions?

A. The reporting requirements don't make a distinction between employees' pretax and after-tax contributions. The aggregate cost (i.e., the employer and employee shares) of any group health insurance that's excludable from her income under tax code Section 106 is reported on her W-2, in Box 12, with Code DD. *Note:* Employers only need to report in Box 12, with Code DD if they filed more than 250 W-2s during 2018.

Do you have a question? If so, you can email it to The HR Specialist at HRSEditor@BusinessManagementDaily.com.

Cutting health care costs: New employer strategies

Curbing their costs remains the top health care priority for almost all employers (93%) over the next three years, according to Willis Towers Watson's annual survey on the topic. Still, nearly two in three employers (63%) see health care affordability as their most difficult challenge to tackle.

Employers expect health care cost increases of 4.9% in 2020 compared with 4.0% in 2019. Even so, 95% of employers are very confident that their organization will continue to sponsor health care benefits for their workers in five years. What about 10 years from now? Almost three-quarters (74%) predict they'll still be sponsoring benefits, the highest percentage in a decade.

The survey found that employers are most often focusing on these three cost-cutting measures:

1. Reducing specialty pharmaceutical spending. These highly complex, very expensive drugs—usually costing more than \$1,000 per month—are used to treat chronic conditions such as cancer, hepatitis, nervous system or blood disorders and autoimmune conditions. They often must be administered in doctors' offices. Cost-cutting measures include centralizing where the medicines are administered.

2. Steering employees toward proven services that produce positive health outcomes at a lower price, such as high-performance networks and centers of excellence. More employers are actively reviewing out-of-network coverage and costs.

3. Enhancing employee well-being. Most employers surveyed are redesigning employee assistance programs to better address emotional and financial well-being. More employers now offer apps to help employees relax and get better sleep.



5 ways to 'repackage' perks and increase participation



Just one in four employees participates in discretionary benefits,

according to industry estimates. The main reason: Different benefits are relevant to employees at different points in their lives.

Yet when an employee does need help with a childcare referral, retirement planning tips or EAP assistance, the knowledge of those benefits can go a long way toward keeping that person happily employed.

Here are five ways to refine your benefits communication:

1. No news = no use. If employees don't receive constant reminders about a benefit, they'll forget it's there. It's not enough to introduce a benefit with one-time marketing. Reintroduce your benefits at least once a quarter. Publicize anything employees may consider a benefit.

2. Commit to a communication schedule, and stick with it. Is there a good month to talk about child care—like May, when we celebrate Mother's Day? Find a "hook," something you can attach your information.

3. Use all communication tools available, including email, social media, intranet, podcasts, your employee newsletter, fliers in every employee mailbox, paycheck inserts, bulletin boards, even bathroom walls.

4. Mail information to employees' homes, where spouses and children, who might not know about the services, can read about them.

5. Teach employees to rethink common benefits. The EAP, for instance, is thought of as being for employees in distress. But if you explain that it's also for employees who provide elder care, more employees will use it. After one large organization tried this EAP approach, half of its EAP calls the next quarter were about elder care, up from 19%.

Use AI software in hiring? Beware hidden legal risks

Artificial intelligence sounds like it could be hiring's Holy Grail: A completely automated system that maximizes application-sorting efficiency, minimizes HR labor and reduces the chance that discrimination could taint the hiring process.

But despite its great potential, AI carries liability risks you must understand.

Many HR departments now use AI programs to sift through résumés and applications to identify key words and phrases. Applications that meet an employer's screening criteria are forwarded to HR for further review. The rest are rejected.

In addition to efficiency, software sellers tout AI's ability to bypass the subjective whims (and biases) that humans can introduce into the "who to interview" decision.

That's a dangerous assumption. While AI may guard against direct discriminatory decisions, it can still deliver results that have a disparate impact on protected groups of applicants.

For example, if the inputted job criteria is based on certain assumptions—for example, that many years of experience may signify the desire for higher pay than the employer wants to offer—then the applicants who survive the AI screening process may skew young.

The resulting hires may be exact matches for the algorithm, but they still reflect a biased hiring process. And AI algorithms that screen for things like work gaps may disproportionately exclude women who took time off to raise kids.

Advice:

Continue human review of AI-assisted decisions. Check with a lawyer to make sure your AI efforts aren't biased.



To: _____
 From: _____

Date: December 2019
 Re: Difficult conversations

Communication How to have those 'tough talks' with employees: 10 tips

A decline in employees' work quality ... slipping attendance ... complaints from co-workers.

No manager enjoys having to sit down with employees to talk about these difficult issues. Unfortunately, managers must address these topics head-on for both productivity and legal reasons. The good news is that tough conversations can actually strengthen relationships and help both parties grow personally and professionally—if you handle them the right way.

Here are 10 tips for having those difficult conversations from Quint Studer, author of the bestseller, *The Busy Leader's Handbook*:

- 1. Stay focused on preserving the relationship.** It's important to convey the difficult message while still treating the person with respect and empathy. If you damage the relationship, you shut down future opportunities for collaboration and growth. In fact, tell the person up front that the relationship is important to you.
- 2. Consider that you might be wrong.** Go in with an open mind. You may not know all the variables causing the work or behavior problem. You may hear something that totally shifts your perspective—or you may be completely wrong.

Knowing this will help you be a better listener.

3. Schedule the meeting—don't pop in.

Ambushing people creates anxiety and breaks down trust. Better example: "Chris, I'd like to chat with you about what happened with the Jones account. Can we meet at 2:30?" This gives the person a chance to



gather their thoughts and prepare.

4. Meet on neutral ground.

It's usually best not to call the person into your office. This shifts the balance of power to your side and puts the other person on the defensive. A neutral space—say a conference room—sends the signal that this is a solutions-centered discussion, not a dressing down.

5. Be clear and specific with your explanation.

Express upfront what the problem is, how it's affecting others and what must change. Be prepared with hard data: "You missed the sales goals by 37% last quarter," or "You've been late 13 days in the past six months." Productive conversations are grounded in facts, not observations.

6. Be collaborative, not authoritarian.

Outcomes are better when the person feels a sense of ownership for the solution. Ask positive questions like, "What factors do you think led to this issue?" or "Do you have ideas on what both of us might do differently moving forward?" Listen to the other person's perspective and compromise when you can.

7. When you ask questions, give the person time to gather their thoughts.

Don't just talk to assert your point of view or fill the silence. That's especially important when you're dealing with an introvert who needs time to think before they speak.

8. Listen actively.

Stay focused on understanding what the person is saying, both verbally and nonverbally. Summarize what they say and confirm it with them. Trying to understand where someone is coming from will show your empathy. It helps the other person accept what you have to say, even if it isn't what they wanted to hear.

9. Keep things civil.

Never yell, insult, threaten or bully the person. If things start to escalate, end the meeting and reschedule when you're both calmer. A single episode of bad behavior can tear down a relationship that took years to build.

10. End with an action item.

Ideally, the employee will leave the meeting with specific steps to improve on the topic discussed. Schedule a follow-up conversation to see if things have changed for the better.

What to ask yourself before having a difficult conversation

- 1. Am I being fair and consistent?** Don't have one set of rules for one employee and a different set for another.
- 2. Am I too focused on being 'right'?** Just because you may disagree with someone doesn't mean they are wrong. People have different experiences and points of view. Life isn't always about "right" or "wrong." When you have that attitude, you may not even listen to what the other person is saying.
- 3. Do I need to call in a witness, document the conversation, or consider other legalities?** Depending on the nature of the situation, you might. If you're not sure, consult with HR.



Handling harassment claims: 5 mistakes employers make

Receiving an internal harassment complaint is a critical moment for employers. How you handle it can affect workplace morale, the likelihood of a lawsuit (or an administrative charge) and the defenses available to you as an employer.

Here are five common mistakes employers still make—and how you can avoid the same slip-ups:

1 Meeting with the complainant and the accused together.

Too often, employers think they can mediate the dispute by simply getting both sides in a room to hash out their differences. It's rarely a good first move. Instead, start the investigation by interviewing the complainant and the accused separately to obtain their versions of events.

In fact, complainants who bring lawsuits often allege that these forced meetings entitle them to emotional distress damages.

2 Failing to interview all potentially relevant witnesses.

To avoid this mistake, ask interviewees one simple question: “Are you aware of anyone else who may have observed any of the events we discussed?”



Too often, employers think they can mediate the dispute by simply getting both sides in a room to hash out their differences. It's rarely a good first move.

Interviewing all relevant witnesses prevents many legal problems. It helps ensure you won't lose valuable evidence and effectively counters allegations that you did not conduct a good-faith investigation.

3 Forgetting to preserve all potentially relevant information (not just emails and files).

It is important to act quickly to preserve other buckets of potentially relevant information, such as security camera footage, text messages and messages sent via internal platforms such as Slack, Jabber or Google Hangouts.

4 Failing to inform the complainant and accused of the investigation's outcome.

Many plaintiffs say they complain internally to their employer, but never hear what happened as a result. This uncertainty frequently triggers employees to file lawsuits.

It can also lend credence to allegations that the employer did not take the internal complaint seriously.

Even if you determine the allegations were unsubstantiated, it is almost always a good idea to inform the parties of your determination.

5 Failing to ask the complainant their objective.

If a harassment complaint is substantiated, start a dialogue about what the complainant wants done. A new supervisor reporting structure? Is the accused going to remain employed or transferred? Would the complainant agree to be transferred to another department?

You need not abandon your right to make the ultimate decision. However, bringing the complainant into the conversation shows that you took the allegations seriously. It is often one of the most important reasons why an employee decides whether or not to file a lawsuit or administrative charge.

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'OK, Boomer!' is not OK in the workplace

Employment lawyers are warning that “OK, Boomer!”—the viral phrase that caught fire on social media last month as a tool for Millennials to dismiss Baby Boomer’s opinions—could be used as evidence in age-discrimination lawsuits by older workers. **Advice:** Make sure all employees, especially your Millennials and Gen Z workers, understand that contemptuous comments about older employees (even if they’re said in jest) could form the basis of age-based discrimination or harassment lawsuits. (See page 3 for an age-bias training tool.)

Fewer seeking new jobs: Sign of a slowdown?

A full 53% of U.S. workers say they intend to stay with their current employer in the coming months. That’s a 10% increase compared to when the question was asked a year ago, according to business services firm Gartner. This record high intent-to-stay percentage coincides with other workplace indicators that show more workers have begun to worry about the stability of the economy and their ability to get new jobs.

U.S. among leading nations for telecommuting

The United States ranks second in the world in terms of employers that allow employees to work from home at least some of the time. A full 43% of U.S. employers offer a remote work option, according to a Condeco Software survey. That number could rise as nearly half of employers surveyed plan to allow more remote working next year. Only Australia has a higher percentage of employers allowing remote work (45%).

Holiday hiring expected to remain flat this year

For the 2018 holiday season, retailers added the lowest number of temporary jobs since 2009 (a full 6.4% lower than 2017). And that trend is likely to continue this year, according to a Challenger, Gray & Christmas report. Why the trend? You credit-card statement likely

The customer isn’t always right! Their preferences don’t excuse bias

Your employees aren’t allowed to bow to customer preferences if those preferences are racist, sexist or would violate an employment discrimination or public accommodation law.

Case in point: Last month, that simple premise was put to the test at Buffalo Wild Wings restaurant near Chicago. A group of 18 black customers celebrating a birthday were asked to move to different seats by a waitress. The reason: a regular customer, who is white, didn’t like sitting near black people.

The incident exploded in a media firestorm. The restaurant fired the waitress, but the damage was done (and a lawsuit may be next).

Lesson learned: The case law is clear—discrimination is unlawful, no matter whose idea it is. Make clear to employees that while it may be uncomfortable to reject customers’ racist or illegal requests, they have no legal choice.



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tells the story—more online shopping means fewer seasonal jobs at the mall, but it translates into more jobs at warehouses and fulfillment centers.

Do plants in the workplace help productivity?

A recent study done by the Royal College of Agriculture concluded that students are 70% more attentive around plants. And another study by Texas A&M University found that employees who worked in a room with two potted plants and a bouquet of flowers had 13% more ideas than workers in a room with a sculpture.

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— attendee
John Farrell

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Is there anything more dangerous than crossing the IRS?

Payroll Compliance Handbook

Once upon a time, payroll used to be easy: the employee's gross pay minus federal, state and local taxes. Then along came health premium and 401(k) deductions. Still simple, but...

Today, payroll managers deal with direct deposit, health spending accounts, vehicle allowances, phone expenses, earned income credits, garnishments and more. Payroll is now a confusing and time-consuming task prone to error.

Don't let a simple mistake unleash the full and frightening power of the IRS and wipe out your business... and you personally.

With our newly updated *Payroll Compliance Handbook*, you'll quickly and easily find answers to all of your nagging payroll questions. This handy reference is written in plain English - no legal gobbledygook here - so you can quickly understand what you need to do to stay in compliance, improve efficiencies and avoid costly payroll errors.

Each chapter focuses on a specific aspect of payroll management and compliance... and every issue of payroll compliance you need to know is addressed.



Navigate easily to topics including:

- Complicated tax calculations
- Exempt classification
- Fringe benefit deductibility
- Independent contractor status
- Paying for on-call time
- Business expense reimbursement
- Saving on unemployment taxes
- Payroll record-keeping
- Handling the IRS without stress
- Everything you need to know about W-4 forms
- And dozens more critical topics!

Over, please

We've Made Payroll Easy Again!

You will not find a more comprehensive payroll resource than the **Payroll Compliance Handbook**. The author, Alice Gilman, Esq., is our resident expert in payroll and tax compliance. Over the past 30 years, she's written and edited several leading payroll publications, including Business Management Daily's *Payroll Legal Alert*, the Research Institute of America's *Payroll Guide*, the American Payroll Association's *Basic Guide to Payroll* and the *Payroll Manager's Letter*.

The **Payroll Compliance Handbook** answers questions like:

- **Are your employees exempt or non-exempt?** A handy checklist makes it easy to determine
- **Must you pay an employee for attending a training program?** The answer may be no if these four conditions are met
- **How can you avoid the most common FLSA violation?** Simply follow our chart or be at risk for a hefty fine
- **A woman has less experience and education than a man in a similar role. Can you pay her less?** Plus, how to establish an equal pay merit system that works
- **Fringe benefits: taxable or non-taxable?** How to reward fringe benefits to employees without crossing swords with the IRS
- **W-2s, W-3s, 1099s and more: What errors will land you in the IRS hot seat?** We'll tell you how to avoid them
- **What's the law in your state?** Check out the appendixes for the requirements in your state.

To stay ahead of the IRS, you need the bulletproof strategies found only in the **Payroll Compliance Handbook**. Get your copy now!



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