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# VIEWS *&* VISIONS

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**Jennifer Hagedorn**  
Bowles Rice LLP



**Emily Rennie**  
Bowles Rice LLP

Jennifer Hagedorn is a partner at Bowles Rice who serves as co-leader of the Labor and Employment team and Chair of the firm's Human Resources department. She focuses her practice in representing businesses in all aspects of employment and workplace issues. She is currently serving her second term as a member of the firm's Executive Committee.

Emily Rennie is the Human Resources Director for Bowles Rice, responsible for managing all aspects of the firm's human resources operations, including recruiting; training and retention; staff evaluations; compensation and benefits programs; monitoring and supporting the firm's commitment to equal opportunity; and maintaining compliance with all federal, state, and local laws relating to employment.

# From the Desk of Human Resource Professionals

Employers have always faced certain challenges in managing issues involving the workplace. However, with the COVID pandemic in the rearview mirror, many employers are faced with new and unconventional challenges. In order to effectively deal with staffing and morale in the workplace, employers must continue to evolve and think outside the box to tackle the challenges of today's world. While there are many areas that could be the focus of this article, Bowles Rice has identified seven main challenges employers face across most industries. How does your company stack up against its competition?

## Recruitment

With the U.S. unemployment rate hovering around 4%, which is the lowest the country has seen in 54 years, employers are facing tough competition for talent. Potential employees are certainly in the driver's seat in this market, and compensation is not the only focus for the younger generations in the workforce. How can you win the war for talent?

As educational requirements have shifted, STEM (Science, Technology, Engineering, and Mathematics) learning has evolved from a

information security analysis, the chance that the employee received training at a vocational trade school instead of a traditional university is increasing. Employers are taking notice and have begun establishing pipelines with local high schools, trade schools, and colleges. By focusing on recent graduates or current students, you can ensure a strong pipeline of workers to sustain your business.

Being active online through business social media accounts, hosting job-shadowing days or internships, and conducting facility tours are some ways to forge relationships with students. Meeting with administrators and academic advisors will also provide an advantage in finding top talent among current students or recent graduates. The key is to identify high-potential students and foster a positive relationship with them, leading up to the time they are ready to enter the workforce.

## Retention

Retention certainly starts with recruiting. Companies are expected to be competitive with total compensation packages, offering traditional and fringe benefits that are attractive to workers across all five generations

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subset of educational curriculum to an absolute necessity. According to the U.S. Department of Labor, the total of workers in STEM occupations is expected to grow by almost 11% by 2031. Whether the employee is developing software for your company or performing

that are currently represented in today's workforce. In addition to compensation and benefits, potential employees are interested in company culture, workplace morale, and opportunities for career and skill-building more than ever before.



Studies show that Millennials and Gen Zers crave career and professional development, with several studies suggesting that 80% or more of them would leave a company that does not offer personal development opportunities. Training is seen by employees as an investment in their worth and a powerful incentive to stay at the company. Most recruits will expect a clear path for advancement and a roadmap to get to that next level. How do you start that conversation with your employees?

According to the Society of Human Resource Management (SHRM), nearly half (49%) of companies give annual or semiannual reviews, according to a study of 1,000 full-time U.S. employees released late last year by software company Workhuman. The performance review is an important part of the ongoing dialogue between supervisors and employees. The review should be designed to help supervisors accurately evaluate an employee's performance and, when used properly, can help optimize employee performance.

Employers must be careful when creating and administering performance reviews if the goal is the retention of workers. If supervisors do not put the appropriate effort and preparation into the meetings, the result may be that employees feel insignificant. While the reviews are meant to provide constructive criticism, only focusing on negative feedback or involving the wrong people in the review will guarantee the loss of workers who are meeting or exceeding expectations.

Despite several mistakes that can occur during reviews, skipping reviews altogether can be even more destructive to your workplace. Even if a company does not have reviews, the ratings still exist, but employees cannot see them.

Studies show that salary benchmarking, which uses aggregated market data to establish competitive pay rates, and fair salary practices in the workplace impacts employee retention. Most organizations have an established compensation scale to assist with determining employment offers, but employees expect employers to evaluate any discrepancies against several criteria, including, but not limited to, gender, ethnicity, education, and seniority. In addition, evolving pay equity regulations by states and localities may require regular comprehensive reviews of salary history and pay transparency.

A critical part of salary benchmarking includes a review of your organization's job descriptions. Concise and clear job descriptions attract applicants who believe they are a good fit for the role and will share your organization's values. Accurate job descriptions will also help employees understand your expectations for their roles and responsibilities. The job description is a tool used for performance reviews and establishing training needs. Creating separate levels of job descriptions based on years of experience, knowledge, increased responsibilities, and skills will ensure your employees continue to grow and develop within your organization.

## Remote Work

Remote work is here to stay! “The pandemic demonstrated that long-term remote work is possible,” says John Dooney, an HR knowledge advisor with SHRM. “From a recruitment and retention perspective, providing increased flexibility for work hours and location of work helps increase employee satisfaction, which leads to retention, along with increasing an employer’s competitiveness and attraction to land top talent.” But how do companies integrate remote employees into their culture through a computer?



When company leaders prioritize teamwork and employee engagement, the organization will thrive, regardless of the employees’ locations. Many teams with remote workers maintain regular communication through video calls and web conferencing platforms, ditching the traditional email threads. It is important to plan out virtual get-togethers for birthday celebrations, happy hours, and other non-work-related chats. Remember that engagement is not simply monitoring performance but fostering the same level of personal connection with remote workers as is created with in-person workers.

Remote employees expect to be recognized and rewarded for going above and beyond on projects. Sending virtual gift cards or scheduling team meetings to recognize their efforts are simple acts to show your remote workers that you care about them. Remote workers are still human, with loved ones and bad days. Keeping the lines of communication open and prioritizing teamwork will increase your team’s productivity.

## Lackluster Leadership

Leadership is a process of social influence which maximizes the efforts of others towards the achievement of a goal. The Frontline Leader Project study by DDI, a global leadership consulting firm, suggests that 57% of employees have left their jobs because they are frustrated with company leadership.

The study also indicated that 70% of frontline managers said they weren’t expecting the promotion to leadership. While 20% were excited by the prospect of leadership, 17% only took the role because it seemed like the right next step. An additional 19% simply took it for the pay raise. Unfortunately, 18% of leaders also regret taking the role, and another 41% have doubts about whether it was the right move. Poor or passive-aggressive communication, lack of strategic thinking, poor time management or delegation, poor conflict resolution skills, and lack of leadership development are some of the traits that weak workplace leaders have in common.

When considering the promotion of a strong performer to a leadership position within your company or hiring a candidate for a leadership role, determine what training is necessary to ensure the employee will be a good leader within your organization. The size of your organization influences how the leadership function is set up and structured, meaning smaller companies typically do not have a formal program for leadership training, whereas larger organizations most likely have a formal training program or “corporate university.” Whatever the case may be for your organization, one thing is for sure – leadership does not come naturally to all top-performing employees. Assigning a leadership mentor to assist with the development of junior leaders in your organization, along with implementing 360-degree feedback reviews for your leaders, are typically successful ways to help your junior leaders grow.

One of the most important roles for a leader within your organization is to know what your employees want and deliver! Organizational pulse surveys, or stay interviews, are easy-to-use tools that can uncover, anticipate, and resolve issues and concerns before your best employees leave. According to SHRM, stay interviews do three things that employee surveys do not: they deliver information that can be used today; they give practical insights for engaging and retaining top performers; and they provide managers with a reliable process for developing individual stay plans. Management matters, but leadership matters more. The most successful organizations have strong leaders in place to help retain top talent within their teams.

## Diversity and Inclusion

The current workforce is made up of 2% Traditionalists, 5% Gen Z, 25% Baby Boomers, 33% Gen X, and 35% Millennials. Different generations have diverse working styles, and age diversity presents unique issues in the workplace. Organizations can encounter varying work speeds, communication differences, and distinct definitions of achievement. Examining this gap and bridging generational diversity can be very rewarding.



The words diversity and inclusion go hand in hand; however, some organizations work hard to increase diversity recruitment while failing at making each of their employees feel included. Employees desire to feel as if they can be their authentic selves in the workplace. Fostering a workplace culture of diversity without inclusion can potentially do more harm than good. Yes, it's important to attract diversity and then foster awareness and respect for those differences.

The problem with implicit bias is that it often goes unnoticed. Employees are often oblivious that it's a factor. For example, hiring managers might discriminate against candidates based on demographic factors. Fortunately, this is something your company can directly address with unconscious bias and implicit bias training. Remember, lack of training only results in negative online employee reviews, employee turnover, recruiting difficulties, and lawsuits. It is important to regularly conduct unlawful harassment, implicit bias, and sensitivity training with employees at every level of your organization. These training sessions are especially important for members of management and employees in leadership roles.

### **Employee Burn Out**

Employee health should be your priority if your organization needs a high-functioning team. When employees get sick, physically or mentally, they will not perform at their highest level – or at all. According to the World Health Organization, burnout is an occupational phenomenon. It is driven by a chronic imbalance between job demands (for example, workload pressure and poor working environment) and job resources (for example, job autonomy and supportive work relationships). It is characterized by extreme tiredness, reduced ability to regulate cognitive and emotional processes, and mental distancing. Burnout has been demonstrated to be correlated with anxiety and depression, a potential predictor of broader mental health challenges.

A recent report from Indeed found that employee burnout is on the rise, with 52% of all employees reporting they are feeling burnt out, up over 9% from a pre-COVID survey. The report included workers of all ages and types, and when you look at these statistics, it is easy to see why employee burnout is a major challenge for employers. Reducing employee burnout is necessary for organizations due to the impact it has on team innovation, productivity, and retention.



Make mindful breaks a priority, especially for remote employees. Be prepared for turnover and focus on succession planning to prevent impossible employee workloads. Evaluate your employee assistance programs to determine if additional counseling resources could be included.

### **New Compliance Responsibilities**

On January 1, 2024, more than 140 compliance changes were effective. Of the 140, more than 60 were minimum wage increases affecting more than 20 states in the U.S. Other key trends at the state level include expanding employees' leave rights, tackling the issue of fair pay, and increasing the salary threshold for exempt employees. Employers must ensure they are correctly processing payroll filings and withholding requirements, in addition to applying for the correct unemployment and workers' compensation benefits.

With so many changes to compliance requirements, especially this year, it is a good idea to consult with human resources colleagues or legal counsel as appropriate. Companies should also review current labor posters and update them to reflect the recent changes to compliance requirements. [▼](#)