



LIVINGSTON AREA HUMAN RESOURCES ASSOCIATION

November Program Meeting

Managing Unemployment Compensation Liability: "You've Got to be Kidding Me...Why Are We Paying Unemployment for That Employee?"



Unemployment compensation is a regular and unavoidable expense for most employers. It can also be a very frustrating expense. There are techniques for

managing, reducing and avoiding unemployment liability; but the real secret is learning how certain events occur and why certain decisions are made. In this program, you will learn about Michigan's unemployment compensation system and learn about techniques employers can use to help control this cost. Some of the main issues covered in this presentation include:

A brief overview of Michigan's unemployment compensation system.
An explanation on the concept of "second year" or "successive" claims.
A review of several procedures that may increase or reduce unemployment

liability. Recommendations for handling unique unemployment claims.

This presentation is recommended for all members of the Livingston Area Human Resources Association — especially those who handle unemployment matters.

Presented by:

Neil Mac Vicar Michigan Hospital Association
Unemployment Compensation Program
(517) 886-8331
nmacvicar@mha.org

Date: November 16, 2010

Time: 7:30am-9:00am
(breakfast provided)

Place: Crystal Gardens, Howell MI

Cost: \$25 members/\$35 non-members

Reservations: Please register online at www.livingstonhr.org by November 10.

Silent auction proceeds will benefit SHRM foundation.

Save the Date!



November 3, 2010

HRAGD HR Connects!

5:30 – 7:30 p.m.

Leon & Lulu

96 West 14 Mile Road

Clawson, MI 48017

248-288-3600

November 18-20, 2010

SHRM Leadership Conference

Arlington, VA

January 18, 2011

Program Meeting

11:30 – 1:00 p.m. (lunch provided)

Excerpts from Legal Briefs for HR



Add It Up

- When recording the time worked by nonexempt workers, the FLSA regulations allow employers to disregard certain "insubstantial or

insignificant periods of time." See 29 CFR sec. 785.47. One employer learned the

hard way that this exception is not nearly as broad as it seems. In order to use the de minimis exception, first consider [1] the practical difficulty of recording the time; [2] the aggregate amount of compensable time foregone; and [3] the regularity with which the exception is applied. In the case of Las Vegas casino dealers who attended mandatory 10-15 minute pre-shift meetings, the court found such time was not de minimis and was therefore

compensable under the FLSA. The court observed it would've been easy enough to record that time on employee's time cards, the lost time amounted to more than a weeks' pay per year and the meetings occurred regularly, prior to every shift. *Daprizio v. Harrah's Las Vegas Inc.* (D. Nev. 8-10).

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President's Message

By Kristi Stutz



I am **THANKFUL!**

Thanksgiving is such a great holiday! Still relatively un-commercial compared to others, it's a chance to relax, eat, and reflect on the pure intent of the occasion – to give thanks. While sometimes this can be difficult in light of job loss or job stress, the pace starts to slow for most (unless you're in retail) so that blessings can be appreciated. While last year many were thankful to still have a job, this year many companies are focused on employee engagement so as not to lose the key talent so critical to accomplishing more with less. What a great time to think about the contributions people make to your company or organization and thank them.

I am certainly thankful for all of the experiences LAHRA has provided to me. From professional development to friendships gained, there is certainly much to be celebrated.

I am amazed by the commitment given by each board member, even though their "day jobs" are so demanding (especially when we decide to meet at 6:00 a.m.!). Everyone's unique talents and diversity of opinions come together to form such positive ideas and stewardship for our chapter. I'm thankful for the hard work of the Program Planning Committee for always striving to come up with meetings that will meet the educational needs of our members. I'm thankful for the membership committee who continue to seek new members to compliment our organization, while at the same time working to align with SHRM. I'm thankful for the faithful members who come to meeting after meeting, even if the topic is on something of lesser interest. And, I am thankful for the support shown and opportunities given to us by MISHRM.

Recently, several LAHRA members represented our chapter at the MISHRM conference in Grand Rapids. What a great experience! The speakers were of high quality and the venue was amazing. Most notably was the distinct honor to hear Michael Losey, former CEO of SHRM, share his wealth of knowledge and experiences gained throughout his career of serving the HR profession. He gave poignant examples of how interactions he had with people along his journey helped create his passion for the profession. He reminded us that even through the day-to-day challenges we encounter, it's important to remember the joys of HR and the opportunities the profession gives us to impact the lives of others.

So, in the event you are having a challenged day/week/month/year, I encourage you to take a moment and be **THANKFUL.**

MISHRM State Conference



Varnum hosts gathering of Conference Attendees.



Kari Olds wins a \$300 gift card from Silk Road Technology.



Jan Camden, Kristi Stutz and Lyn Hewitt Outside Devos Hall.



View from Varnum Offices – Art from the Sky Event.



Lyn Hewitt, Jan Camden, Kristi Stutz, Joe Kyle, Christy Conn and Jon Porta on the patio of the Varnum offices for Art fro, the Sky.

New Member Spotlight: Ed Ramirez

By Christy Conn



Ed Ramirez

Ed Ramirez is the newest member of LAHRA and glad to be back in Livingston County working for TG Fluid Systems. Ed started early in his career working in

staffing and recruiting, including a role as a Labor Representative for Chrysler. Mr. Ramirez has also worked in the field of manufacturing since 2003. As the Manager of Human Resources and Administration, Ed is eager to meet new people in the Livingston County Area and become a part of the community.

Before starting with TG Fluid Systems two months ago, Ed had a weekly commute to Pennsylvania while his wife and 3 children were living here in Michigan; needless to say, he is glad to be home! Thanks Ed for becoming a member and welcome to LAHRA!

October Meeting Recap

By Cheryl Rogers

Steve Dion, President of the Droste Group, condensed a six-week change management course into a one-hour presentation and shared it with attendees at the LAHRA October meeting.

Dion said that doing change well is a business imperative. His organization promotes a change model that uses specific techniques to lead change effectively, resulting in a positive impact.

In the Droste model, the change curve suggests that employees first respond to change with denial. An organization can respond to the denial by sharing information—as much as possible, as soon as possible—in a fact-based way.

The presentation of facts can lead employees from denial to resistance. In response to resistance, an organization should help employees understand what's in it for them. Even if the options are

unappealing (for example, take a pay cut or lose your job), the "WIIFM" can lead employees to take the change seriously.

The employee then moves along the change curve to exploration, a place where they are ready to learn and plan seriously for the future. This can be an exciting phase, but slipping back to resistance isn't uncommon. During exploration, employers should involve employees in an active way, ideally making them change champions.

Employees next move to commitment. In commitment, they feel confident and in control, and comfortable with the change. A strategy of reinforcement will keep employees committed. Consequences are high performance and achievement of business results.

Dion stressed that the two key aspects to change execution are decision making and communication. He reminded us that



Steve Dion, President of Droste Group educates LAHRA attendees on change Management.

change affects everyone differently, and that not all are stressed by change of the same magnitude.

For more information on the Droste Group, you may reach Dion at Sdion@drostegroup.com

HRAGD Presents: Get Ready for HR Networking Fun At HRAGD HR Connects!

Come meet new people, enjoy tasty treats - all while enjoying a creative, unique environment at Leon & Lulu! (www.leonandlulu.com) All local HR Groups will be joining in the fun... to create one BIG HR Event - FOR FREE!

You Coming???

When: Wednesday, November 3, 2010 from 5:30 – 7:30 p.m.

Where: Leon & Lulu
96 West 14 Mile Road
Clawson, MI 48017
248-288-3600

Our wonderfully generous sponsors include:

- ING Employee Benefits – Global Network
- Wells Fargo Insurance Services

This is an event you simply can't miss!
See you there!

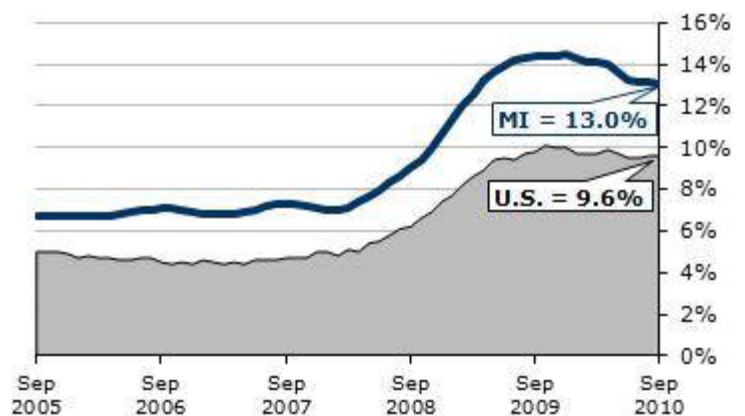
Michigan Unemployment Rate

(Seasonally Adjusted)

September 2010 13.0%

Change Over Month -0.1

Change Over Year -1.4



Source: <http://www.milmi.org/>

Just Dreadful?

An applicant rejected for a security guard position because his dreadlocks violated the employer's dress and grooming policy did not prevail on his claim of religious discrimination under Title VII. The plaintiff argued that his adopted name (Xodus), his dreadlocks and use of the phrase "It's against my belief!" during the interview were sufficient to put the interviewing manager on notice of his Rastafarian religion and the tenets of that religion, but the Court did not agree. *Xodus v. Wackenhut Corp.* (7th Cir. 8-10). To avoid similar hairy situations with your managers and supervisors, be sure they've been briefed on practical application of Title VII of the Civil Rights Act of 1964 and other basics of employment law. If you don't have a training program in place, give me a call.

Laundry Liability

A couple both work at a petrochemical plant. The wife develops mesothelioma, a cancer linked to asbestos exposure, after leaving her job. The couple sues the employer for negligence and argues that the employer should be liable because the wife has been washing her husband's asbestos-laden work clothes for 30 years. The employer argues that her disease may have been occupational and incurred while on the job, in which case workers' compensation is a bar to any other claims. In affirming a \$7.5 million verdict for the couple, the appeals court found that the employer had a "dual persona" in its dealings with the wife. While it was admittedly the wife's employer during part of the period of exposure to asbestos, it had a separate duty to protect her as a bystander from the foreseeable effects of laundering her husband's tainted work clothes. *Anderson v. A.J. Freidman Supply* (N.J. Super. Ct. App. 8-10).

Stress Test

An IT worker was unsuccessful in his bid to claim workers' compensation benefits because the stress of a computer crashing twice aggravated a pre-existing depressive disorder. The judge opined that a compensable injury requires "a level of stress above one's subjective reaction to normal working conditions" and the employee's claim that he was required to be on call 24/7 was disingenuous, since he had seniority and had opted to work

the extra hours. *DeSalvo v. Workers' Compensation Appeal Board* (PA Commonwealth Ct. 8-10).

Ax This Tax

The Telecommuter Tax Fairness Act (H.R. 2600), if passed, will remove the potential for double taxation on income earned by a telecommuter, in both the state of the worker's residence and the state where the employer is located. A second benefit would be to nix the mini-trend of states levying a business income tax on an employer due to the presence of even a single telecommuter in the state. Supporters of the bill cite benefits of telework as [1] providing new jobs; [2] lessening dependence on foreign oil; [3] relieving traffic congestion; [4] slowing the rate of crumbling infrastructure (e.g., roads, bridges); [5] alleviating strain on public transportation; [6] reducing carbon emissions; [7] facilitating employees' work/life balance; and [8] allowing work to continue when commuting to work is not possible (e.g., extreme weather) or not a good idea (e.g., pandemic). If you are interested in following the progress of this bill, check it out <http://thomas.loc.gov>.

Another Form

A revised Form 941-X and instructions for use of the form are now available at www.irs.gov to be used by employers who are seeking a HIRE Act tax exemption on wages already paid to a qualified employee during a prior quarter or to make adjustments to the payroll tax reported on those prior wages. There is a separate form and set of instructions for use by employers in Puerto Rico.

R U Nutz?

Texting while driving is now banned in 30 states and DC. And new rules announced during the recent U.S. Dep't of Transportation's National Distracted Driving Summit will prohibit bus and truck drivers from texting while driving and also ban train operators from using cell phones and other electronic communications devices while on the job. For a map showing the scope of state laws, check out www.iihs.org/laws/maptextingbans.aspx.

*Audrey E. Mross
Labor & Employment Attorney
Munck Carter LLP*



Livingston Area Human Resources Association

Our mission is to provide a forum for education and networking among area human resources professionals, to advance the HR profession and to help our members grow professionally.

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