

HOT SHEET

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HR Trends:

- HSA contribution limits for 2024 will increase more significantly than in the past. Individual contributions will go up \$300 to \$4,150 and for families up \$550 to \$8,300 (plus \$1000 catch up for anyone 55 years or older).
- On 7/1, the Washington State ESD Paid Leave reporting system will be updated to accommodate WA Cares, so both programs can be reported at the same time.
- Employers who use Artificial Intelligence tools for employment decisions could run afoul of discrimination laws. On May 18, the EEOC issued guidance for employers that may be accessed at [EEOC AI Guidance](#).
- SHRM reports that black unemployment rates have gone down to record levels (though still higher than White & Asian rates) and Black workers are seeing some of the largest pay increases. Even taken with a grain of cautious optimism, this shows a positive trend.
- Microsoft announced they will skip pay increases for salaried exempt employees this year. They will also moderate bonus/stock awards. This is said to be an attempt to balance economic issues that have led to layoffs in the tech industry.



Full-Circle HR

Company-Wide Time Off

According to a SHRM source, only 44% of employees take full advantage of their paid time off.* To address the challenges of getting employees to feel comfortable using their paid time off to rest and refresh, some companies have implemented company-wide time off. Some organizations do this in the summer months, others during the holiday season. Some do both or some other version of this practice. This is a response to the dilemma of taking time off, only to come back to a mountain of catch-up work and, before going, making a monumental effort to prepare for departure. It is also in re-

sponse to the fact that many employees do not disconnect during their time off because of the above factors and more.

One of the companies discussed in the SHRM article implemented one week of companywide time off in 2003. They found it so successful that they recently added a second week. According to CNN, LinkedIn implemented this in April of 2021 for the first time.** Employees found it refreshing to come back to work and not have their mailboxes filled with intra-company emails. Some non-profit organizations have implemented this, in part, as a way to enrich their compen-

sation package which tends to be below the for-profit market package. But this approach is not for everyone—24/7 organizations are unlikely to be able to implement such a practice. If you think that this might work for your organization, begin exploring it by talking with other organizations who had implemented it. Find out what works and what doesn't. Examine the budget impacts and don't forget that there will be lower utility bills during this time when considering this. If a full company shutdown won't work, consider staggering it by department, or do half of the company at a time. Plan at

least six months in advance by working with employees to see which tasks can be deferred or covered in other ways during the shutdown. Develop a phone tree for folks to use in case of an emergency. And, as always: 1. Management should lead by example; 2. The policy should be clearly documented and communicated with contingencies for the exceptions that might arise; 3. Check back in with employees to see how it worked for them and adjust as needed; and 4. Maybe try it out for a year before committing.

I don't think of all the misery but of the beauty that still remains. — Anne Frank

Delivering Performance Bomb-Shells

We cannot give enough stress to the importance of ongoing feedback with employees—both the good news and the bad. Over the years, we have offered a number of different suggestions on how to do this creatively, humanely, consistently, and more. Still we find that this is a hard nut to crack and, quite recently, have handled situations where not having done this has proven vexing for our employers. Some of the issues that arise as a result of not giving timely and documented feedback include: needing to make cuts in your staffing and wanting to hold onto your strongest performers, but there is no documented support for your actions; defending an unemployment claim for an employee who was separated for

cause, without documentation; or having to defend a 'for cause' separation when the employee is now claiming discrimination.

One way to consider approaching this task, whether timely or not, is to redefine your role with your employee as a coach, not an adversary. In an article by SHRM, they are offering acceptance of the cold hard truth—managers have a hard time doing this in a timely way.^ They offer some suggestions on how to handle giving the feedback after significant time has passed. Here are some of these thoughts: 1. Realize you are not alone in this. And, unfortunately, if other managers are not being honest, then your team could be penalized due to lower performance ratings simply because you are being honest. Address this with

leadership so that all managers are asked to be clear and honest in their feedback. 2. You will have to own that you have not been timely in your feedback to your employee. But, don't let that stop you from providing it. Start by apologizing for not having been more timely—be sincere and genuine. The employee cannot improve if they don't know what they are doing incorrectly. And, if they do know, perhaps they need to see that it is no longer acceptable, it is important to change, and you will not let it slide. 3. After you have owned your part in not having addressed this before, be clear with your employee about exactly what behaviors are not working. Do not make it about them, be sure to keep it about the

behaviors. One way to help keep it from feeling like a personal judgment is to name the result of the behavior and put it on the table as a problem you and your employee can figure out together. If they struggle with making this problem-solving transition, coach them toward a possible solution and then begin to explore others solutions as well. 4. Make a commitment to your employee that you will continue to be honest and as timely as you can—invite them to do the same with you. 5. Have them acknowledge that you had this discussion with a signature. Assure them that this is not an agreement with everything said, but just an acknowledgement. And also let them know that this is an ongoing discussion.

*SHRM, *Is a Companywide Vacation Right for Your Organization?*, Glicksman, Eve, May 26, 2023.

**CNN, <https://www.cnn.com/2021/04/02/success/linkedin-paid-week-off/index.html>

^ SHRM, *Performance Appraisal Bombshells: Delivering Bad News*, Falcone, Paul, May 22, 2023.

