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Raising the Bar in Staffing Since 1987



Find Purpose in Even Your Most Mundane Tasks At Work



by Valerie Keller, Caroline Webb

More and more companies are embracing the idea that they might have a purpose that goes beyond their balance sheet, one that makes the world a better place in some way. Perhaps you're proud to count your firm as one of them. But a noble corporate mission can feel quite distant from the realities of everyday working life. How are we supposed to feel a higher sense of purpose amid the daily scrum, as we wade through tedious meetings and endless to-do lists — perhaps with less-than-

inspirational managers breathing down our necks?

It turns out that a lot of executives are wondering the same thing. In a survey conducted by EY Beacon Institute and Harvard Business Review Analytic Services, 90% of executives said their companies now recognize the importance of having "an aspirational reason for being which inspires and provides a call to action for an organization...and provides benefit to society." Almost all those leaders also

said that having this kind of larger purpose boosts company performance, driving higher employee engagement and stronger capacity for innovation and adaptation. And yet fewer than half the executives surveyed said their organization actually operates in a purpose-driven way from day to day.

At a Beacon Institute breakfast roundtable at the World Economic Forum Annual Meeting, in January, there was a widespread concern about this gap and what to do about it. As

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INDEPENDENT CONTRACTORS OR EMPLOYEES?

The recent history of Uber reads like a Shakespearean tragedy, and there are plenty of opinions about where the company went wrong and what it needs to do going forward. Included on a long list of transgressions, Uber has been dogged by its decision to classify its vast network of drivers as independent contractors. Almost 400,000 Uber drivers in California and Massachusetts reached a \$100 million settlement with the company in 2016 (a settlement that was later thrown out by a federal court as insufficient in the compensation it provided the claimants). Late in 2016, two drivers in New York were provided unemployment benefits when regulators in that state ruled them to be employees, not independent contractors. And Uber faced similar challenges abroad when three tribunal judges in the UK ruled that two Uber drivers should be entitled to the minimum wage.

Uber, however, is not unique. The debate over the misclassification of employees — treating them as independent contractors instead of employees — pervades the modern fissured workplace. Though its form varies, the impacts of misclassification are almost always the same: the underpayment of wages, absence of benefits, and increased

exposure to a variety of risks. And when misclassification is adopted as a business strategy by some companies, it quickly undermines other, more responsible employers who face cost disadvantages arising from compliance with labor standards and responsibilities.

Worker misclassification, explained

The use of independent contracting has grown dramatically over the past decade, with one estimate suggesting it has increased by almost 40%, going from 6.9% of employment in 2005 to 9.6% in 2015. According to a 2009 report issued by the United States Government Accountability Office, a significant portion of independent contracting doesn't pass the smell test and in fact represents misclassification of workers. For example, about one-third of construction workers in the U.S. South, an industry where the problem has been long entrenched, were estimated to be misclassified. This number isn't exceptional, as state-level data shows that anywhere from 10% to 20% of employers misclassify at least one employee.

So what, exactly, constitutes worker misclassification?

It stems from a basic but decisive



distinction in labor and workplace laws. Most people who work for an organization are employees under federal and state statutes. The definition of who is an employee varies between federal and state laws, which admittedly raises complexities for employers and workers alike. In broad strokes, however, the distinction is meant to delineate responsibility in situations where one person hires another to create something of value.

Further, laws define independent contracting as the case where the hired party exercises independence in determining basic features of the relationship like rates of pay, how and where tasks are done, and the opportunities for expanding or contracting that work based on the individual's own skills, abilities, and enterprise. Of particular importance is that an independent

contractor's decisions and actions have significant impacts on opportunities for profits or losses.

In contrast, under employment, the hiring party basically calls all the shots: what the individual does, how they do their work and when they do it, what they are permitted to do and not do, what performance is deemed acceptable, and of course the rate of pay.

These distinctions matter. A person who is considered an independent contractor is not covered by our most basic labor standards minimum wage, overtime, and the fundamental proposition that one should be compensated for the hours they work. An independent contractor is also not covered by social safety net protections like workers compensation and unemployment insurance — and

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Bright Ideas

Stop Using the Excuse

"Organizational Change is Hard"

By Nick Tasler

During nearly every discussion about organizational change, someone makes the obvious assertion that "change is hard." On the surface, this is true: change requires effort. But the problem with this attitude, which permeates all levels of our organizations, is that it equates "hard" with "failure," and, by doing so, it hobbles our change initiatives, which have higher success rates than we lead ourselves to believe.

Our bias toward failure is wired into our brains. In a recently published series of studies, University of Chicago researchers Ed O'Brien and Nadav Klein found that we assume that failure is a more likely outcome than success, and, as a result, we wrongly treat successful outcomes as flukes and bad results as irrefutable proof that change is difficult.

For example, when participants in one of the studies were presented with a season's worth of statistics for a star athlete who had logged worse numbers than usual, the participants were quick to conclude that the player's career had begun an irreversible downward spiral. But when presented with the stats of a historically average player who had a breakout season, the same people concluded that this boost in performance was nothing but a fluke.

ing but a fluke.

The researchers found the same negatively-biased evaluations in all sorts of situations: when pessimistic people try to become more positive, when

initiative. (Never mind the fact that three other initiatives are still on time or ahead of schedule.) Suddenly, employees disengage en masse and then the change engine begins to sputter in both

Corporation, in which authors Michael Hammer and James Champy stated: "our unscientific estimate is that as many as 50 percent to 70 percent of the organizations that undertake a reengineering effort do not achieve the dramatic results they intended."

From that point on, Hammer and Champy's "unscientific estimate" took on a life of its own. A 1994 article in the peer-reviewed journal *Information Systems Management* presents Hammer and Champy's estimate as a fact and changes "50 percent to 70 percent" to just "70 percent."

In Hammer's 1995 book, *The Reengineering Revolution*, he attempts to set the record straight. "In *Reengineering the Corporation*, we estimated that between 50 and 70 percent of reengineering efforts were not successful in achieving the desired breakthrough performance. Unfortunately, this simple descriptive observation has been widely misrepresented and transmogrified and distorted into a normative statement...There is no inherent success or failure rate for reengineering."

Despite Michael Hammer's clarification, the 70 percent statistic has continued to be cited as fact, including in Harvard



angry bosses try to cut back on vein-popping outbursts, when B students try to become A students, when candy-cravers try to become lettuce-lovers, and when pundits are deciding whether the economy is primed for a rebound or a recession.

In organizational change initiatives, our negative biases can create a toxic self-fulfilling prophecy. When a change project falls a day behind schedule, if leaders and employees believe that successful change is an unlikely outcome, they will regard this momentary setback as the dead canary in the coalmine of their change

perception and reality.

The insidious myth that change initiatives usually fail is disturbingly widespread. Most experts, for example, state that 70% of change efforts fail, but a 2011 study in the *Journal of Change Management*, led by the University of Brighton researcher Mark Hughes found that there is no empirical evidence to support this statistic. In fact there is no credible evidence at all to support the notion that even half of organizational change efforts fail.

Hughes traces the mythical 70% failure rate back to the 1993 book *Reengineering the*

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Meet **BETH MOBLEY** » »

Regional Vice President Mid-south Region

» How long have you been in the staffing business?

19 years.

» What was your first job?

What do you remember most about it? My first "real job" was in high school working part time in retail at Dillard's in the accessory department. I loved interacting with the customers and my co-workers.

» Who was the worst boss you ever had and why?

I have been very lucky in my career to have great role models and mentors. Even the bosses I would say were the worst have taught me something. The worst example I had of a leader was not actually my boss, but the CFO of the last company I worked for. He was quite the bully and would jump to conclusions before hearing both sides of the story. His example has taught me to try and get all the facts before reacting to a situation.

» What motivates you each day to sell and service your clients?

Nothing is more motivating than spending a day in the sales field! I enjoy the "thrill of the hunt" and all aspects of the sales process including coaching our sales and branch teams to close new business. For existing clients, I love solving problems in creative ways. Implementing programs that can have a real impact on their business, then tracking our

success and setting new goals in order to build and maintain a trusted partnership motivates me on a daily basis!

» What are some of your long-term goals?

From a business perspective, my goal is to grow our footprint in the mid-south region. This growth will also give our team the opportunity to grow their professional careers with Peoplelink.

» What makes Peoplelink unique, from your perspective?

What makes Peoplelink unique, in my opinion, is the investment we make in our employees through proper training and life coaching, our consultative approach to addressing our clients' needs, and the individuals in our branch offices that are passionate about the service they provide on a daily basis.

» What makes you successful as a Manager?

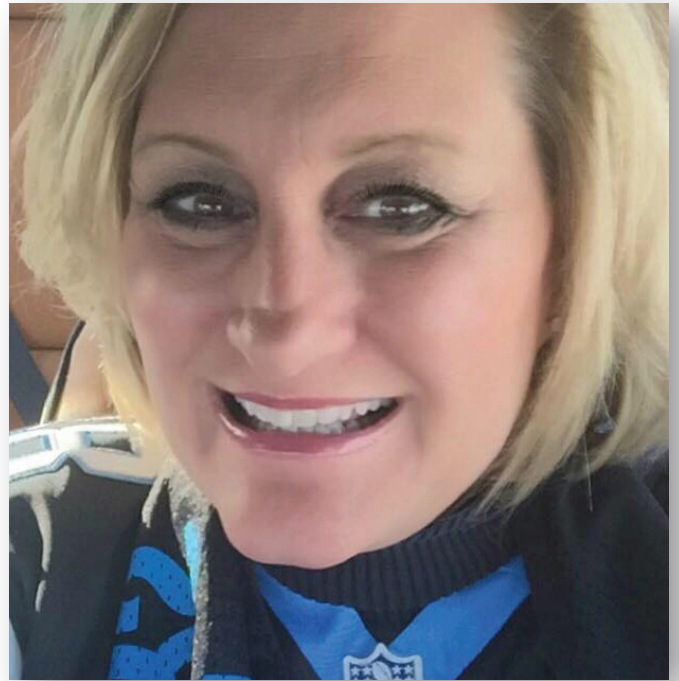
I don't ask anyone on my team to do anything I don't do myself. I am "in the weeds" with them!

» What is the best advice you could give to other Peoplelink staff members?

Find your passion! Love what you do every day and you will be successful.

» What is your favorite movie?

I'm a big fan of all the X-men movies and I love



Christmas movies, specifically White Christmas (classic) and Love Actually. **Book?**

Professionally I like anything by Brian Tracy, my favorite is "Eat that Frog." On a personal level I love to read, but I don't have a favorite book. When I read one book I like by an author I try to gobble up everything else they have written. Right now I am revisiting the Earth's Children series by Jean Auel. **Drink?** I love my wine...Chardonnay in the summer, Cabernet in the winter. Right now I'm stocked up with Kendall Jackson Vintner's Reserve Chardonnay.

» If you could have any car you want, what would it be?

My dream car is not a car...I am dying to have a tricked out RV and travel the country! Hey, we could wrap it in the Peoplelink logo and use it as a mobile recruiting hub!

» What is your home city? What is the greatest feature about your home city?

I grew up in Raleigh, NC. The best thing about Raleigh was being a NC State Wolfpack fan and tailgating at the football games with friends and family.

» How do you unwind when you're not at the office?

I LOVE watching NFL football and my beloved Carolina Panthers! Only 55 days until we kick off the season!

» What do people like most (least) about you?

I took a poll in the Nashville office and this is what I got, "Willing to help and chip in, enthusiastic energy, a working manager who is in touch with her employees." **Least?** I'm Bossy and loud. I get excited about things and when I get excited I tend to be a little "dramatic." 🍷

Temporary Worker Survey 2017

How temporary workers find staffing firms and specialist recruiters

Key Findings:

Source: Staffing Industry Analysts

How temps find staffing firms

- The two dominant ways in which temps typically discovered their staffing agencies were: 1) being directly recruited, and 2) receiving a recommendation for the agency from a friend or colleague. Thirty-one percent of temporary workers said they were recruited directly by their staffing agency. Twenty-six percent said that a friend/colleague recommended the agency to them, and an additional 4% said that a friend/colleague recommended a particular recruiter at the agency.
- Fourteen percent responded to an advertisement on a job board, 11% found their agency by searching the web, and 7% said an employer they inquired at referred them to the agency.
- Temps in most higher-paid professional occupations were more likely than average to discover their agency by being actively recruited; the exception was healthcare workers, who depended more on the recommendations of friends and on web searches.

This insight report is based on a survey of North America temporary workers, implemented in conjunction with the 2016 Staffing Industry Analysts "Best Staffing Companies to Work For" competition. Over 5,000 temporary worker respondents from 38 staffing firms were surveyed; no single firm accounted for more than 16% of the total respondents.

How temps find specialty recruiters

- Thirty-eight percent of temporary workers said that if they wanted to find a specialty recruiter they would search the web, and 36% percent said they would ask a friend or colleague if they knew one.
- Only 23% said they would contact a staffing agency to find a specialty recruiter.
- Older temps and temps in higher-paid professional occupations were more likely than average to ask a friend/colleague for a recommendation for a recruiter.

Results confirm earlier surveys

- In previous surveys, similar questions were asked regarding how temps found their staffing firm (2012) and how they would find a recruiter (2014), and the results were comparable.

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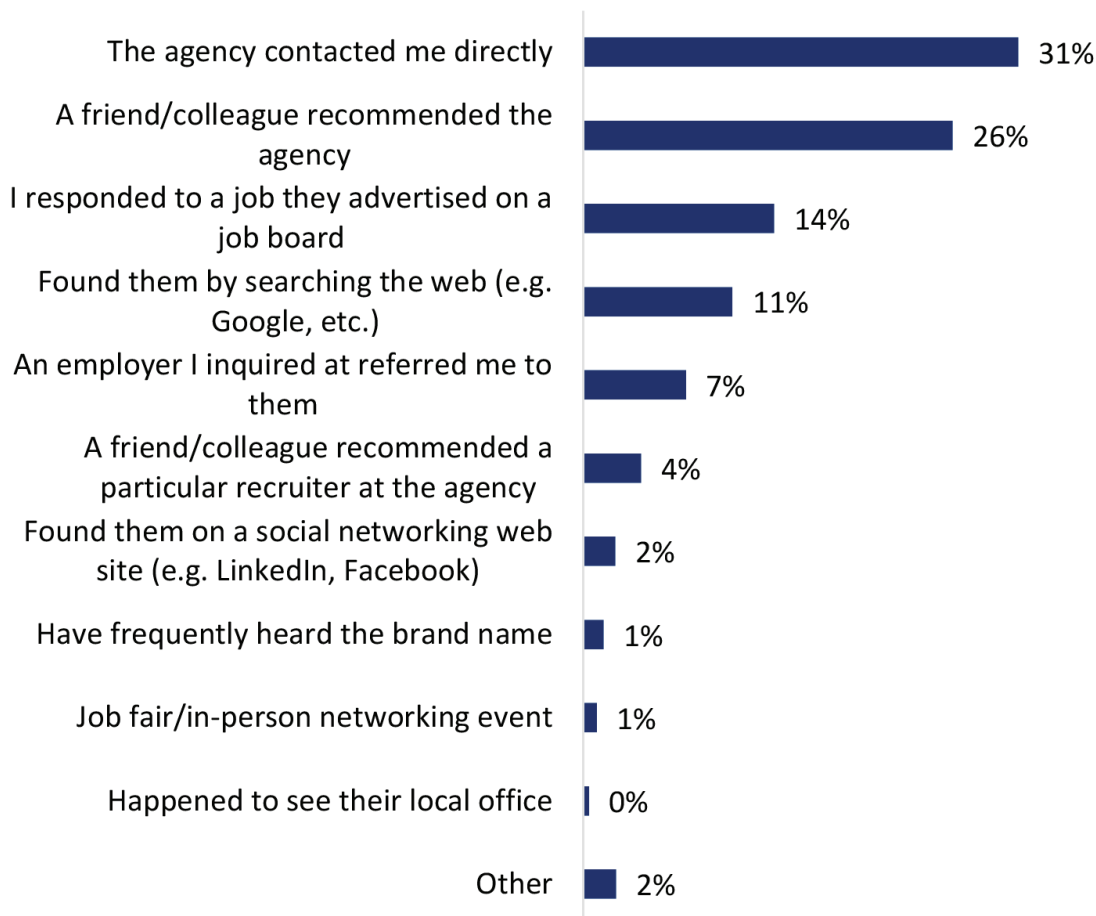
Temporary Worker Survey 2017

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How temporary workers first learned about their staffing firms

- This report is based on responses to the following survey question: "How did you first learn about your current staffing agency?" The answer options were those given in the chart at right.
- Thirty-one percent of temporary workers said they were recruited directly by their staffing agency.
- Twenty-six percent said that a friend/colleague recommended the agency to them, and an additional 4% said that a friend/colleague recommended a particular recruiter at the agency.
- Fourteen percent responded to an advertisement on a job board, 11% found their agency by searching the web, and 7% said an employer they inquired at referred them to the agency.
- What didn't contribute much: Social networking played only a negligible role in attracting talent to agencies, with only 2% reporting it was how they found their current agency. Likewise, job fairs and in-person networking events contributed just 1% of new candidates. Notoriety – through brand name and local offices – was how only just over 1% of candidates discovered their agency.
- The most common methods specified under "other" were: saw favorable review online or in a publication, had used them previously as a staffing buyer or worked at a company that used them, their current staffing agency had acquired their former agency, and followed recruiter from another agency.

How did you first learn about your current staffing agency?



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Temporary Worker Survey 2017

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How temporary workers first learned about their staffing firms -- by occupation, age, and pay of temporary worker

- As can be seen in the table below, for the most part the dominant pattern of how temps learned about their agencies (as shown on the previous page) cuts across demographics. That said, temps in most higher-paid professional occupations were more likely than those in lower-paid commercial occupations to discover their agency by being actively recruited (as would be expected); the exception was healthcare workers, who depended more on the recommendations of friends and on web searches. These observations were statistically significant (using chi-square and odds ratio tests).

Percent of temporary workers who learned about agency by specific method, as a function of temp demographics

	The agency contacted me directly	A friend/colleague recommended the agency	I responded to a job they advertised on a job board	Found them by searching the web (e.g. Google, etc.)	An employer I inquired at referred me to them	Other	N
Architect/engineer	36%	20%	13%	5%	15%	11%	240
Business, financial or management related	43%	18%	19%	6%	5%	9%	451
Healthcare practitioner/worker	12%	40%	5%	20%	2%	20%	1,289
IT programmer/engineer/project manager	44%	21%	13%	3%	9%	10%	1,556
Office & administrative support worker	22%	19%	22%	17%	4%	16%	584
Production/manufacturing worker	15%	32%	14%	13%	7%	19%	149
25 and under	25%	29%	13%	14%	5%	13%	519
26 - 35	26%	31%	12%	13%	5%	13%	1,532
36 - 45	35%	24%	13%	10%	4%	13%	1,123
46 - 55	33%	22%	14%	10%	6%	15%	1,153
56 and over	32%	22%	15%	6%	10%	15%	934
<\$16	20%	25%	17%	19%	3%	16%	698
\$16-\$30	27%	26%	16%	12%	4%	15%	1,731
\$31-\$45	32%	28%	9%	10%	7%	14%	1,081
\$46-\$60	40%	24%	13%	7%	6%	11%	863
>\$60	41%	21%	10%	4%	12%	12%	556
All temps	31%	26%	14%	11%	7%	12%	5,300

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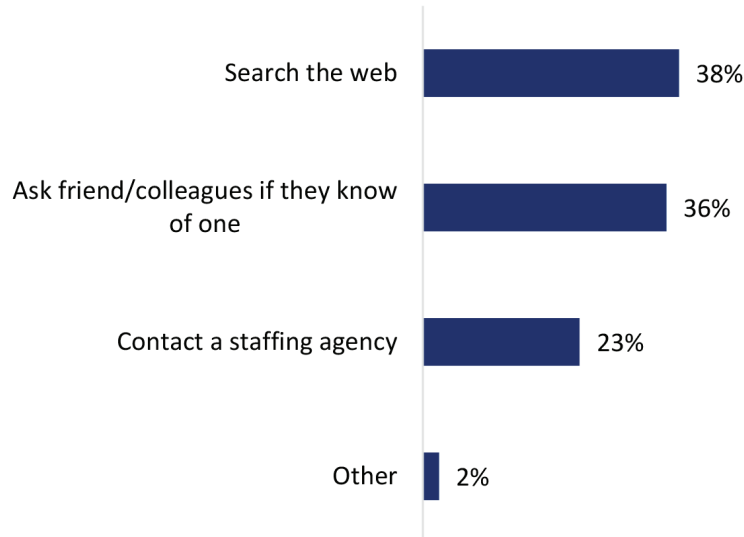
Temporary Worker Survey 2017

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How temporary workers find specialist recruiters

- Temporary workers were asked: "If you wanted to find an individual recruiter who specializes in placing people with your skills (e.g. finance, information technology, etc.) what would be your first/primary method? [Choose one.]
- Search the web
- Ask friend/colleague if they know of one
- Contact a staffing agency
- Other (please specify)"
- Thirty-eight percent of temporary workers said they would search the web, and 36% percent said they would ask a friend or colleague if they knew one.
- Only 23% said they would contact a staffing agency.
- Among the 2% citing "other," the primary method specified was using LinkedIn or job boards, either as a way to actively search for recruiters or as a way simply to be found by them.

How would you find a specialist recruiter?



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Experience the Peoplelink difference.

Drive productivity. Reduce staffing costs. Run more profitably. Those are just a few of the ways in which Peoplelink can help you achieve success.

To ensure we deliver the best return on your staffing investment, we first take the time to understand your organization, your expectations, and your objectives. By combining old-fashioned fundamentals,

like hard work, integrity, and service, with a strategic approach to staffing, Peoplelink can not only fulfill your hiring needs, but can make a significant positive impact on your profitability.

Our "people first" approach to staffing will help you meet and exceed your business goals.

For more information, call Jeannine Victor at 574.232.5400 x 261.

Temporary Worker Survey 2017

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How temporary workers look for specialist recruiters-- by occupation, age, and pay of temporary worker

- As can be seen in the table below, for the most part the dominant pattern of how temps look for specialist recruiters (as shown on the previous page) cuts across demographics. That said, older temps and temps in higher-paid professional occupations were more

likely than average to ask a friend/colleague for a recommendation for a recruiter. This observation was statically significant (using chi-square and odds ratio tests).

Percent of temporary workers who would look for a specialist recruiter by specific method, as a function of temp demographics

	Search the web	Ask friend/colleagues if they know of one	Contact a staffing agency	Other	N
Architect/engineer	40%	39%	17%	4%	230
Business, financial or management related	39%	32%	26%	2%	444
Healthcare practitioner/worker	31%	45%	22%	1%	1,258
IT programmer/engineer/project manager	41%	39%	17%	3%	1,517
Office & administrative support worker	41%	24%	34%	1%	566
Production/manufacturing worker	43%	14%	40%	3%	144
25 and under	43%	27%	30%	0%	511
26 - 35	39%	35%	25%	1%	1,491
36 - 45	39%	37%	21%	3%	1,097
46 - 55	38%	38%	21%	3%	1,126
56 and over	33%	40%	22%	4%	903
<\$16	40%	18%	41%	1%	681
\$16-\$30	41%	32%	25%	2%	1,698
\$31-\$45	36%	42%	20%	2%	1,058
\$46-\$60	37%	44%	16%	3%	849
>\$60	35%	45%	16%	4%	548
All temps	38%	36%	23%	2%	5,159

Find Purpose in Even Your Most Mundane Tasks At Work

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one CEO said, “If you woke up one of our people in the middle of the night and asked them what our purpose is, you’d get a sincere but generic answer: that we have to look after our clients. But the wider purpose of doing that isn’t yet articulated, much less instilled in the soul of the business.”

Luckily, behavioral science research suggests that it really doesn’t take much for each of us to reconnect to our sense of purpose — and reap the benefits

of doing so. Many studies have found that even a brief moment of reflection on a “personal why” can help us rise to a challenge by immediately boosting our performance and resilience.

For example, one research team put some volunteers under pressure by asking them to deliver a hastily prepared speech to a panel of judges. Before the speech, everyone was given a survey that asked them to rank the values and issues that were important to them. A portion of

the volunteers were then asked a few questions about the personal value they most cared about. These volunteers felt better able to cope and less anxious about the speech, with lower levels of stress hormones in their saliva. In a similar vein, another study asked volunteers to write a couple of sentences about their broader personal aspirations before embarking on a group task. These folks were rated as more proactive and leader-like by others in the team, even when

the task had nothing to do with the values and goals they’d written about beforehand.

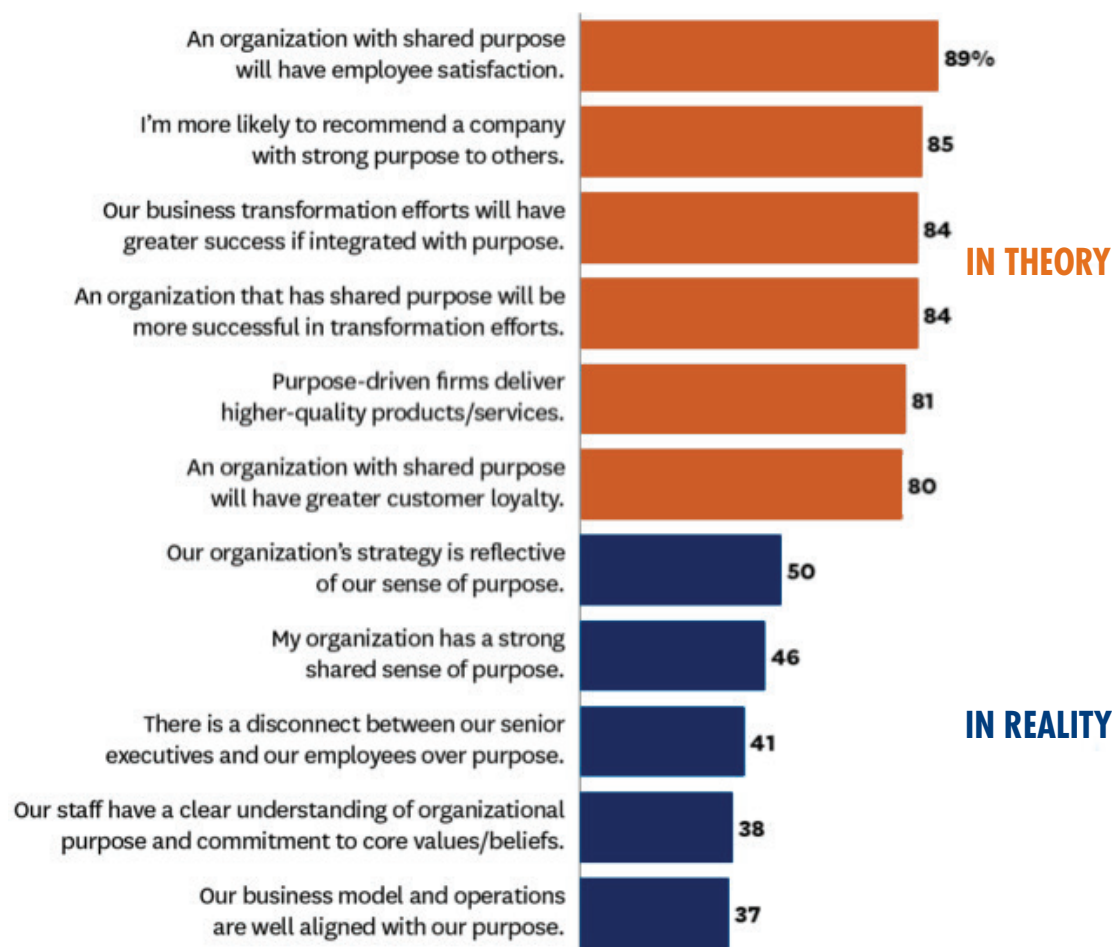
Notice that these experiments didn’t require anyone to have an extended existential discussion, or to be told the purpose of their work by someone more senior. People were just asked simple questions that invited them to reflect on their own view of the bigger picture. And that’s something each of us can do for ourselves and our teams, whether or not we’re hearing clear messages from senior colleagues about the way our company might be a force for good. For example:

- If you’re facing a challenging or important task, lift your performance and confidence by reminding yourself of the noble reason behind the thing you’re about to do. **Ask: “Who else (apart from myself) is going to benefit from what I’m doing?”** Perhaps your daunting presentation will allow you to champion the ideas of a new colleague, helping them boost their confidence. Remembering this fact doesn’t take away your nerves completely, but it helps you stay focused and engaging throughout.
- If you’re in the middle of a high-stress situation, help yourself rise calmly above it all by reminding yourself of your values. **Ask: “What really matters most to me? What does that suggest I should do now?”** Maybe a major technology snafu has left you without the materials you need for an important meeting. You remind yourself that you take

Organizational Purpose in Theory and in Reality

While most executives say it’s important, far fewer say a strong one exists in their companies.

PERCENTAGE OF RESPONDENTS WHO AGREE OR STRONGLY AGREE WITH EACH STATEMENT



SOURCE EY BEACON INSTITUTE AND HARVARD BUSINESS REVIEW ANALYTICS SURVEY OF 474 EXECUTIVES

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Find Purpose in Even Your Most Mundane Tasks At Work

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pride in finding the good in everyone — something that isn't directly relevant to the situation at hand. And yet all the evidence suggests it will calm you down and help you see a way forward.

- If someone has dumped a task on you, make it feel just a tad more personally meaningful by connecting it with something that matters to you. **Ask: "If I get this task done well, what bigger aspiration or value of mine**

will it support?" Perhaps the never-ending spreadsheet you're building will result in better financial decisions by your board. On face value, it may not feel like the most inspiring thing in the world — until you realize your work may make it less likely that the company's community and staff welfare programs get cut. And that's the kind of meaningful goal that helps you power through the task.

Sometimes your first answers can be a little sarcastic if you're not having the best day. You might feel like saying, "The point of this work is apparently to get my boss promoted" or "This task speaks to my currently strong aspiration to get the heck out of here." But if you stay with the question for a moment longer,

you can usually dig to find something that feels worthwhile enough to give yourself a boost.

Of course, this might all sound like small beer if you're concerned with the important question of how businesses can create positive social impact, as well as investment returns. But imagine if we were all having these sorts of simple conversations with our colleagues, talking about why we do what we do and what becomes possible as a result of our efforts. It would be a practical first step toward creating a more satisfying and thoughtful working world — and, it's important to add, it's a step we can take for ourselves, without anyone needing to wake us up in the middle of the night. ☺☺

From the CEO's Desk »

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they fall outside of other protective legislation like the requirements of the Occupational Safety and Health Act and the opportunity to be represented by a labor organization under the National Labor Relations Act. Finally, an independent contractor is responsible for paying all federal (e.g. Social Security, Medicare) and state payroll taxes, making the appropriate contributions as both an employer and employee. Failure to do so exposes the individual to significant penalties.

When workers have little control over their work, but are misclassified as independent contractors, their losses can be huge. In a fairly typical Wage and Hour Division case involving a cleaning services company in Chicago, for example, 55 workers were

deprived \$185,000 in wages because of misclassification. This equated to an average of more than 8.5 weeks of earnings.

But it would be a mistake to think that the negative impacts of misclassification simply are limited to the workers they directly affect.

Society at large pays a price, too.

For starters, a person who should be considered an employee but is misclassified as an independent contractor does not contribute to unemployment insurance or workers compensation. As a result, the practice reduces funding to those social insurance systems.

Often, misclassified workers do not pay required payroll taxes, affecting federal and state taxes. Of course, the debate about workplace classification inevitably gets

complex and nuanced depending on the situation. There is no question that the differences across federal and state statutes about how to weigh different factors in classifying workers — whether using the "economic realities" tests associated with the Fair Labor Standards Act or using common law distinctions built around "master / servant" relationships drawn upon by many state statutes — leads to confusion.

But that problem is hardly limited to the realm of employment law. Legal principles always rub up against the realities of the real world. While it's vital to understand some of the highly technical legal distinctions around employment classification, we can't forget the problem underlying the misuse of it.

Of course, new technologies, the changing expectations of employees, and the dynamic nature of business will always affect the nature of work. This has been true throughout economic history. But this doesn't mean we should forget or dismiss the underlying reason for our workplace laws going back to the turn of the last century: to provide some balance and power for the individual worker. This imbalance has not evaporated in the flexible work environment of today, nor will it in the foreseeable future. Although we may need to assess whether the ways we provide protections are effective, the underlying commitment to workers should remain. ☺☺

Business Review articles and books.

Granted, there is some ambiguity surrounding the success of change initiatives. For example, when consultants at McKinsey surveyed 1,546 executives in 2009, 38% of respondents said “the transformation was ‘completely’ or ‘mostly’ successful at improving performance, compared with 30 percent similarly satisfied that it improved their organization’s health.”

Based on the numbers from the McKinsey study, it would be tempting to conclude that since only 30-38% of change initiatives are “completely/ mostly successful,” then 62-70% must be failures. However, the McKinsey authors added that “around a third [of executives] declare that their organizations were ‘somewhat’ successful on both counts.”

In other words, a third of executives believed that their change initiatives were total successes, and another third believed that their change initiatives were more successful than unsuccessful. But only “about one in ten admit to having been involved in a transformation that was ‘completely’ or ‘mostly’ unsuccessful.” Therefore, pointing to the McKinsey study as evidence for a 70% failure rate is like saying that every time a baseball player steps up to the plate and doesn’t hit a home run, that player has “failed.” But that isn’t true in baseball any more than it is true in organizations. The McKinsey results show that around 60% of change ini-

tiatives are somewhere between a base-hit and a home run, and only 1 in 10 are strikeouts.

So what does this all mean?

Change is hard in the same way that it’s hard to finish a marathon. Yes, it requires significant effort. But the fact that it requires effort doesn’t negate the fact that most people who commit to a change initiative will eventually succeed. This point has gone largely unnoticed by an entire generation of experts and laypeople alike. I am just as guilty of this omission as everyone else. But now that we know the truth, don’t we have a duty to act on it? Isn’t it time to change the way we talk about change?

As leaders and consultants we need to be aware that our

team members are not entering change situations with a blank slate. Two decades of hearing about mythical failure rates has planted the seeds of bias against success in our minds. And every time we say “change is hard” we water those seeds.

The good news is that we can address this problem simply by flipping the script. In one of their studies, the University of Chicago researchers reminded study participants how most people do in fact successfully improve with a little bit of effort. In this study, the results were exactly opposite: study participants were quicker to notice changes for the better rather than changes for the worse. By priming people with a simple fact about the high probability of successful change, the re-

searchers completely eliminated the negative bias.

Couldn’t we do the same?

Instead of pouring more gas on our burning platforms, we could remind ourselves and our teams that we have been learning new skills and adapting to new environments literally since the day we squirmed out of the womb. Every time we feel the impulse to say “change is hard,” we could make a different claim that is every bit as accurate: Adaptation is the rule of human existence, not the exception. 🧩





Left to right – Tracy Benzinger (Zing Regional Manager), Caleb Capozella, Marcia Erickson (Zing Recruiter)

Peoplelink is pleased to announce that Caleb Capozella has been chosen as our July *Shining Star* employee. Caleb has been a regulatory affairs associate with Zimmer Biomet for one year. He reports to Zing! Recruiting, Peoplelink Group's professional staffing division.

As a regulatory affairs associate, Caleb's focus is international device registration. He coordinates FDA regulatory submissions in foreign countries to help capture expanding markets. His supervisor is happy to have him as a part of the team and states that his positive attitude and

support of Zimmer Biomet's international markets is greatly appreciated.

Caleb is a Notre Dame graduate with a Master of Science in management. He holds a bachelor's degree in biomedical engineering and studied abroad at Hong Kong Polytechnic University. While on the job, he enjoys pulling, organizing, and presenting information efficiently. In his free time, he enjoys swimming, eSports, and comedy.

Congratulations to Caleb for being Peoplelink's July *Shining Star* employee!

Find your shining star! Contact Peoplelink at 574.232.5400.

Feds to Publish To-Do List

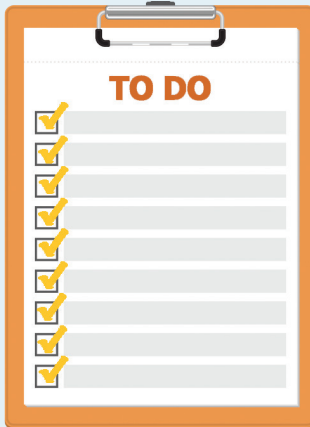
By Kate Tornone

BRIEF:

- Federal agencies recently released their semi-annual regulatory agendas, offering insight into their plans for the next few months and beyond. The U.S. Department of Labor listed 38 short-term goals, which include plans to replace the overtime rule, rescind tip pool regulations and continue with its second look at OSHA's electronic recordkeeping rule.
- The U.S. Equal Employment Opportunity Commission focused mostly on internal processes and public-sector workers. DOL's Office of Federal Contract Compliance Programs was not mentioned, so Obama-era nondiscrimination rules and hiring goals for contractors will remain untouched for now.
- The agenda also included a long-term to-do list, which, for DOL, included plans to update regulations that allow certain employers to pay workers with disabilities less than minimum wage. EEOC did not release a long-term plan.

INSIGHT:

The agency already began the rulemaking process for the overtime regulations, finalizing a Request for Information that is likely to be published in the *Federal Register* any day. Once published, stakeholders will be able to send comments to DOL. The next step is a Notice of Proposed Rulemaking, but



the regulatory agenda doesn't say when that might happen. DOL also needs to clear a few more hurdles in a lawsuit challenging the former administration's version of the regs.

It appears that DOL will rescind — without replacing — tip pool regs that

it adopted in 2011. The regulations prohibit employers from setting up tip-sharing arrangements that include workers who don't typically receive gratuities. Employers have challenged the rules in court several times, with some success. One employer has asked the U.S. Supreme Court to weigh in; DOL has until Sept. 8 to respond to that request but it says it will rescind the regs by the end of August.

DOL's agenda didn't contain any major unexpected items, but it includes an ambitious timeline considering its Wage and Hour Division is without a leader and other key posts at DOL are vacant, and could remain so for months to come.

Microsoft ups ante on paid leave benefits: Will other firms follow its lead?

By Jared Bilski

An increasing number of companies are offering generous paid parental leave benefits to employees, and Microsoft is certainly no exception. But the tech giant recently made headlines when it unveiled a different type of

paid leave benefit.

Microsoft just rolled out a paid caregiver leave benefit to all of its 121,500 employees. Microsoft workers in 22 countries already had access to the caregiver leave before it became a companywide benefit.

The benefit gives employees up to four weeks of paid leave to care for an immediate family member with a serious health condition.

'BALANCING WORK AND CARING FOR A LOVED ONE'

According to Microsoft, caregiver leave was one of the most requested benefits by Microsoft employees.



Up to 20 weeks of paid leave

Of course, Microsoft is no stranger to generous leave benefits.

As *HR Morning* has reported on previously, Microsoft's recently updated paid leave policy extends paid parental leave to 12 weeks for new mothers and fathers, while mothers can also get an additional eight weeks of paid leave.

Under Microsoft's previous leave policy, mothers were entitled to 12 weeks of paid and eight weeks of unpaid leave, and fathers could take up to four weeks of paid time off and eight weeks of unpaid leave.

What? Company never filled position, but still wound up in court for age bias

By Lauren Stead

All it takes is one ill-advised comment like this from a manager for an employer to get sued for bias.

The comment came from Paul Doelle, who was in charge of hiring maintenance employees for Detroit Baptist Manor, a retirement community.

'GOT ENOUGH OLDER GUYS'

In court, Doelle admitted that while he was interviewing Frank Branham, a 67-year-old, he told Branham: He was not looking to hire anyone [Branham's] age because he had enough 40- and 50-year-old guys. He needed younger men that could climb ladders.

Branham wasn't hired — in fact, no one was hired in the position he applied for. Then Branham sued Detroit Baptist Manor, claiming age discrimination.

Detroit Baptist Manor fought to get the lawsuit thrown out. It argued it didn't hire anyone over Branham, and there wasn't even an open position for a maintenance worker at that time, so Branham's age couldn't have played a part in why he wasn't hired.

But the court sided with Branham. It said a jury could infer from Doelle's comment that the reason Branham wasn't hired was his age. So it's letting the lawsuit proceed to trial, where Detroit Baptist Manor is facing a costly legal defense bill or a settlement.

MORE HR NEWS ON NEXT PAGE

DHS Grants Additional 15,000 H-2B Visas

By Roy Maurer

Summer seasonal employers will have access to 15,000 additional H-2B visas for temporary guest workers through the remainder of the fiscal year (FY) that ends Sept. 30.

The Department of Homeland Security (DHS) announced a one-time, 45 percent increase in H-2B visas over the 33,000 visas normally issued for the second half of the fiscal year.

The visas will not be limited by industry, geographic location or type of employer, but petitioners must attest, under penalty of perjury, that their business is likely to suffer “irreparable harm” without access to the guest workers and comply with certification and recruitment requirements.

DHS spokesman David Lapan said that irreparable harm is being defined as “permanent and severe financial loss.”

Employers can file Form I-129 petitions and the supplemental attestation found in the Federal Register announcement to U.S. Citizenship and Immigration Services (USCIS) starting July 19.

Lapan said that USCIS may request evidence supporting irreparable harm, and employers will be required to retain evidence supporting those claims for a three-year period. Employers must also have a valid, unexpired labor certification from the Department of Labor indicating that there are no qualified U.S. workers available for the positions.

The attestation showing irreparable harm could be difficult for some employers, said Loan Huynh, an attorney in the Minneapolis office of Fredrikson

& Byron. “I’m not sure how USCIS will evaluate the documents [showing harm],” she said. “Employers could show that they had 20 H-2B workers last year and none this year and they have contracts that need to be performed. What it comes down to is evidence that you need these workers.”

DHS outlined that evidence may include, among other things:

- Contracts, reservations, orders or other business arrangements that have been or would be cancelled without the requested H-2B workers.
- Financial statements, bank statements, tax returns or other documents showing evidence of current and past financial conditions.
- Employment records, or other similar documents showing hours worked and payroll comparisons from prior years to current year.

“In addition, employers must conduct additional recruitment, placing a new job order with the State Workforce Agency and post a newspaper advertisement,” Huynh said. “Employers are questioning whether it’s worth it or not,” she added, especially with the high likelihood of being audited by the Department of Labor’s Wage and Hour Division. Wage and hour investigations focused on guest workers have increased and experts believe they will continue to increase in the future.

“This rule was written in such a way to set people up to be audited,” she said.



Demand Trending Up

The H-2B visa program was created to serve U.S. businesses unable to find sufficient numbers of qualified U.S. workers to perform temporary, low-skilled, nonagricultural work. The visas are popular in seasonal industries such as landscaping, seafood processing, recreation and hospitality. Congress has set the H-2B visa cap at 66,000 per fiscal year, with 33,000 visas granted for workers who begin employment in the first half of the 12-month period (Oct. 1-March 31) and 33,000 visas for workers who begin employment in the second half (April 1-Sept. 30).

All 66,000 H-2B visas for FY 2017 were issued by March 16, the earliest date that the cap was reached since FY 2009, reflecting an ongoing trend of high demand. In May, Congress gave the DHS authority to increase H-2B visas up to 70,000 through the end of the fiscal year.

Muted Praise

Industries that count on the visas voiced tempered approval for the announcement, pointing out that the increase is likely too late, with spring and half of summer already past. The soonest that employers could receive approved petitions would be early August, and they

would still need to contract with workers abroad and bring them into the U.S.

“I’m concerned that it’s too late for some employers, being a month or more into their season,” Huynh said.

“While the news is no doubt welcome in the H-2B community, it’s a band-aid and advocates for expanding the H-2B program in terms of the numerical cap and also by exempting returning workers from the cap are pushing for a permanent legislative fix,” said Greg Siskind, a founding partner of law firm Siskind Susser, based in Memphis.

“Though we fear this gesture may be too little, too late for thousands of small businesses that rely on legal, highly vetted seasonal guest workers to meet their peak season needs, the additional visas may help save some small businesses this year,” said the H-2B Workforce Coalition, an alliance of more than 40 industry associations, in a statement. “From landscapers in Colorado to innkeepers in Maine to seafood processors along the gulf coast to carnivals nationwide, we hope the visa expansion will help some businesses avoid substantial financial loss, and in some cases, prevent early business closures during their peak season.”

MORE HR NEWS ON NEXT PAGE

2018 Salary Increase Budgets Expected to Rise 3% in the U.S.

By Stephen Miller

A new forecast predicts that salary increase budgets for U.S. employers will grow 3 percent on average in 2018 across most employee categories, essentially unchanged from 2017.

WorldatWork, an association of total rewards professionals, released *Top-Level Results: WorldatWork Salary Budget Survey*, with actual 2017 and projected 2018 salary budget increases that account for planned cost-of-living adjustments and merit increases.

While salary budget increases represent additional funds that employers plan to spend on employee compensation, they don't necessarily represent the average salary or wage increase that workers will receive.

In the table below, the "mean" is the mathematical average while the "median" is the middle value after listing reported budget increase expectations in successive order. Outliers, or extreme values on either the high or low end, have the biggest effect on the

mean and less effect on the median.

In Canada, the average 2017 salary budget increase (both mean and median) was 3.0 percent, WorldatWork reported. For 2018, Canadian employers project a salary budget increase of 3.1 percent (mean) and 3.0 percent (median).

WorldatWork this year received 4,942 survey responses from 11 countries in addition to the U.S. and Canada.

"Companies are budgeting conservatively," said Kerry Chou, CCP, senior practice leader, WorldatWork. Nevertheless, "I wouldn't expect to see widespread adjustments to the 2018 budget."

For Workers, More of the Same

WorldatWork's findings are in line with other 2018 salary projections. For example, 2018 pay projections were reported last May in *Planning Global Compensation Budgets for 2018* by ERI Economic Research Institute, a compensation analytics firm in Irvine, Calif.

The firm's forecast, based on data from over 20,000 companies in its research database and analysis of government statistics, projected that U.S. salary increase budgets will grow by 3.2 percent in 2018, up from a 3.1 percent increase in 2017 and 3.0 percent in 2016.

The global economy seems to be gaining momentum, and the U.S. economy is expected to expand due to the current presidential administration's eased fiscal policy, among other factors, said Linda Cox, CCP, global total rewards expert at ERI Economic Research Institute.

However, wages haven't kept up with rising productivity in the U.S. and elsewhere, Cox pointed out. Technology, which continues to replace workers in

many areas, and competition from lower-cost global labor markets, are among the reasons why.

For employers, the economic recovery provides "an opportunity to look at their total rewards strategies and practices" to ensure fair distribution of rewards based on performance for all employee groups, Cox said.

Employers should also ask whether they are preparing their workforce for technological advances, such as artificial intelligence, that will create new opportunities for skilled employees while continuing to displace other jobs.

"A breakthrough in technology fundamentally changing the way people work

also requires an investment in human capital to prepare employees for the future," Cox noted.



Total U.S. Salary Budget Increases by Employee Category

Employee Category	Actual 2017 Mean	Actual 2017 Median	Projected 2018 Mean	Projected 2018 Median
Nonexempt hourly nonunion	3.0%	3.0%	3.1%	3.0%
Nonexempt salaried	3.0%	3.0%	3.1%	3.0%
Exempt salaried	3.0%	3.0%	3.2%	3.0%
Officers/executives	3.0%	3.0%	3.2%	3.0%
All	3.0%	3.0%	3.1%	3.0%

Source: WorldatWork 2017-2018 Salary Budget Survey, top-level results. Survey data collected through May 2017.