

BEST PRACTICES *in HR*™

November 17, 2007

www.blr.com

Issue 849

CONTENTS

Case Study.....3

- Hiring Assessment Tool Cuts Management Turnover

From the Courthouse4

- Did City Do All It Could to Prevent, Correct Sexual Harassment?

The HR Professional.....5

- New Resource for Employers and Employees with Disabilities
- Best Practices Save Money on Health Care

Tips & Tactics6

- Employees Don't Take Enough Time Off
- Workplace-Related Deaths Drop Slightly in 2006

Case Study.....7

- Workplace Culture Supports Employees at Both Ends of Career Spectrum

HR Tool Box8

- Making Paid-Time-Off Programs Work

BLR[®]
BUSINESS & LEGAL REPORTS
Making your job easier!

Success Criteria Helps Forecast Which Applicants Will Excel

You know that the recruitment process should start long before an employment recruiter fashions a job posting and advertising to announce a job opening. When a job description is specific and the interviewing process carefully planned out before it begins, the more effective the hiring process becomes.

Fumiko Kondo, managing director of Intellilink Solutions, a management consulting firm that improves the productivity of “knowledge worker” organizations, explains that HR generalists (or partners, as some companies identify this position) are best equipped to determine specific job requirements, mandatory minimum requirements for the position, and the success criteria for the position.

Often HR generalists take into consideration the skills and education of incumbents in the job as they craft the description of what is required, she explains. “One client required a B.A. for a position, but there were people in the job without degrees who were quite successful in

their positions.” It’s important not to inflate the minimum requirements for a job and to make certain that requirements are compliant with federal and state laws.

Success criteria consist of those characteristics and skills that make someone more successful in that job, notes Kondo. “For example, a CPA certification may be an absolute minimum requirement for a position, but the similarities that make individuals successful in the position may be the ability to work well in a project team environment and being very detail oriented. You want to select people who can not only do the job, but excel at the job.”

Once the specific job requirements and success criteria have been determined, interview questions must be crafted that cover all the skills, characteristics, and behaviors that you are seeking in the job applicants. Kondo suggests that not only do hiring managers need to be trained in interviewing skills, but it may be a good idea to have several different people

(continued on page 2)

Confronting Gender Stereotypes Dilemma for Female Leaders

Gender stereotyping creates barriers for women leaders and causes organizations to underestimate and underutilize women’s leadership talent, according to research by Catalyst, a nonprofit organization working to advance opportunities for women and business.

In a recent study, “The Double-Bind Dilemma for Women in Leadership: Damned If You Do, Doomed if You Don’t,” Catalyst (www.catalyst.org) discusses the consequences of stereotypic bias, predicaments that women leaders often experience, and sugges-

tions for minimizing gender stereotyping in the workplace.

Stereotypes Cast Women as ‘Atypical Leaders’

Catalyst found that men are still viewed as “default leaders,” while women are seen as “atypical leaders.” As a result, no matter what leadership style women choose, they are confronted by the perception that they have violated the accepted norms of leadership, and they face the following three double-bind dilemmas:

(continued on page 2)

Success (continued from page 1)

interview an applicant, with each interviewer focusing on one aspect of the position, using behavioral interviewing techniques. "For example, 'we want you [one interviewer] to focus on the collaboration aspect' or 'we want you to focus on the technical aspects' [of an information technology or accounting position].

"If you organize the interviewing by success criteria and job requirements, you will have a holistic view of the individual after the team is finished interviewing," says Kondo. "It also avoids the possibility that the candidate will become rehearsed by answering the same questions for multiple interviewers."

The training of hiring managers to conduct employment interviews should be handled two ways, comments Kondo.

First, every new manager should be trained in interviewing techniques and in the legal constraints so that they comply with the law when asking questions.

She also suggests that just-in-time training be employed each time a job opening occurs. "This is a good way for HR professionals to provide a service to the company and develop or strengthen relationships with hiring managers," she explains.

Just-in-time training provides the opportunity to freshen the interview

questions being used for each new opening as business operations change and necessitate adjustments in position requirements.

Kondo also addresses the use of screening tools to screen out applicants, noting that it's important to identify which tools will be used, and at what point in the recruitment process, so that each applicant takes the test or survey. This keeps your process objective and in compliance with employment laws.

The more time spent up front in determining job requirements and success factors, the better the interviewing process will be.

For more information, visit www.intellilink.com.

Stereotypes (continued from page 1)

- 1. Extreme perceptions.** "If women business leaders act consistent with gender stereotypes, they are considered too soft," Catalyst reports. "If they go against gender stereotypes, they are considered too tough."
- 2. High-competence threshold, lower rewards.** Women leaders are judged against higher standards than their male counterparts and are rewarded with less, according to Catalyst. Women often must work twice as hard as men to achieve the same level of recognition.
- 3. Competent, but disliked.** "When women exhibit traditionally valued leadership behaviors, such as assertiveness, they tend to be seen as competent, but not personable or well-liked," the organization reports. "Yet those who do adopt a more stereotypically feminine style are liked, but not seen as having valued leadership skills."

Organizational Issues Need to Change

When hiring and promotion decisions are based on gender stereotypes, companies are not tapping the best possible talent. "There's a big business case for employers to look at stereotypes," says Laura Sabattini, Ph.D., director in Catalyst's Research department.

She says it's important to raise awareness about how stereotypes work and to incorporate "checks and balances" into decision-making processes, she says. That's because stereotypes are less likely to influence decisions when the workforce is familiar with stereotypes and is held accountable for making objective decisions.

Although some women leaders try to address double-bind dilemmas by changing their leadership style, that doesn't get to the root of the problem, Sabattini says. Instead, structural changes are needed within the organization to "change the environment in a way that makes it more feasible for women to lead effectively."

She offers three strategies for creating such an environment:

- 1. Identify and address stereotypes.** Seek input on employee surveys about perceived barriers for women in your workplace. Then, "find ways within your organization's culture to educate people about how stereotypes work," she recommends.
- 2. Integrate a system of checks and balances into HR practices.** Make sure gender stereotyping does not influence hiring decisions or performance evaluations and that all applicants and employees are evaluated objectively. For example, early in the hiring process, Sabattini recommends blocking out any references on résumés to applicants' gender, including their names, so that those involved focus solely on candidates' skills and competencies.
- 3. Create committees to make promotion decisions.** When a diverse group is tasked with making a decision, individual stereotypes are less likely to factor into the decision, she says.

Robert L. Brady, J.D., *Publisher*; Margaret A. Carter-Ward, *Editor in Chief*; Catherine L. Moreton, J.D., *Managing Editor*; Elaine Quayle, *Editor*; Karen Barretta, Kelly Griffin, *Contributing Editors*; Rebecca MacLachlan, *Graphic Designer*; Sherry Newcomb, *Layout Production*; Marianne Graham, *Marketing Manager*. *Best Practices in HR* is issued by BUSINESS & LEGAL REPORTS, INC. Editorial and business offices are located at 141 Mill Rock Road East, P.O. Box 6001, Old Saybrook, CT 06475-6001. ©1997-2007 Business & Legal Reports, Inc.

Issued bimonthly. Subscription price: \$298.00 for 24 issues. Periodicals mail postage paid at Old Saybrook, CT 06475-9998, Standard Mail enclosed. POSTMASTER: Send address changes to *Best Practices in HR*, 141 Mill Rock Road East, P.O. Box 6001, Old Saybrook, CT 06475-6001.

Authorization to photocopy items for internal or personal use, or the internal or personal use of specific clients, is granted by Business & Legal Reports, Inc., provided that the base fee of U.S. \$0.50 per copy plus U.S. \$0.50 per page is paid directly to Copyright Clearance Center, Customer Service, 978-750-8400, or check CCC Online at: <http://www.copyright.com>. For those organizations that have been granted a photocopy license by CCC, a separate system of payment has been arranged. ISSN #1096-973x

Hiring Assessment Tool Cuts Management Turnover

When St. Luke's Hospital and Health Network's HR executives realized back in 2003 that even with their behavioral-based interviewing structure their management turnover rate was 41 percent, they knew that they had to do something more.

Robert Weigand, director of Management Training and Development, explains that although the turnover rate is consistent with national averages for managers, St. Luke's executives thought adding another screening tool to the interviewing and decision-making process for hiring new managers would aid in management retention.

Managers cross a wide variety of occupations in St. Luke's Network (www.slhn-lehighvalley.org), located in Lehigh County, Pennsylvania, with 6,200 employees covering four hospitals, a visiting nurses' organization, and a durable medical equipment organization. There are nurses, physicians, and nonclinical professionals in managerial roles.

"We had already been using behavioral-based interviewing in our hiring process for 8 to 10 years, asking questions directly tied to job descriptions to get better insights and a much more in-depth assessment of candidates," says Weigand. St. Luke's added the California Psychological Inventory (CPI) 434 from CPP, Inc., to its employment recruiting process in 2004. He explains that CPI 434 has been used as a screening tool to uncover leadership traits in people for more than 50 years.

After the initial year of using CPI 434 in the hiring of 19 managers and tracking the retention of those managers over 2 years, turnover in managers was reduced to 10 percent. Weigand explains that the tool has become a standard part of the hiring process for management positions. "In 2004, two people were hired against the data [negative traits and behaviors surfacing], and neither one lasted in the organization more than a year," says Weigand.

Multiple behavioral-based interviews with managerial candidates provide a feel for the person's presentation qualities and his or her ability to answer questions when put on the spot, and reference checks are always conducted, he explains.

Weigand notes that CPI 434 provides an "underneath the hood" look at a person's leadership qualities. He credits Bonnie Hagemann, a CPP consultant, with that description. CPI 434 also has a built-in fake good/fake bad scale should a person try to provide a more favorable spin on who he or she really is, he adds.

How CPI Is Administered, Used

Some of the scales for assessment included in the CPI within four different categories are dominance, capacity for status, sociability, social presence, self-acceptance, independence, empathy, responsibility, socialization, self-control, good impression, communality, well-being, tolerance, achievement via conformance, achievement via independence, intellectual efficiency, psychological mindedness, and flexibility.

The CPI is administered online, making it accessible to final managerial job candidates, keeping the hiring process efficient. Three reports provide a snapshot of each candidate's results, identifying the person's type, scores on 20 Folk Scales, and seven special purpose scales.

Weigand provides an example of taking the different scores into account in a hiring situation. "If we had someone who scored high on dominance and low on empathy, flexibility and tough-mindedness, for instance, that would be a difficult hire for us because of our particular environment. What these scores tell us is that this person is very competitive, very controlling, and very heavy-handed without a lot of empathy. And since we don't make

Who: St. Luke's Hospital and Health Network

What: Implemented a new screening tool to assist in making better hiring decisions of new managers

Results: The management turnover rate decreased from 41 percent in 2003 to 10 percent in 2004, a rate that has remained consistent since then.

widgets, but deal with human beings, we need a good score on the empathic side."

In addition to using CPI 434 to assist in making employment decisions, Weigand explains that CPI 434 results are also used for employee development planning for new hires. Weigand shares an example of interpreting the data for employee development. "If a person came out low in socialization scores including social presence and self-acceptance, we would help them remediate those areas."

He notes that the CPI 434 manual can be used as a primer for a basic understanding of how the tool works, commenting that the CPI has been used in all disciplines and all walks of life. He also received training in the use of the CPI.

Preparation Key to Effectiveness

Weigand and Leah Walling, communications manager for CPP, provide advice for HR executives considering the use of CPI 434 as a hiring tool for managers. Weigand explains that it's important to assess the current manager turnover rate before CPI 434's use to create a baseline against which to measure the return on investment potential of CPI 434 as a hiring tool.

Walling says that it's also necessary to be very clear about job requirements, skills, and personality traits necessary for success in the positions before using the CPI 434 and making assessments. "If you don't know that up front, you don't know what you are looking for and could end up making blind generalizations about the results."



From the Courthouse

Did City Do All It Could to Prevent, Correct Sexual Harassment?

A male police supervisor tickled, massaged, and hugged two female communications officers over the course of a year. The harassment stopped when one of the women formally complained, but the women said the department had been aware of the ongoing problem and should have intervened sooner.

What happened. Julie Weger and Mary Meghan Murphy started working as communications officers for the City of Ladue (Missouri) Police Department in 1999.

When Captain William Baldwin became their supervisor in 2000, he started sexually harassing them. By the fall of 2001, even though they told Baldwin that his conduct was unwelcome, he harassed them daily. Baldwin made inappropriate comments, chased and tickled them, massaged them, grabbed their waists, hugged them, and went under their desks to massage their legs.

A longtime friend of Police Chief Donald Wickenhauser, Baldwin was the chief's second in command and the department's internal affairs investigator.

None of the police officers who witnessed Baldwin acting inappropriately toward Murphy reported the incidents, as required by the department's antiharassment policy.

The policy includes a complaint procedure that provides multiple ways to report harassment. Upon hire, Murphy and Weger received a copy of the policy, but neither followed the reporting procedures until November 5, 2002—when Murphy told a lieutenant that Baldwin had been sexually harassing her.

The harassment stopped that day, and Chief Wickenhauser launched an investigation and instructed Baldwin to avoid contact with communications staff. Weger joined Murphy in her complaint.

Wickenhauser concluded that Baldwin had not unlawfully sexually harassed either woman, but that the touching violated the department's antiharassment policy. He told Baldwin not to touch any employee and that Baldwin

would be terminated if found in violation of the policy in the future. The chief arranged for Murphy and Weger to report to a new supervisor.

Wickenhauser also limited interaction between police officers and communications officers, and the department later reinstated a policy requiring written evaluations of all communications officers. Murphy and Weger viewed these actions as retaliatory.

They filed suit, alleging hostile work environment, sexual harassment, and retaliation. A district court granted summary judgment to the city. Murphy and Weger appealed the decision to the U.S. Court of Appeals for the 8th Circuit, which includes North Dakota, South Dakota, Minnesota, Nebraska, Iowa, Missouri, and Arkansas.

What the court said. The appeals court affirmed the decision, saying the city had established an affirmative defense based on U.S. Supreme Court decisions in *Burlington Industries, Inc. v. Ellerth*, 524 U.S. 742 (1998) and *Faragher v. City of Boca Raton*, 524 U.S. 775 (1998).

First, the city exercised reasonable care to prevent sexual harassment and took prompt corrective action when Murphy formally complained.

Although other employees had observed Baldwin behaving inappropriately, the appeals court said the department did not have actual notice of the harassment until Murphy complained to the lieutenant.

One of the judges disagreed, saying there was "sufficient evidence to show the City knew or should have known

THE LAW

Sexual harassment is a form of sex discrimination that violates Title VII of the Civil Rights Act of 1964. Title VII applies to employers that have at least 15 employees.

The U.S. Supreme Court has established a standard for determining supervisor liability in cases of sexual harassment (*National R.R. Passenger Corp. v. Morgan*, 122 S.Ct. 2061 (2002)). Under the Court's standard, an employer is always liable for a supervisor's harassment if it culminates in a tangible employment action (e.g., firing, failure to promote).

If no tangible employment action results, the employer might be able to avoid liability or limit damages by establishing an affirmative defense, composed of two necessary elements:

- (1) that it exercised reasonable care to prevent and correct promptly any harassing behavior; *and*
- (2) that the employee unreasonably failed to take advantage of any preventive or corrective opportunities provided by the employer or to otherwise avoid harm.

of Baldwin's harassing behavior and failed to act promptly to correct the harassment."

Second, the court found that Murphy and Weger waited an unreasonable amount of time to report the harassment. "... Murphy did not report the harassment for over a year, and Weger only did so when directly questioned about Baldwin's conduct toward her during Chief Wickenhauser's investigation" (*Weger, et al. v. City of Ladue, et al.*, No. 06-1970, U.S. Court of Appeals, 8th Cir., 9/13/07).

WHAT TO REMEMBER

- **Establish an antiharassment policy and enforce it.** Make sure employees understand the policy. Apply it fairly and consistently.
- **Take complaints seriously.** Conduct a thorough and prompt investigation. Determine what corrective actions are needed to alleviate the harassment and to prevent similar incidents from occurring in the future.
- **Provide multiple ways for employees to report harassment.** This increases the likelihood that employees will report the problem.

New Resource for Employers and Employees with Disabilities

The Council for Disability Awareness (CDA) reports that the number of American workers experiencing a disability continues to increase—by 35 percent since 2000.

Several statistics from the Integrated Benefits Institute's publication, *IBI News*, report that the average disability absence results in payments of \$3,800, while lost productivity costs average over \$22,800; "total costs" associated with disability absence exceed \$35,000; and 10 percent of disability cases account for more than half the total medical and disability costs.

The Marsh/Mercer Health & Benefits "Health, Productivity and Absence Management Programs" 2006 Survey results state that employers spend 4.1 percent of payroll on unscheduled absences.

With the escalating increases in workers experiencing disabilities and the subsequent costs and loss of productivity to employers, CDA has launched a new website, Disabilities Can Happen.org, in order to centralize resources and information for HR professionals and their employees.

The specific website link for HR professionals is www.disabilitycanhappen.org/employer/default.asp.

Information included on the website will assist you in educating employees about disabilities and how they could be affected. Some of the topics are:

- **Questions Every Worker Should Ask**—A brief questionnaire to help workers assess how financially prepared they are in the event of a disability
- **Personal Financial Security Plan**—A tool to help workers understand their financial lifestyle and available sources of income should they become disabled
- **Disability Awareness "Quick Quiz"**—A quiz that tests workers' general awareness of disability-related facts
- **Tips for Maintaining a Healthy Lifestyle**—Ways to stay healthy and reduce your chances of disability
- **Disability Myths and Facts You Need to Know**—A fact

Your Complete Guide to ADA Compliance!

Finally, there is a practical guide that makes sense out of federal and state regulations having to do with the Americans with Disabilities Act (ADA). *The Complete Guide to ADA Compliance* will make it easy for you to:

- Determine when an employee is covered
- Coordinate leave issues
- Conduct interviews, hire, and terminate employees
- Interpret and clarify key ADA issues



\$295

Mention code:

305122/BLR1/MQP1911

FREE 30-day Trial! Call 1-800-727-5257.

sheet that refutes common myths about disability

The Wellness Approach section contains links to comprehensive information for each topic, often on other websites such as the American Cancer Society and American Dietetic Association.

Best Practices Save Money on Health Care

SHPS, a provider of health benefits solutions, says the use or absence of a handful of best practices could explain dramatic differences among employers in their health-care costs.

The *2007 SHPS Health Practices Study* identified six common practices that correlate with substantially higher healthcare costs. These are:

1. Managing employee health *solely* through the use of wellness promotion and education

2. Inability to assess the quality of provider care
3. Offering multiple plan designs
4. Use of deductibles and co-pays to drive health choices
5. Use of benefits to position a firm as an "employer of choice"
6. Incurring high levels of turnover

SHPS concludes that the healthcare vendors that succeed "will be those that are best able to empower the

employer to measure and improve employee health." The company says managing financial risk rather than clinical risk is a wise long-term strategy.

The study may be downloaded at http://www.shps.com/2007healthstudy/book/2007_SHPS_Health_Practices_Study.pdf.

Tips & Tactics

Employees Don't Take Enough Time Off

Results from a workplace Web poll from Fortune Personnel Consultants (FPC) indicate that only 25 percent of employees take all allotted time off each year. Below are some of the other results reported by FPC from individuals crossing all industries and jobs, answering the question, "With respect to my time off from work, I ...":

- Take time off if I have something to do but do not monitor the days I use—37 percent

- Do not take the full time allotted but without a particular reason—33 percent
- Work through the vacation time to get the extra money—5 percent

"Even though a study by salary.com reported time off among the top three concerns of new hires, FPC's poll says they are not actually taking the time off they negotiated," according to FPC CEO and President Ron

Herzog. "This generation is said to be more work-life balance conscious, but people are still feeling immense pressure to spend time at work.

"A previous FPC Web poll showed that people were spending their vacation time on work e-mails and voice mails, and now it seems they are not even taking the vacation."

Although a Web poll such as this may not be statistically significant since individuals must visit the FPC website in order to be included in the survey, the results suggest that managers and HR professionals should monitor their employees' usage of paid time off. Not taking enough time off can result in employee burnout and more workplace-related accidents since employees are not resting and recharging as they should.

Workplace-Related Deaths Drop Slightly in 2006

According to the National Census of Fatal Occupational Injuries for 2006, compiled by the U.S. Department of Labor's Bureau of Labor Statistics (BLS), there were 31 fewer fatal work injuries in 2006 than in 2005 (5,703 as opposed to 5,734).

"We are pleased to see both the rate and number of fatal work injuries continue to decline," said Assistant Secretary of Labor for Occupational Safety and Health Edwin G. Foulke Jr. "More working men and women are returning to their loved ones at the end of the workday. While these figures demonstrate progress, we still have a long way to go. ... To end fatalities, injuries, and illnesses on the job, nothing is more effective than prevention. We remain committed to helping all employers protect their most valuable resource—their employees."

The most common fatal work-related events in 2006 were fatal highway incidents, but the overall total of 1,329 highway incidents was the lowest since 1993 and was 8 percent below in 2006 as opposed to 2005.

Another category, workplace homicides, decreased by approximately 9 percent from 2005 to 2006; 516 as

opposed to 573. The highest number of workplace homicides occurred in 1994 and has decreased by more than 50 percent since then, according to the BLS Census.

Fatal injuries from falls increased 5 percent from 2005 to 2006, but the 809 recorded fatal falls is the third-highest number since 1992 when the fatality census began, according to BLS. "Fatal falls from roofs increased from 160 fatalities in 2005 to 184 in 2006, a rise of 15 percent," according to the BLS findings.

Fires and explosions accounted for 201 workplace fatalities in 2006, an increase of 26 percent from 2005, with 159 fatalities in this category. "Fatalities resulting from exposure to harmful substances or environments were also higher in 2006, led by a 12 percent increase in exposure to caustic, noxious, or allergenic substances (from 136 in 2005 to 153 in 2006)," states the Census.

Fatal work injuries by industry category for 2006 include:

- Service-providing—2,693
- Goods-producing—2,509
- Government—501

Injury and Fatality Prevention

Certainly, many workplace injuries and resulting fatalities can be reduced through more intensive worker and management education. For example, since driving safety programs remind employees to be safer drivers in both their business and in their personal lives, annual refresher programs in defensive driving are a good investment in decreasing fatalities and injuries of your most valuable asset—your staff.

Other areas in which more education as well as better safety equipment could have a significant impact on reducing workplace injuries and fatalities would be in the categories of falls, fires, and explosions.

With strict safety policies and procedures and appropriate equipment available to employees as well as education regarding the procedures and equipment use, many accidents could be avoided. In addition, stressing the importance to managers of supervising worker compliance to safety procedures and equipment use will result in fewer accidents as well.

To access the preliminary report and review all fatal injuries by industries and industry sectors (to be finalized and updated by BLS in April 2008), visit www.bls.gov/iif/oshcf01.htm.

Workplace Culture Supports Employees At Both Ends of Career Spectrum

Changing workforce demographics have prompted the Blue Cross and Blue Shield Association (BCBSA) to introduce programs that attract and retain workers launching their careers and those nearing retirement.

“Frankly, what we’re trying to do is to distinguish ourselves from other employers in the Chicago area,” says Joe Cheatham, manager of Training and Development at Chicago-based BCBSA (www.bcbs.com), a national federation of 39 independent, community-based and locally operated Blue Cross and Blue Shield companies.

With Baby Boomers starting to retire and smaller numbers of individuals entering the workforce, “there’s going to be a significant gap between the number of jobs and the people that will be available to fill them in the job market as a whole.”

In response to that, BCBSA has “created an environment that has made this an organization that is conducive for people starting their career as well as encouraging mature workers to remain with us,” Cheatham says.

BCBSA, which employs about 900 people in Chicago and Washington, D.C., recently received an award from *BusinessWeek* for supporting the careers of new employees and from AARP for encouraging the continued development of mature workers.

Internships Used as Recruiting Tool

Cheatham attributes BCBSA’s inclusion on *BusinessWeek*’s list of “Best Places to Launch a Career” to the Association’s “extremely strong” summer internship program, which was introduced 6 years ago and typically leads to a few new hires annually. This year’s program drew 20 students from top colleges and universities in the Chicago and Washington, D.C., areas.

Interns work 40 hours per week for 3 months for \$13 to \$15 per hour,

according to Cheatham. They receive training specific to their department and are given “meaningful work.” They tackle project and team-oriented assignments, receive performance feedback, attend lunch-and-learn sessions with management, and make group presentations to management.

In conjunction with the internship program, BCBSA offers an in-house, three-year MBA program with a concentration in healthcare management, enabling new recruits to continue to pursue their education—on-site, Cheatham says. “Tuition reimbursement covers 80 percent of the cost.”

Opportunities Help Retain Mature Workers

With 37 percent of employees over the age of 50 and 21 percent over the age of 55, “we have a very mature workforce. We’d like to retain as many of these people as we can,” Cheatham says.

The Association offers various programs aimed at retaining mature workers, including “Fit over Fifty,” a series of four lunch-and-learns per year—usually featuring experts from local universities on such topics as chronic disease, hormone replacement therapy, exercise for people over the age of 50, and “how to keep your mind active and sharp,” he says.

For employees over the age of 55, BCBSA pays 100 percent of the tuition—up to \$150—for special interest classes, such as photography, gardening, and golf. There’s no limit on the number of classes eligible employees can take, Cheatham says. Whether employees plan to start their own business after retiring or simply want to pursue a particular interest, the Association will foot the bill.

Every year, BCBSA offers a preretirement planning seminar to employees. Each half-day seminar is geared toward a specific age bracket and covers various aspects of retirement, such as financial issues and preparing

Who: Blue Cross and Blue Shield Association

What: Developed a culture that supports the careers of new employees and encourages the continued development of mature workers

Results: Boosted recruiting and retention efforts

emotionally for retirement. Every 3 years, the Association offers a day-long seminar for those aged 55 and above.

In addition, retirement planning brochures are distributed three times per year on a particular topic, half-price financial planning is available, and free flu shots are provided on-site for employees over the age of 55.

Since implementing these programs, BCBSA has seen a slight but significant decrease in turnover among its aged 50-plus workers, Cheatham says. “We’ll be tracking this closely to see if the trend continues.”

Be Proactive About Labor Shortage

He says it’s important for organizations to implement programs now to attract and retain new and mature workers—before the competition for talent intensifies. “Don’t wait. Start now. Those who delay are going to have increasing difficulty filling the positions they need filled,” he explains.

“Start looking at what you need to do to bring younger people into the organization now,” he says. Look at what benefits and programs are available and be aware that managers might need to adjust their management style to meet the expectations of younger workers, who often want greater flexibility and a bigger role in decision-making than their older colleagues.

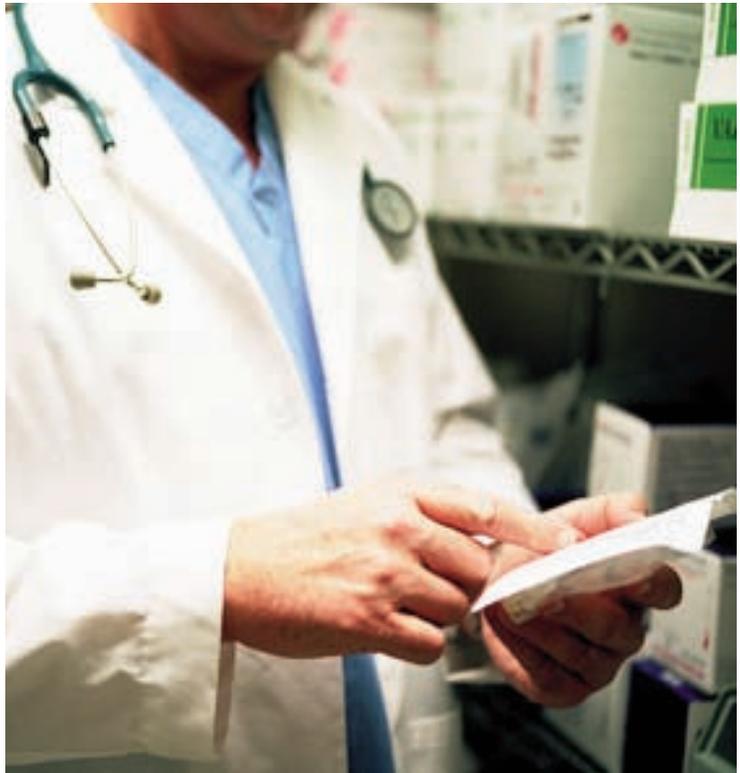
He also recommends identifying ways to retain workers in other age brackets. Employee satisfaction surveys that break down results by age group can help you determine what benefits would be most helpful to different segments of the workforce.

HR Tool Box

Making Paid-Time-Off Programs Work

Communication and consistency are the keys to a workable PTO (paid-time-off) program, say attorneys Aliza Herzberg and Wade W. Herring, II. Their comments came during a recent audio conference sponsored by BLR.

- ✓ **Revise your handbook and written policies.** Be sure that everything agrees about accrual of PTO. The handbook, the policies, and the payroll department procedures must all agree. Remember that even in more pro-business states, policies and handbooks are quasi-contractual requirements, says Herring. You'll be expected to follow them, so it's important to draft policies and handbooks carefully in the beginning and to look them over from time to time to be sure that they still reflect what you want.
- ✓ **Think through compensation issues.** Typically, PTO is considered part of compensation, so it has to accrue and be paid out if not used, says Herzberg. Systems have to support this.
- ✓ **Communicate to employees.** Make sure there is a procedure for letting employees know how they stand with their leave banks.
- ✓ **Request explanations for unscheduled absences.** If employees report PTO as sick leave, request a doctor's note. If employees are gone for more than 3 days, require a fitness-for-work note. Later, when you are dealing with attendance problems, it's important. Didn't get a note? Follow up, she says. Set a tone of accountability for employees.
- ✓ **Be consistent.** One problem Herzberg often sees is that with good employees, the supervisors don't bother asking for doctors' notes, but with employees the supervisors don't favor, they do ask for a note. If that unfavored employee is a member of a protected class, you've got discrimination problems.
- ✓ **Make a decision about sick time.** Many employers include sick time in their PTO programs, but some employers think sick time should be just sick time, so they decide to factor that out of the PTO program. Typically, sick time is not paid out if it is not used, whereas PTO time generally is.
- ✓ **Require employees to call in—themselves, if possible—on each day of absence.** Of course, sometimes this is not possible, and if an employee calls and says, I will be gone for x days, you can accept that.



Note: This handout may be reproduced in printed form, without permission, for internal use by current subscribers.