

HOT SHEET

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HR Trends:

- The US Federal Trade Commission (FTC) made a sweeping ban of most new noncompete clauses in employment contracts. Employers are encouraged to turn instead to non-solicitation or confidentiality clauses and to only give access to trade secrets on a need to know basis.
- The US Department of Labor (DOL) published a final overtime rule. Effective 7/1/2024 the minimum salary for Executive, Administrative, and Professional (EAP) exempt employees increases from \$35,568 annually to \$43,888 annually. Effective 1/1/2025 it becomes \$58,656 annually. In Washington State it is already \$67,724.80 annually. The annual EAP threshold for highly compensated employees will increase from \$107,432 to \$151,164.
- The United Auto Workers Union won a first ever victory in the South at a Volkswagen plant—a facility not affiliated with the Detroit Big Three. The vote was 2,628 to 985.
- The New York Federal Reserve Bank's March SCE Labor Market Survey reports that the average wage that people would be willing to accept a new job jumped from \$73,391 in November of 2023 to \$81,822 in March of 2024.



Full-Circle HR

The Sustainable Workplace

While climate change has taken its place among political issues as a divisive force, many companies are actively seeking better sustainability and their employees are taking note. Investors are also beginning to look for sustainability measures when choosing their investments. Adding to the multi-directional forces operating on companies, the U.S. Security and Exchange Commission (SEC) recently approved new rules requiring transparency from companies regarding their own emissions and climate challenges. A report by Deloitte shows that, of the employers surveyed, 59% are choosing more sustainable

materials, 59% are increasing energy efficiency of their buildings, 54% are using energy efficient or climate-friendly machinery and equipment, and 50% are training employees on climate change actions and impacts.* Some companies are also tying senior leadership compensation to sustainability performance. Companies are seeing that not only is the environment at risk, but their businesses can be negatively impacted by climate change. Similarly, bringing this value down into the workforce so that jobs have a focus on sustainability has a two-fold benefit. Companies more readily meet their business sustaining environmental goals and

also motivate current employees through a sense of contribution. It can also be a draw for job applicants. Many companies find that decentralizing this effort works best. Those actually doing the work have a better sense of how they can adjust their materials and processes for sustainability. The side benefit of this is that it offers a sense of empowerment at all levels of the organization. Deloitte's 2023 GenZ and Millennial survey showed that more than 50% of employees surveyed assess a company's environmental impact before accepting a job.

Additional incentives also exist for companies to

engage in sustainability. The 2022 Inflation Reduction Act (a seemingly regrettably named pared down version of the Build Back Better Bill) offers many opportunities for greenhouse gas emission reduction. This act provides incentives to companies particularly in low-income communities but also in communities across the country when they engage in measures that promote clean energy and fight climate change. A key provision includes incentives for companies to upgrade their buildings for energy efficiency.** You can learn more at <https://home.treasury.gov/news/press-releases/jy1830>.

Mental Health Absences on the Rise

According to ComPsych, mental health related absences rose 33% in 2023 over 2022.^ Further study shows that anxiety is now the number one presenting issue, topping stress, depression, family issues, relationship issues, addiction, and grief. Of 300,000 instances of seeking assistance 24% were for help with anxiety. In 2017, anxiety was not even in the top 5 reasons for reaching out. Employee leaves of absence for mental health are up 300% from 2017. Females and younger workers make up the majority of this increase. All very convincing reasons for employers to strongly consider what mental health benefits are offered and how well they are being used.

In addition to being absent more frequently for mental health issues, workers re-

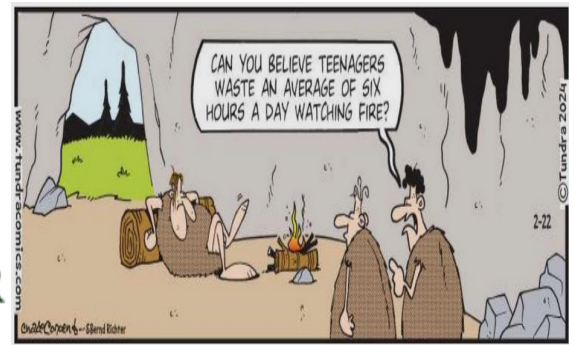
port feeling more stressed and depressed while at work. SHRM suggests that mental health will be a top issue for employers in 2024. Reasons include: 1. According to a report from AFLAC, 57% of employees are experiencing at least moderate burnout; 2. Employee confidence in how much they feel their employers care about them has fallen significantly. In 2021 it was 59%, in 2022 it fell to 56%, and in 2023 it fell to 48%. 3. An election year in which there is high polarization with little opportunity for civil discourse about it raises anxiety—this is in addition to financial concerns.

Along with reviewing mental health benefit offerings and usage, here are some additional actions employers might take. 1. **Reset your perspective on mental health.** Mental health can be

seen as a continuum that we all fluctuate along depending upon what is happening in our lives and in the world around us. Some folks may stabilize more toward the lower end to the point of having a mental health diagnosis and needing more support on an ongoing basis. Many highly productive people have been on this lower end. Examples include Abraham Lincoln, Jane Pauly, Churchill, Freud, and many more. Ultimately, we can all benefit from support and understanding in this area. A motivating factor in the workplace is that mental health support can benefit the bottom line. 2. **Build awareness and a supportive culture.**+ Educate employees about the signs of mental illness and how to access mental health benefits. Demon-

What we once enjoyed we can never lose. All that we love deeply becomes a part of us. — Helen Keller

strate and encourage empathy. Assure employees of confidentiality and have respectful boundaries. 3. **Offer accommodations where appropriate for you AND the worker.** Some possibilities include flexible work schedules, work from home, reducing distractions (we all could benefit from this!), offer soothing music or white noise, and increase natural lighting. 4. **Offer assistance.** Fitness programs, stress and anxiety management training, and Employee Assistance Programs are good possibilities. 5. **Ensure access to treatment.** Regularly provide informative reminders about leave programs and assistance programs. Offer a confidential way to access this information.



* SHRM, *Working Toward Sustainable Success*, Lytle, Tammy, April 19, 2024.

** Forbes, *How Businesses Can Unlock Money from the Inflation Reduction Act*, McGuire, David, May 31, 2023.

+SHRM, *Anxiety is Now the Top Mental Health Issue in the Workplace*, Mayer, Kathryn, April 3, 2024.

+SHRM.org, <https://www.shrm.org/topics-tools/tools/toolkits/creating-mental-health-friendly-workplace>.