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The People*link* Online Newsletter

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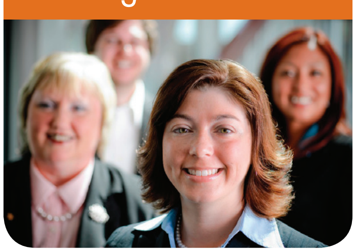
Raising the Bar in Staffing Since 1987



You're Doing It Wrong:

THE PROPER WAY TO APPROACH CREATIVE THINKING

Dan Oswald, HR Advisor

Fifty years ago, the National Aeronautics and Space Administration (NASA) asked George Land, PhD, to develop a creativity assessment aimed at helping the space agency identify and hire the most creative engineers and scientists. The test proved successful for NASA, and in 1968, Land decided to use his assessment to test the creativity of 1,600 4- and 5-year-olds who were enrolled in a Head Start program.

The results were astonishing. Ninety-eight percent of the children were considered geniuses on the creative thinking scale. Amazed by the results, Land decided to continue to track the same group of children as they grew. He tested them again 5 years later and found that only 30% of the kids still scored at the genius level on the creative thinking scale. He let another 5 years pass and tested the group again as 15-year-olds. By this time, the number of students who scored at the genius level had fallen to just 12%. An amazing decline in only a decade.

When Land tested 200,000 adults, a measly 2% were measured at the genius level on creativity. 2%!

We all say we want to hire innovative thinkers. Good luck with only 2 out of every 100 candidates who walk through the door actually being creative geniuses. We all would like to be the next Steve Jobs, coming up with innovative new ideas that change the way millions of people listen to music or communicate. But the odds against us are overwhelming.

It seems that our education system is sapping the creativity out of our children, leaving us with a small group of creative geniuses. Land's study found that there are two types of creative thinking necessary for innovation—divergent thinking and convergent thinking.

Divergent thinking is what we typically associate with innovation. It's that free-wheeling thinking where unusual and creative ideas are tossed around. Some ideas might seem whimsical or completely impossible, but nothing is off-limits. The concept is to get every wild idea out on the table and evaluate all of them on their merits.

Convergent thinking is when we take all of the "out-of-the-box

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Jay Mattern, President and COO

WHY THE KEY TO GETTING MORE DONE IS DOING LESS

The closer you can get to focusing yourself and your team on one overarching thing, the better. If you can't get to one, get to two. Or three. Maybe four. Never more than five. Multitasking doesn't work for individuals – or teams. You're going to get more done faster and better doing things sequentially than by doing them in parallel.

The data on why multitasking is counterproductive keeps getting stronger and stronger. In "12 Reasons to Stop Multitasking Now!" Amanda Collins cites studies from the Universities of Utah, California, Western Washington, Essex, Illinois, and France to back up her points that we are more productive, faster, see and remember more with less mistakes, less stress and more creativity when we focus on one task at a time.

True for individuals. True for teams. True for leaders of teams made up of individuals.

TRUE FOR VISION/ MISSION/OBJECTIVES

While it's tempting to put more things into your vision, mission and objectives so more people can relate to them, don't do it. The simpler and more focused your vision and mission are, the easier they will be for the right people to commit to. The more single-minded your objective is, the easier for people to understand.

To be the biggest-little provider of outcome-driven business productivity solutions in the world.

– The Peoplelink Group

TRUE FOR PRIORITIES/ STRATEGIES

Strategies are all about choices. The first choice is about which choices you need to make. The fewer the strategies, the more seriously people will take them.

Europe First

Churchill and Roosevelt's fundamental strategic choice in WWII: Win the war in Europe first, then turn attention to the Pacific.

(As a side note, this relative lack of resources meant that McArthur couldn't tackle the Japanese head-on in Asia the way Eisenhower went after the Germans in Africa, Italy and then Northern Europe. So, instead of attacking their strongholds, he island hopped around them, accomplishing the same goals but with far less loss of life on either side – until they pulled out the big bombs for Japan itself.)

TRUE FOR PLANS/ MILESTONES

Different people are going to have different truths on this one. Some people like to think in terms of fewer, big block plans. Some people need detailed, step-by-step action plans.

What tends to happen at the leadership team level is that people put more and more things into the shared tracking sheet as time goes on and the work progresses. At first this seems like a good thing because more detail is associated with more commitment. At some point the details become overwhelming and people stop reading or paying attention to the shared forms.

The suggestion is to use different levels of detail at different levels of the organization. The most senior leadership team should focus on the few big blocks that they choose to pay attention to and the few critical milestones along the way to success in those areas. Teams deeper in the organization should have more detail about the areas for which they are accountable.

TRUE FOR VALUES/ GUIDING PRINCIPLES

How would you feel about working for a company with these values?

- Social Responsibility
- Sustainability
- Partnership
- Volunteering

Most would feel fine about this – until they realized the company is Volkswagen. Values on the wall are useless. Values willfully subverted are destructive.

Problem No. 1 is values the leadership doesn't believe in. Problem No. 2 is having so many values that people can't remember them.

TRUE FOR MESSAGING/ COMMUNICATION

Get to one key message with three communication points. You'll remember what to say. They'll remember what they heard. The key to having more impact is communicating less. Just like the key to getting more done is doing less. Get it?

Bright Ideas

5 QUESTIONS THAT WILL HELP YOU STAY AHEAD OF YOUR DISRUPTORS

Michael Schrage, HBR

Aggravated and depressed by the decline of their core memory business in the 1980s, Intel's top management struggled for strategic clarity. After yet another painful discussion about what to do, the late Andy Grove, then Intel's president, turned to CEO Gordon Moore and asked, "If we got kicked out and the board brought in a new CEO, what do you think he would do?"

Moore answered without hesitation: "He would get us out of memories." Grove stared at him, numb, and then said, "Why shouldn't you and I walk out the door, come back, and do it ourselves?"

That clean-sheet perspective emboldened Intel's leadership to abandon memory and focus on microprocessors. This painful decision cost tens of thousands of jobs but proved strategically, organizationally, and culturally essential to the company's future success.

But the past is merely a prologue. Stagnant growth in its core PC market recently led Intel to announce layoffs of roughly 12% of its workforce. The company will also eliminate a key chipset in the difficult tablet and smartphone market. Grove's 1980 question remains as ruthlessly relevant to C-suites as Ted Levitt's 1960 classic, "What business are you in?" or my "Who do you want your customers to become?"

At most Fortune 1000 firms, executives who'd "walk out the door and come back in" fully recognize their status quo is both inadequate and unsustainable. They see disrupted incumbents from retail, finance, health care, transportation, professional services, and manufacturing requiring radical restructuring of assets, productivity, and innovation.

How best to draw actionable inspiration from Grove?

The essential ensembles of people, processes, and technologies that provide the most valuable — and valued — user experience (UX) for customers and clients.

Brutally put, the 21st-century enterprise challenge has morphed from "doing more for less" to "creating much more with much less." The bigger the enterprise, the more jobs at risk. Quality of talent matters far more than quantity of employees. Profitable customers matter most.

So contemporary versions of these boardroom queries by Grove, Moore, and Levitt sound almost accusatory: How could we create twice as much value for twice as many customers with only half as many employees?

Top managers in disrupted industries increasingly find this question less rhetorical than newly fundamental. "Smarter automation," "mobile first," or "better substituting capital for labor" are obvious answers. But more strategic responses identify the essential ensembles of people, processes, and technologies that provide the most valuable — and valued — user experience (UX) for customers and clients. In other words, design and implement UX from a customers-in sensibility for people and process — rather than a capabilities-out one.

So retailers dramatically shrink merchandising departments and defer procurement decisions to data-driven algorithms for selecting what goes on their shelves. Digitally-challenged media giants such as Bloomberg launch robo-journalism initiatives that empower software to custom-craft stories for subscribers with minimal human intervention. Cable companies enviously and despairingly benchmark Netflix and Amazon to learn how they quasi-autonomously cultivate subscribers and binge viewers.

Taking humans out of the loop — a la Uber or Amazon — is less point and purpose than determining how customers experience value and how they value their experience. Optimizing customer experiences invariably demands internal realignment. Preemptive self-disruption is becoming a new normal for the serious leadership.

At one large telecom firm, the overburdened customer contact/call center function throttled back an 18-month plan to double people's productivity in favor of a radically different approach. Management focused attention and effort on more quickly identifying and "exceptions handling" the edge cases that took the most time and energy to resolve. Crudely put, instead of looking to double the productivity of one thousand people, management asked how small, dedicated teams could have 10 times the impact on the contact center's most challenging customer segments and problem sets. Ironically, analysis revealed that several processes intended to boost employee productivity led to dissat-

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Meet **TY GARNER » » »**
Director of Operations, Trade Management

» How long have you been in the staffing business? 11 years.

» What was your first job? What do you remember most about it? When I was 7 my Dad decided to start Garner Landscape and Irrigation. So my first job was when I was 7 covering ditches and general gopher duties. I don't remember much about it. I doubt I was a ton of help. My parents did hire me back the following 11 summers though so maybe I was a rock star gopher.

» Who was the worst boss you ever had and why? I don't remember his name, but he was the GM at On The Border in Arlington, TX. I worked there 2 months when I turned 18. I was probably the worst waiter in history. The fact that he hired me and never fired me speaks volumes of his incompetency as a boss.

» What motivates you each day to sell and service your clients? When we started Trade Management, we had no money, reputation, employees, or clients. The fact that we built this company from nothing asking only for our employees' and clients' trust, is my motivating factor. I want to continue to build the reputation Trade Management has as an honest and superior organization.

» What are some of your long-term goals? I want to see Trade Management nationwide while keeping the "local" feel. In addition I am looking forward to the personal and professional growth that the Trade Management team will experience with our expansion.

» What makes Peoplelink unique, from your perspective? The commitment to be the biggest little company is what I like the most. Peoplelink experiences growing pains, but who doesn't? The core values that built Peoplelink are still here, and I see the same at Trade Management.

» What makes you successful as a Manager? Trade Management's employees make me a successful manager. If you find or inherit the right people, it's easy to be successful. Trust them to do their job and be there when they need help.

» What is the best advice you could give to other Peoplelink staff members? This is a tough business. You deal with so many different people with so many different values every day. Maintaining composure and professionalism on a daily basis is a must. At the end of the day, you will be much more at peace with yourself knowing you handled yourself in a professional way.

» What is your favorite movie? Young Guns **Drink?** Jack Daniels on the rocks

» If you could have any car you want, what would it be? Maroon F150 King Ranch 4X4

» What is your home city? What is the greatest feature about your home city? Dallas, TX. A ton of construction

» How do you unwind when you're not at the office? Deer hunt, turkey hunt, bird hunt, adult beverage

» What do people like most (least) about you? I am excellent at buying lunch. I can appear to be condescending (working on that)

» Anything else? I just want to take the opportunity to thank the Trade Management family for their dedication and loyalty. I can't think of a better group of people to share my work life with.

> **What you get by achieving your goals is not as important as what you become by achieving your goals.**
>
> Zig Ziglar

glassdoor®

Q1 2016 U.S. Employment Confidence Survey

Overview:

The Glassdoor® semi-annual Employment Confidence Survey[1], conducted online by Harris Poll in March among more than 2,000 U.S. adults (ages 18+), monitors four key indicators of employee confidence: job market optimism/re-hire probability, salary expectations, job security and business outlook optimism.

In addition, the Q1 2016 survey compares employee confidence since Q1 2009, a time in which the world faced a recession and the U.S. welcomed a new president to office. For purposes of reporting, employees refers to those employed full- or part-time unless otherwise indicated.

CHANGES IN CONFIDENCE AS ECONOMY STRENGTHENS (Q1 2009 vs. Q1 2016)

Employment Confidence Highlights — Q1 2009 vs. Q1 2016

Indicator	Q1.09	Q1.16	% Change
Layoff concerns — self	26%	14%	↓ 12
Layoff concerns — others	44%	23%	↓ 21
Salary expectations — pay increase in 12 months	36%	46%	↑ 10
Company outlook — better	35%	42%	↑ 7
Re-hire probability (employed)	39%	53%	↑ 14

- **Job Market Confidence Near Peak Level.** More than half (53 percent) of American employees (including those self-employed) believe if they lost their job they would be likely to find a new job matched to their experience and current compensation levels in the next six months. This reveals the second-highest confidence in the U.S. job market since Glassdoor began its survey in 2009, up 14 points from 39 percent in the first quarter 2009. Job market confidence is down one percentage point from the third quarter 2015 (54 percent).

- **Americans Remain Confident in Pay Raises.** Nearly half (46 percent) of U.S. employees expect a pay raise or cost-of-living increase in the next 12 months, which is up 10 points from 36 percent in the first quarter 2009. Pay raise confidence is down 4 percentage points from the third quarter 2015 (50 percent).

- **Job Security Confidence Soars.** U.S. employees' concerns about being laid off have reached a new low since Q4 14 (13 percent). Today, 14 percent of employees report they are concerned they could be laid off in the next 6 months compared to its peak, 26 percent in the first quarter 2009. Job security confidence is down one percentage point from the third quarter 2015 (15 percent). Concerns for co-workers being laid off in the next six months are down 21 percentage points to 23 percent in the first quarter 2016 (from 44 percent in the first quarter 2009). Job security confidence for co-workers has increased by one point since third-quarter 2015 (22 percent).

- **Future Business Outlook Dropping.** Nearly half (42 percent) of employees (including those self-employed) believe their company's future business outlook will be better in the next six months. When asked if they expected their companies' outlooks to get better, worse or stay the same in the next six months, employees reported a record high confidence of 51 percent in Q2 2015 in terms of business outlook getting better. We saw the beginning of a decline in Q3 2015 to 48 percent, and it's down 6 percentage points as we head in to an election year in Q1 2016. Fifty percent of FT/PT and self-employed adults believe it will stay the same (up 4 percent from 2015, 46 percent), and 7 percent believe it will get worse, up slightly one point from the third quarter 2015 (6 percent).

Q1 2016 U.S. Employment Confidence Survey

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- **Employees Report Massive Drop Hiring Freezes.** In Q1 2009, 23 percent of employees reported that their companies had initiated or communicated hiring freezes in the past 6 months, while in Q1 2016 that number stands at just 4 percent among employed adults, a 19 percentage point drop from Q1 2009, and a 2 percentage point drop from the third quarter 2015 (6 percent).
- **Employees Report Layoffs Plummet.** In Q1 2009, 30 percent of employees reported that their companies had either laid off employees or communicated plans to lay off employees in the past 6 months, while in Q1 2016 that number stands at 11 percent among employed adults, a 19 percentage point drop. Reported layoffs are flat when comparing it to the third quarter 2015 (11 percent).

EMPLOYER ACTIONS DURING THE PAST SIX MONTHS

Employment Confidence Highlights — Q1 2016

Indicator	Q1.15	Q3.15	Q1.16
Layoff concerns — self	16%	15%	14%
Layoff concerns — others	28%	22%	23%
Salary expectations — pay increase in 12 months	45%	50%	46%
Company outlook — better	47%	48%	42%
Re-hire probability (employed)	48%	54%	53%

- Among employees who reported negative changes at their organization:
- Forty-six percent say they experienced changes to or reduced compensation, down 7 percentage points since third-quarter 2015 (53 percent).
- Twenty-five percent say they saw a reduction in their individual pay or bonus amount, or were not paid a bonus for which they were eligible, down significantly from 35 percent in third-quarter 2015.
- Thirty-six percent report employees being laid off or plans communicated to lay off employees, flat to third-quarter 2015.

In The Past 6 Months, What Additions Has Your Organization Made?
(Base: Employees who say their company has changed something positive in the past 6 months.)

	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %	Q1.16 %
Awarded new perks (option to work remotely, casual dress, flexible work hours)/new stock	49	65	51	61	64	n/a
Awarded new stock or other compensation	19	23	27	23	38	n/a
Initiated large scale hiring	34	27	50	39	40	n/a
Restored health and dental benefits, pay and perks previously cut	29	26	22	34	27	n/a

**Note, n/a for Q1 16 among employees who reported positive changes at their organization due to too few respondents this quarter who reported positive changes at their organization.*

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Q1 2016 U.S. Employment Confidence Survey

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In The Past 6 Months, What Negative Changes Has Your Organization Done? *(Base: Employees who say their company has changed something negative in the past 6 months.)*	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %	Q1.16 %
Made changes or reduced compensation (net)	54	52	49	56	53	46
Reduced individual's pay/bonus amount/didn't pay bonus	33	27	23	27	35	25
Initiated or communicated bonus reductions or eliminations	9	8	8	11	10	10
Laid off employees and/or communicated plans to lay off employees	39	36	41	41	36	36
Reduced health and/or dental benefits	23	23	20	19	19	17
Initiated or communicated hiring freezes	18	12	15	16	18	13
Restructured job/created redundancy	7	15	19	19	23	20
Initiated furloughs, unpaid leave, mandatory vacation	14	11	9	13	12	13

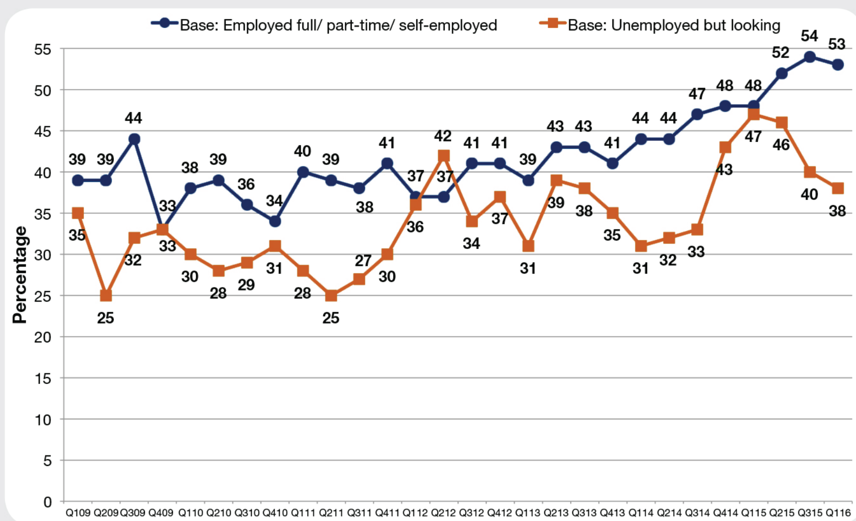
EMPLOYMENT CONFIDENCE MEASURES

Job Market: Rehire Probability In The Next Six Months

- Of those unemployed but looking for work, confidence in likelihood of finding a job in the next six months is down 2 percentage points to 38 percent since the third-quarter 2015 (40 percent).
- Employees (including those self-employed) under the age of 45 are significantly more optimistic in their ability to find a job in the next six months that matches their experience and current compensation than employees over the age of 45 (ages 18-34 at 60 percent, 35-44 at 62 percent, 45-54 at 47 percent at 40 percent, 55-64 at 40 percent, and 65+ at 41 percent).

Re-Hire Probability:

Question: Ability to find job matched to experience and compensation level in next 6 months
Answer: Very likely (or) somewhat likely



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Q1 2016 U.S. Employment Confidence Survey

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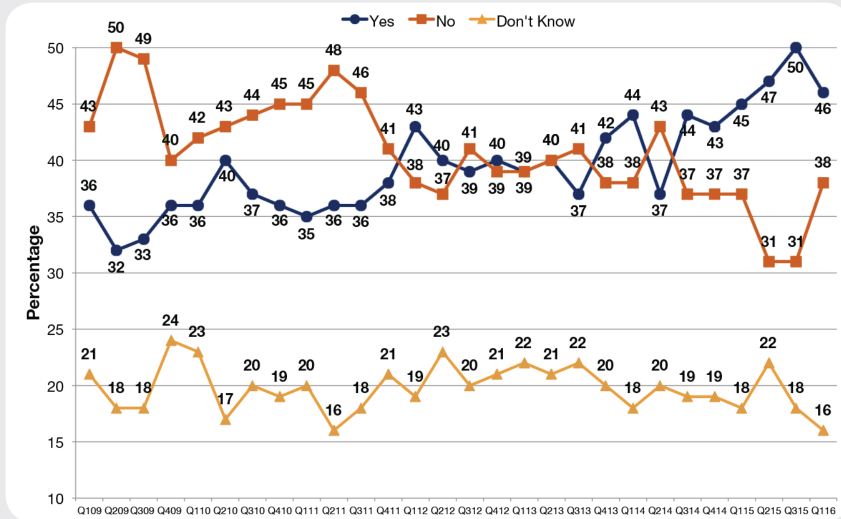
Salary Expectation In The Next 12 Months

- Nearly 46 percent of employees expect a pay or cost-of-living increase in the next 12 months, 38 percent of employees do not and 16 percent don't know.
- More millennial employees (aged 18-34) (50 percent) expect a pay raise or cost-of-living increase in the next 12 months when compared to all other age groups.
- Pay raise confidence among employed women (40 percent) falls well below employed men (52 percent).
- Employees with a HHI of less than $50,000 per year are far less optimistic (38 percent) in receiving a pay raise or cost-of-living increase in the next 12 months versus those with a HHI of $75,000-$99,999 (57 percent) and $100,000 or more (54 percent).

Salary Expectation: Expect Pay or Cost-of-Living Increase in Next 12 Months

(Base: Employed full/part-time)

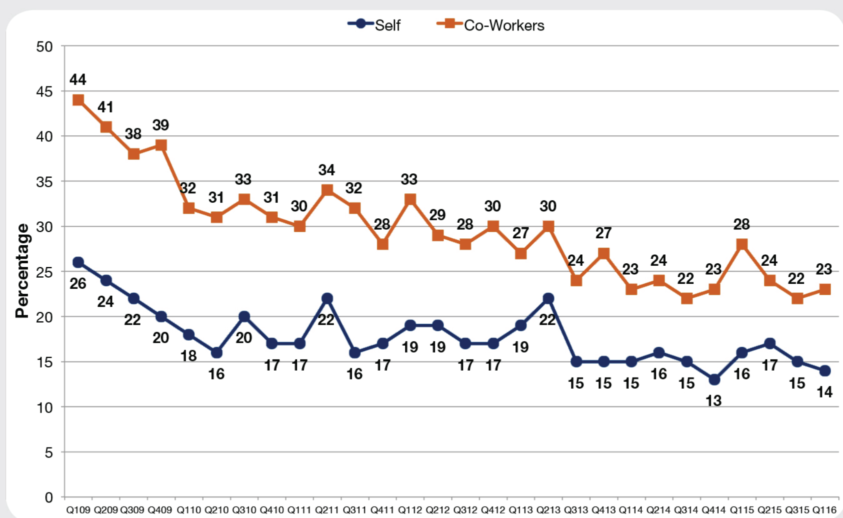


Job Security In The Next Six Months

- Fourteen percent of employees report concern they may be laid off in the next six months, down one point since third-quarter 2015 (15 percent).
- Close to one in four (23 percent) employees are concerned about co-workers being laid off in the next six months, up one point since the third quarter 2015 (22 percent).
- Employed men are significantly more concerned about being laid off in the next six months (17 percent) than employed women (10 percent).
- Younger employees (aged 18-44) are more concerned about being laid off in the next six months (17 percent), compared to older employees: 55-64 (8 percent).

Employees Concerned About Layoffs in Next 6 Months

(Base: Employed full/part-time)



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Q1 2016 U.S. Employment Confidence Survey

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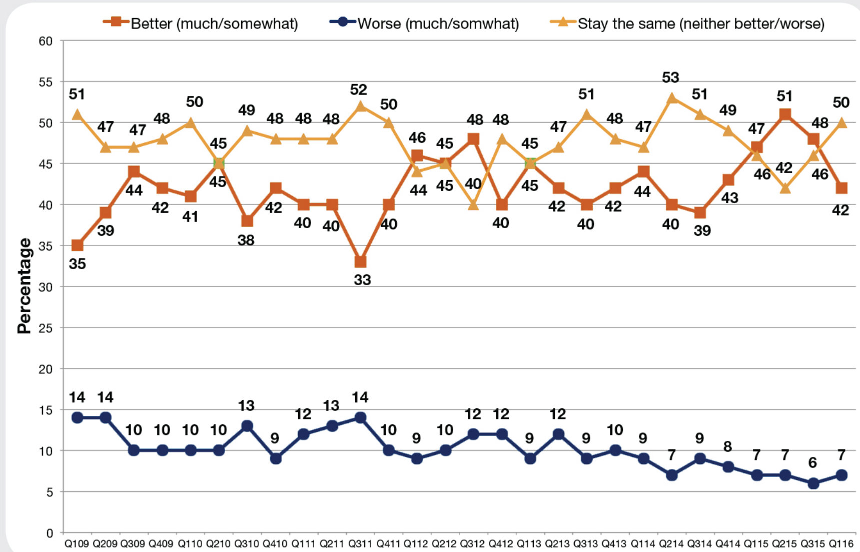
Business Outlook In The Next Six Months

- Forty-two percent of employees (including those self-employed) believe their company's business outlook will get better in the next six months, which is down 6 points since Q3 2015 (48 percent). Fifty percent believe it will stay the same, 7 percent believe it will get worse.
- Employees (including those self-employed) aged 18-34 (50 percent) are more optimistic that their company's business outlook will perform better in the next six months than those aged 35-44 (37 percent) and 55-64 (35 percent).
- Male employees (including those self-employed) are more optimistic that their company's business outlook will perform better in the next six months (47 percent) than female employees (37 percent).

Business Outlook: Next 6 Months

(Base: Employed full/part-time; self-employed)



Methodology

This Q1 2016 survey was conducted online within the United States by Harris Poll on behalf of Glassdoor from March 8-10, 2016 among 2,015 adults ages 18 and older, among which 1,050 are employed FT/PT or self-employed, 950 are employed FT/PT, 1,157 are employed or unemployed and looking for a job, 353 are self-identified Republicans (employed/unemployed but looking), 381 are self-identified Democrats (employed/unemployed but looking), and 323 are self-identified Independents (employed/unemployed but looking). This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. This survey is conducted semi-annually as of Q1 2016. Data is available quarterly prior to Q3 2015. For complete survey methodology, including weighting variables, please contact pr@glassdoor.com

You're Doing It Wrong: THE PROPER WAY TO APPROACH CREATIVE THINKING

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ideas" and try to put them back in the box. It's weighing all of the creative ideas and assessing whether or not they are plausible.

For innovation to occur, both types of creative thinking must not only take place, but they must also take place in a certain order. Divergent thinking must happen first, and then convergent thinking must be applied to the ideas that were generated. If that can be done successfully—voilà!—we have innovation.

What Land discovered is that our education system teaches us to use both types of thinking at the same time, and that's where the problem occurs. Creativity plummets when we attempt to combine divergent and convergent thinking into a single process.

So if you want your team to be more creative, you must figure out how to get them to think differently, to think more like a 5-year-old. I'm sure you're thinking that can't be too hard—they already act like 5-year-olds! But it's not easy to undo what years of formal education have trained people to do.

Here's the deal. You need to separate the divergent and convergent thinking. You need to create an environment where people are safe to practice divergent thinking without any fear that someone will tell them the idea won't work or how that's not the way we do things around here. You need to help your people remove all convergent thinking while they focus on all the ways something could be done.

Then, after allowing the ideas to flow, you bring everyone back together and systematically review the ideas one by one using convergent thinking. Can we put any of these ideas back in the box and really make them work successfully?

It's not easy to retrain people after years of having something drilled into them. Most people don't understand that they have been taught to practice divergent and convergent thinking at the same time. The first step in any recovery is the admission of a problem. That means it's up to you as a manager to let your people know what the biggest obstacle to creative thinking is. Then you must provide them with an opportunity to change the way they think by giving them the tools to think differently.

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isfied customers making multiple calls. That process was quickly fixed — and illuminated the pathology of valuing productivity metrics divorced from UX. Unsurprisingly, the group's targeted segmentation and disaggregation efforts ended up dramatically improving response and resolution times for typical customers.

This clean-sheet customer experience prioritization over more traditional call center KPIs had a huge effect. Productivity dramatically increased while levels of staff, and hiring rate, dropped over 20%. Commitment to efficient value creation invariably inspires more thoughtful investment in the quality — not quantity — of staff.

Organizations committed to creating much more value with much less should consider this five-point customer-centric "self-disruption" checklist:

1. Are these customers who can profitably grow with us? Do our customers have the resources and capability to recognize and reward new value we can create for and with them? If not, should they be our customers? Will their appreciation scale along with our business?

2. Which use cases matter most to our customers and prospects? Products and services frequently offer myriad features and functionality. But which top three or top 10 ways in which products or services are used overwhelmingly determine their perceived or real-world customer value? In Pareto contexts, which 20%–25% of specific, explicit use generates 80%–90% of value experienced? Who "owns" the enterprise use-case portfolio?

3. Are our user experience designs and delivery systems appropriately aligned with use cases? Brilliantly delineated use cases aren't equivalent to delightfully simple or simply delightful user experiences. Value from use is profoundly different from valuable user experience. Clarity around use cases facilitates sustainably superior user experience design. Conversely, superior user experience designs frequently inspire insight into innovative use-case opportunities.

4. What resource ensemble best assures the desired user experience delivery? No avoiding clean-sheet perspectives: The essential resources depend upon the desired UX. A Comcast, for example, won't deliver a better UX to customers by hiring more customer service people any more than medallion taxis become cleaner when regulators require fleet operators to deploy new apps. Organizations need to move away from externalizing traditional "kaizen" and move toward innovatively internalizing how customers define and describe successful UX.

5. Which user experiences consistently generate the best returns? Delightful user experiences are delightful. But are they profitable? Does superior UX generate superior returns? How does UX generate data, behavior, and customer outcomes that make monetization straightforward? Bottom line: Does management commit to ROUXE — Return on User Experience Enhancement — metrics to help run the business?

The goal here is not UX for the sake of UX, but UX as a medium and platform for value creation and capture. Please note that question five directly feeds back to question one.

While this checklist was originally inspired by Grove's question to Moore, the late Intel CEO wrote a best-selling management book whose title better captures the essential self-disruptor's sensibility: "Only the paranoid survive."

He was right.

SHINING STAR MAY

Left to Right - Mary Johnson, Ron Hornsby, Lisa Morrison, Stacey Good.

Peoplelink is pleased to announce that Ronald Hornsby has been chosen as our May *Shining Star* employee. Ronald works for Henson Disposal and Recycling as a Supervisor and reports to the Bloomington, Illinois branch.

Ronald has worked as a Supervisor for Henson through Peoplelink since 2013 . His responsibilities include supervising five employees. He manages route planning and addresses issues such as new pickups, extra pickups, and route coverage in case of absence. Ronald's Supervisor, Tom Kirk, thinks of Ronald as "the best of the best" and "irreplaceable".

While on the job, Ronald's favorite part of the job is working with customers on a daily basis. In his free time, he enjoys camping, fishing, and gardening.

Congratulations to Ronald for being Peoplelink's May *Shining Star* employee!

Find your shining star! Contact Peoplelink at 574.232.5400.

HR News

Ongoing ban-the-box changes will force employers to further review preemployment screening policies

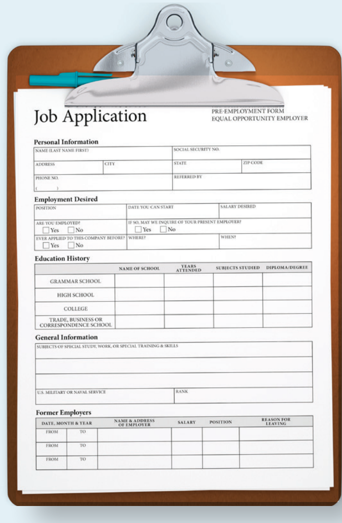
By HR.BLR.Com

In early April 2016, the U.S. Department of Housing and Urban Development (HUD) released a new guidance covering the fair and legal use of criminal background records as part of the tenant vetting process, affecting thousands of landlords and property managers working in a private property setting.

Adam Almeida, president and CEO of CriminalBackgroungRecords.com said, in a press release, "The change by HUD further highlights the use of a specific public record, criminal history, as part of the vetting process and explicitly highlights the urgent need for all employees to understand the fair and legal use of criminal records with preemployment screening, especially with Ban-the-Box legislation gaining greater momentum."

Across the country cities and states are either enacting ban-the-box legislation or reviewing the opportunity to enact such laws. The use of criminal history records is under increasing scrutiny, especially in light of the recent guidance released from HUD.

Almeida adds, "Ban-the-box legislation takes away the box asking about criminal history on an application and dictates when and if a criminal history review can be conducted. But the jurisdictions of where such legislation exists varies greatly and with the heightened scrutiny on the use of criminal histories employers must ensure



existing policies fall in compliance."

In Colorado, the question of banning the box is currently working through state legislature. It has become a question of getting formerly incarcerated individuals back into the mainstream through employment and curtailing or eliminating the potential of recidivism.

Claire Levy and Beth McCann, guest authors for The Denver Post, claim:

"Studies show the stigma of a criminal record often prevents individuals from re-entering the workforce and effectively condemns them and their families to a life of poverty—or worse, recidivism. In Colorado, which boasts the third-highest recidivism rate in the country, this is a serious concern."

Similar potential legislation is being reviewed in Connecticut, and by contrast, those who are fortunate enough to find work fare much better. Chris Powell, an author of JournalInquirer.com says,

"The legislation's advocates, including Governor Malloy, who considers it among his initiatives for a "second-chance society," note that a felony conviction can impair people for life, especially with employment."

Almeida says, "Ban-the-box legislation forces employers to clearly understand their specific responsibility under law where and when criminal background checks can be performed. As highlighted by the recent HUD guidance over the use of criminal records in tenant screening it is critical that employers work with third-party employment screening companies in order to remain fully compliant within the law and avoid the potential for costly fines and penalties."

A growing number of cities and states are putting limits on how and when prospective employers can ask about an applicant's criminal background. Several states, Washington D.C., and over 100 cities and counties now prohibit employers from asking.

New study says while Millennials are happy at work, they keep looking for another job

By HR.BLR.Com

Every employee faces this question at some point—should I stay here or should I go? A new study has found that with Millennials, it may come up more often. Even with 86% of Millennials surveyed stating they are happy where they currently work, nearly half (49%) are either actively looking or open to a new opportunity.

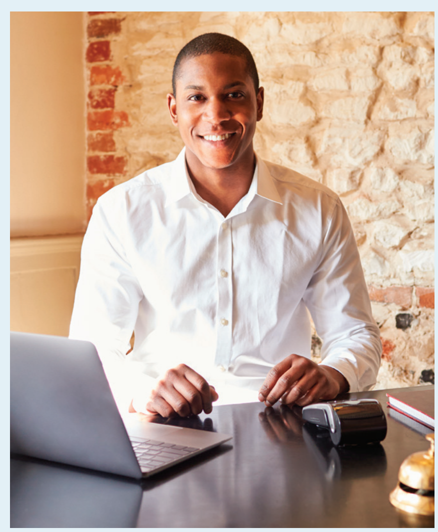
According to Fidelity Investments "Evaluate a Job Offer Study," many Millennials are eager to make a move, with 41% expecting to start a new job in the next 2 years.

While those considering a career change often focus on salary and bonuses as key decision drivers when weighing a move, there are many others factors to consider—some financial and some far more difficult to quantify.

Interestingly, when asked how much of a pay cut they would be willing to take for an improved "quality of work life" (such as purposeful work, work/life balance, and company culture), Millennials report they are willing to take, on average, a $7,600 pay cut.

Furthermore, when asked which is more important when evaluating a job offer—financial benefits or improved quality of work life—58% of Millennials chose work life.

"Clearly, many young professionals are thinking about more than money and are willing to sacrifice a portion of their salary in exchange for a career move that more closely aligns with their values or passions



or improves their work/life balance," said Kristen Robinson, senior vice president, Women & Young Investors, Fidelity Invest-

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ments, in a press release.

"However, achieving better quality of life and meaningful work doesn't have to come at the expense of a worker's bottom line. Becoming educated about the total compensation and benefits package of an offer can enable jobseekers to evaluate the potential trade-offs between two jobs and make an informed decision that could give them the best of both worlds."

Human resources professionals with hiring responsibilities should be aware that when thinking about the total financial compensation included in a job offer:

- 39% of Millennials include retirement benefits,
- 28% contemplate health/medical insurance,
- 27% consider paid time off, and
- Only 4% take into account stock options and profit sharing.

However, once an applicant is hired, 81% with access to a retirement savings plan, such as a 401(k) or 403(b), enroll and take advantage of the retirement savings benefit.

So while salary is usually on top of a jobseeker's list when evaluating the total compensation of a job offer, there are other financial considerations that should be contemplated, says Fidelity. Few applicants are actually taking a seat at the negotiation table.

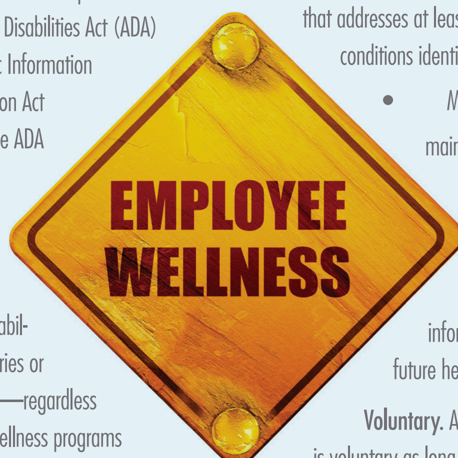
In fact, 59% of Millennials surveyed accepted their current position without negotiation, falling in line with older generations who are just as likely to say "yes" to the first offer.

However, of the 41% of Millennial survey respondents who negotiated their last offer, 87% reported they were at least partially successful, says Fidelity.

EEOC issues final employee wellness program rules: The ADA rule

By Joan Farrell

The Equal Employment Opportunity Commission (EEOC) has issued final wellness rules regarding incentives employers may use to encourage employee participation in wellness programs in compliance with the Americans with Disabilities Act (ADA) and the Genetic Information Nondiscrimination Act (GINA). The ADA rule applies to all wellness programs that include disability-related inquiries or medical exams—regardless of whether a wellness programs is part of, or outside of, an employer-sponsored group health plan.



The ADA prohibits employers from asking employees disability-related questions or requiring medical exams, subject to certain exceptions. One exception is for voluntary employee health programs, including wellness programs. The ADA also requires employers to provide reasonable accommodations to allow individuals with disabilities equal access to wellness programs. Here are some key points from the new rule:

Employee health program. An employee health program must be reasonably designed to promote health or prevent disease. To satisfy this standard, the program:

- Must have a reasonable chance of improving the health of, or preventing disease in, participating employees
- Must not be overly burdensome
- Must not be a subterfuge for violating the ADA or other laws prohibiting employment discrimination
- Must not be highly suspect in the method chosen to promote health or prevent disease
- Must provide results, follow-up information, or advice designed to improve employee health, unless the collected information is used to design a program that addresses at least some of the conditions identified
- Must not exist mainly to shift costs to employees based on their health; or to give employers information to estimate future health care costs

Voluntary. A wellness program is voluntary as long as the employer:

- Does not require employees to participate
- Does not deny coverage under its group health plans for nonparticipation, or limit benefits for employees who do not participate (except for permissible incentive limits)
- Does not take adverse employment action or retaliate against, interfere with, coerce, intimidate, or threaten employees within the meaning of the ADA; and
- Provides employees with a notice that:
  - o Is written in a way the employee is likely to understand
  - o Describes the type of medical information that will be obtained and the purposes for which the information will be used
  - o Describes the restrictions on the disclosure of medical information, the parties with whom it will be shared, and the methods the employer will use to ensure confidentiality

Incentive limits. Employers may offer incentives, either in the form of a reward or penalty, up to a maximum of 30% of the total cost of self-only coverage (including both the employee's and employer's contribution.

The 30% limit applies to all workplace wellness programs whether they are: offered only to employees enrolled in an employer-sponsored group health plan; offered to all employees whether or not they are enrolled in such a plan; or offered as a benefit of employment where an employer does not sponsor a group health plan or group health insurance coverage.

Confidentiality. An employee's medical information may only be provided to the employer in aggregate terms that do not disclose any employee's identity. Employers are prohibited from requiring employees to agree to the sale, sharing, or other disclosure of medical information (except for specific activities related to the wellness program).

Safe harbor provision. The new rule expressly states that the ADA's safe harbor provision does not apply to wellness programs. Two federal district courts have ruled that the safe harbor provision protected employers that imposed penalties on employees who did not comply with wellness program requirements. However, the EEOC states it has the authority to provide its own "considered analysis" of the law because neither court ruled that the statute of the language was unambiguous.

Disabilities: California court goes 'where no one has gone before'

By Cathleen S. Yonahara, hr.blr.com

A California Court of Appeal has found that an employer may be liable under the California Fair Employment and Housing Act (FEHA) for failing to accommodate a nondisabled employee's request to modify his work schedule to care for a disabled family member. The court's interpretation of the FEHA creates significant new obligations for California employers.

In 2010, Dependable Highway Express, Inc. (DHE), hired Luis Castro-Ramirez to work as a driver. At the time he was hired, he informed DHE that his disabled son requires daily dialysis and he needed his shifts to end early so he could administer the treatment.

The amount of time his son needs to be connected to the machine varies from 10 to 12 hours, depending on his condition on any given day. Castro-Ramirez's supervisor, Winston Bermudez, accommodated his request. While the schedules of DHE's drivers vary from day to day, Castro-Ramirez typically worked from 9:00 or 10:00 a.m. until 7:00 or 8:00 p.m.

In March 2013, DHE promoted Bermudez to operations manager, and Boldomero Munoz-Guillen became Castro-Ramirez's supervisor. Bermudez informed Munoz-Guillen that Castro-Ramirez had to leave early because of special needs related to his disabled son and asked Munoz-Guillen to "work with" him.

Later that month, Castro-Ramirez complained to Bermudez that Munoz-Guillen had changed his hours and he was unable to leave work in time to tend to his son. When Bermudez informed Munoz-Guillen about the complaint, he agreed to "work on that."

On April 15, a DHE customer sent an e-mail to Bermudez asking for Castro-Ramirez, the "regular drive[r]," to make its deliveries at 7:00 a.m. However, Munoz-Guillen falsely told Castro-Ramirez that the customer didn't want him to make deliveries and that was why he had given him later shifts.

On April 22, Munoz-Guillen assigned Castro-Ramirez a shift that started at 11:55 a.m., the latest he had ever started a shift. He agreed to work the shift that day but told Munoz-Guillen: "Please, I need to have my job like always. I've always had help from everyone except you."

The following day, Munoz-Guillen assigned Castro-Ramirez a shift beginning at noon even though he had given eight other drivers earlier shifts. Castro-Ramirez objected that the starting time was too late because he couldn't get back in time to administer dialysis to his son by 8:00 p.m. He requested another route or to take that day off. He reminded Munoz-Guillen that Bermudez had already talked to him about his need for early shifts to care for his son.

Munoz-Guillen threatened to fire Castro-Ramirez if he refused to do the assigned route. Castro-Ramirez said he was sorry, but he couldn't do it. Munoz-Guillen told him to come back the next day to sign the termination paperwork.

Castro-Ramirez returned to DHE for 3 consecutive days seeking work. On the third day, another manager noted that he hadn't worked for 3 days and told him "of course" he was terminated. DHE processed the termination as a resignation, with the stated reason being "refused assignment."

Castro-Ramirez sued DHE on several grounds, including disability discrimination, failure to provide reasonable accommodation, failure to prevent discrimination, retaliation, and wrongful termination in violation of public policy.

DHE asked the court to dismiss the case without a trial. The trial court did so and entered judgment in favor of DHE.

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Castro-Ramirez appealed the judgment but abandoned his claim for failure to provide reasonable accommodation.

Going where no court has gone before

The FEHA prohibits discrimination based on an employee's association with a person who has a disability. Under the FEHA, the term "disability" is defined to include a perception "that the [employee] is associated with a person who has, or is perceived to have" a disability.

According to the appellate court, a prima facie, or minimally sufficient, case of associational disability discrimination under the FEHA requires a showing that (1) the employee is associated with a disabled person, (2) the employee was otherwise qualified to do his job with or without reasonable accommodation, and (3) the associate's disability was a substantial factor motivating the employer's adverse employment action.

DHE argued that it had no obligation to provide Castro-Ramirez with a special schedule as an accommodation for his son's disability. The employer pointed out that the FEHA is clear that employers need not make accommodations for disabled associates of employees, and only employees who are themselves disabled are entitled to reasonable accommodations. Castro-Ramirez apparently conceded as much and abandoned his reasonable accommodation claim on appeal.

The appellate court acknowledged that although "no published California case has determined whether employers have a duty under [the] FEHA to provide reasonable accommodations to an applicant or employee who is associated with a disabled person," the FEHA nevertheless creates such a duty in its plain statutory language.

The court further found that even though Castro-Ramirez had abandoned his reasonable accommodation claim, the issue was still relevant to his discrimination claim because the second element of a disability discrimination case is that the employee was qualified to do his job *with or without reasonable accommodation*.

Based on the evidence, the appellate court concluded that a jury could reasonably infer that Castro-Ramirez's association with his disabled son was a substantial motivating factor in Munoz-Guillen's decision to terminate him, and Munoz-Guillen's stated reason for terminating him was a pretext, or excuse to discriminate.

Munoz-Guillen scheduled Castro-Ramirez for a shift that started at noon, later than he had ever started before even though:

1. He knew that Castro-Ramirez needed to finish his assigned route early enough to allow him to administer dialysis to his son.
2. DHE's customer had specifically requested that Castro-Ramirez cover its 7:00 a.m. deliveries.
3. At least eight other earlier shifts were available.

Further, Munoz-Guillen falsely told Castro-Ramirez that he wasn't assigned to the 7:00 a.m. shift because the customer didn't want him making its deliveries, which was contrary to the customer's actual feedback.

The evidence could lead to a reasonable inference that Munoz-Guillen wanted to avoid the inconvenience and distraction of Castro-Ramirez's need to care for his disabled son and therefore created a situation in which he would refuse to work the shift, giving Munoz-Guillen reason to terminate him. Terminating him for his refusal to work the shift was merely a pretext for Munoz-Guillen's desire to be rid of someone whose disabled son made his job harder.

The appellate court reasoned that Castro-Ramirez performed his job satisfactorily for more than 3 years with the schedule accommodations provided by his previous supervisor. That changed when Munoz-Guillen became his supervisor and refused to provide the same accommodations.

If Castro-Ramirez proves at trial that he could perform the essential functions of his job with reasonable accommodations for his son's disability and his son's disability substantially motivated his termination, DHE will be liable for associational disability discrimination.

Retaliation for complaining about refusal to accommodate schedule

The FEHA prohibits employers from terminating employees because they engaged in protected activity. DHE argued that Castro-Ramirez didn't engage in any protected activity. The appellate court disagreed, finding his complaints to Bermudez and Munoz-Guillen about the change in his scheduling, which prevented him from leaving early enough to administer dialysis to his disabled son, constituted protected activity.

Furthermore, there was a causal link between his complaint and his termination because he was terminated 1 month after his first complaint and the day after his second complaint.

The appellate court reversed the trial court's decision to dismiss Castro-Ramirez's claims for disability discrimination, failure to prevent discrimination, retaliation, and wrongful termination in violation of public policy. *Castro-Ramirez v. Dependable Highway Express, Inc.* (California Court of Appeal, 2nd Appellate District, 4/4/16).

Bottom line

This decision will come as a shock to employers because it's the first time a court has held that California law requires you to accommodate a nondisabled employee's request for accommodations due to a family member's disability.

Employers have always been prohibited from discriminating against employees because of their association with disabled individuals. However, prior to this decision, the duty to provide reasonable accommodations applied only to disabled employees and job applicants; it didn't apply to nondisabled employees who are associated with someone who is disabled.