

HOT SHEET

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Full-Circle HR

HR Trends:

- Employers are reconsidering their drug testing policies as more states legalize marijuana and more workers test positive.
- The National Student Clearinghouse Research Center recently found that the percentage of students getting college degrees has fallen for two consecutive years, while those earning certificates was higher in 2023 than in the previous 10 years. Employers requiring a degree would do well to consider certificate programs as a source for needed skills in their job openings.
- Walmart, the nation's largest private employer, has made compensation changes to improve employee retention and well-being. Recently, they implemented a new bonus program for their 700K part- and full-time hourly workers.
- According to Mercer and Global Disability, people with disabilities make up 7% of the workforce and 51% of those disabilities relate to mental health.
- Eleven states have implemented clean slate laws in which, after a specified amount of time after sentence completion, some criminal records are expunged. Washington State is not among them.

Artificial and Human Intelligence

We hear a lot about the advent of AI in the workplace. At the Annual SHRM convention, an additional focus was put on Human Intelligence (HI) and the use of it as we welcome this inevitable and rapidly advancing new technology. The importance of engaging these changes with human intelligence was touched on by the CEO of SHRM as there are many challenges in the next decade that are somewhat related to the coming of AI.* Reskilling our workforce is one of those. We cannot simply fall back on asking for a college degree or some other technical training. We must look to creative ways to identify our talent

needs in an ever changing landscape, bring the talent to our organizations, nurture it, and develop it from within. As much as 30% of jobs could be replaced by AI. In the CEO's speech he also addressed a growing lack of civility in the workplace. He called it the gateway to harassment. Not only will political outcomes potentially increase the instances of incivility, but so too will the changes in workflow and structure that AI will bring.

Only 12% of HR professionals are currently reporting that they think their organizations are using AI effectively. One such example is when HR is using AI to screen applicants.** Colo-

rado is one of the first states to address discrimination that may stem from use of AI practices, though it will not take effect until February of 2026. New York city has put forward a bill as well. California and Washington will soon follow. Some of the requirements of these upcoming bills are: 1. Prohibiting AI discrimination; 2. Annual audits; and 3. Notice that the software is being used. Suggested best practices include: 1. Conduct regular audits (these are best done at least annually by an outside third party); 2. Review to ensure vendor compliance; 3. Provide notice; 4. Get consent from applicants and employees to

use AI; 5. Provide alternatives if they do not want to be subject to it; 6. Create and comply with HR policies; and 7. Train HR and managers in using it. It is important to have humans overseeing this process. HR professionals and those overseeing the process must think like attorneys (if they don't already!) and look to what they might present to the U.S. Equal Employment Opportunity Commission or state agencies to show a good faith effort to prevent a misstep in their employment action or a discriminatory outcome. The Washington bill, if it passes, will become effective January 1, 2025.

Encouraging Use of Paid Time Off

For many, this is the time of year to take vacations. For others, the time is weather driven—go south for the winter or otherwise. Whenever it happens, it is important for employees to take a break from work and their everyday routines—as long as they can truly get away without texts, phone calls, and emails while away and without coming back to an inordinate amount of catchup work. How can we encourage employees to take advantage of their time off?^

1. Promote the benefits of doing so. Many workers may be considering skipping their vacation due to work overload, financial concerns, fear of layoffs, and more but there are clear benefits to taking a break. These include an increased

sense of productivity, creativity, engagement, time to destress, and maybe even a fresh perspective upon return. It is important for employers to highlight this and show employees that it is important for them and for the organization. 2. Lead by example. One way to show that the benefits of time off are important is for leadership to take their own PTO and promote a work/life balance by not engaging in work while on vacation. 82% of employees say that they are not asked to check messages etc. while on vacation and yet 48% of those find it difficult to refrain from doing so. 3. Simplify the request process. Create a policy and practice that is user friendly. This means an accessible request form or platform with access to the necessary

information such as time off balances. Encourage managers to be prompt in responding to requests. 4. Create a flexible PTO policy. Employees will value their paid time off more when it accommodates their needs. When creating or revising your policy work to address the needs of your employees in different stages of their lives. Some employers do this by having a true PTO plan that encompasses sick, vacation, and personal time. This may or may not be paid out upon termination. Others prefer to separate these three needs and perhaps they only pay out vacation time upon separation. In any event, if you limit how the time off will be used, do it with an eye to the business need that

His grief he will not forget; but it will not darken his heart, it will teach him wisdom. — J.R.R. Tolkien

this limitation is actually meeting. If you do not see the true value of the limitation, consider removing it. 5. Address barriers to taking time off. In addition to what has already been said about choosing not to take time off, we can also add peer pressure and cultural stigmas. Survey your employees to discern their perspective on taking time off and address the issues proactively. 6. Encourage cross training so no employee feels indispensable and so work gets done while they are gone. 7. Regularly communicate time off balances and send periodic reminders to employees to schedule their time off.

* SHRM, *A Storm is Coming for HR*. SHRM CEO, Johnny C. Taylor, Jr Says Leaders Must Run Into It, Mayer, Kathryn, June 20, 2024.

** SHRM, *Why AI+HI Is Essential to Compliance*, Smith, Allen, J.D. June 24, 2024.

^SHRM, *7 Tips to Promote Paid Time Off in Your Workplace*, Mirza, Beth, May 31, 2024.

