



Your Advantage

NEWS AND INFORMATION TO HELP YOU AND YOUR BUSINESS SUCCEED

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ADVANTAGE**
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Employer Advantage announces

EA Welcomes

Employer Advantage is pleased to announce the addition of Melissa Danford, Payroll Tax Specialist, to our Accounting Department. Melissa's background includes 14 years of Human Resource experience, 9 years of Payroll experience and 3 years in Insurance. Most recently she was an Administrative Support Clerk/Payroll Administrator. Melissa looks forward to meeting and working with Employer Advantage clients.

Poster Delayed - Again

The National Labor Relations Board has delayed the implementation of the "Employee Rights" poster at the request of the federal court in Washington, D.C. The new implementation date will be April 30, 2012, which should allow the resolution of legal challenges that have been filed regarding the poster.

It's That Time of Year Again

OSHA Form 300A Things to Remember

February isn't just the shortest month of the year; it also is the first month in which employers must post the Occupational Safety and Health Administration's OSHA Form 300A (or equivalent). Employers must post the annual summary from February 1 through April 30. This requirement has few exceptions.

Items to remember:

- The summary includes numbers of injuries and illnesses, hours worked and calculations.
- All employees and non employees under day to day supervision are included in 300 logs as well as form 300A calculations. This includes part time, seasonal and temporary workers.
- The OSHA 300 log should not be posted. Although employees have a right to view the 300 log upon request, OSHA has stated that only the 300A summary form should be posted.
- Penalties for noncompliance can be substantial at a minimum of \$750 per location per year.

What must an employer do to be in compliance?

Risk Management clients of Employer Advantage receive OSHA logs prepared by EA. The company then needs to ensure the form is signed by an executive member or the highest ranking company official working at that location. The form must then be posted in a conspicuous place or where notices are customarily displayed.

Those companies not covered by Employer Advantage Risk Management Services should call for more information.

Temporary Payroll Tax Cut Continues

The Temporary Payroll Tax Cut Continuation Act of 2011 will temporarily extend the reduction of employees' Social Security tax withholding rate from 6.2 percent to 4.2 percent of wages paid through Feb. 29, 2012. This reduced Social Security withholding will have no effect on employees' future Social Security benefits.

Employer Advantage will handle the withholding changes so clients and employees do not need to take any additional action.

The Temporary Payroll Tax Cut also contains a "recapture" provision, which affects employees who receive more than \$18,350 during January and February. This provision imposes an additional income tax on these higher-income employees in an amount equal to 2 percent of the amount of wages they receive during the two-month period in excess of \$18,350 (and not greater than \$110,100).

This additional recapture tax is an add-on to income tax liability that the employee would otherwise pay for 2012 and is not subject to reduction by credits or deductions. The recapture tax would be payable in 2013 when the employee files his or her income tax return for the 2012 tax year.

Employer Advantage will continue to monitor the situation and pass along any IRS guidance on the new two-month extension or possible full year extension.

2011 A Good Year for EEOC Charges

The Equal Employment Opportunity Commission (EEOC) has announced that a record number of discrimination charges were filed during fiscal year 2011. Between October 1, 2010 and September 30, 2011, 99,947 charges of discrimination were filed, which is the largest number of charges filed in a fiscal year throughout the 46 year history of the agency. Also of note is the \$364.6 million in monetary benefits that was awarded during the same time period.

Even though FY 2011 saw the largest number of filed charges, the sharpest increase of filed charges occurred between FY 2007 to FY 2008 with an increase of 12,610 charges. According to www.eeoc.gov website, two factors may have played a part. In 2008, the EEOC introduced the online filing process and the U.S. experienced a weak job market during the recession of 2007 – 2009.

In addition to the record-breaking numbers, EEOC continues to build a systemic enforcement program. According to the EEOC, "systemic discrimination" is a pattern of discrimination that broadly impacts a large amount of workers. The workers can be linked by industry, profession, company or a geographic area.

At the close of FY 2011, 580 systemic investigations were in progress. The EEOC feels that it is a mission to tackle systemic discrimination in the workplace. Some recent notable systemic discrimination judgments:

- Outback Steakhouse: \$19 million, for sex bias against women
- Albertsons: \$9 million, for job bias based on race, color, national origin and retaliation
- Sears, Roebuck: \$6.2 million, for disability bias
- Allstate: \$4.5 million, for age bias

The EEOC plans to continue working with employee advocacy groups to find potential systemic discrimination. In addition to Title VII's protected classes of race, color, religion, sex, pregnancy, national original, age, disability or genetic information, employers should focus on three additional areas:

- The Americans with Disabilities Act (ADA);
- Credit history checks; and
- Criminal background checks.

The EEOC has indicated increased vigilance for 2012 in these areas.

Employer Advantage will continue to assist clients with policies and procedures in order to be compliant with the EEOC's guidelines. If you have questions or concerns, please contact your Human Resources Professional for more information.

Change for a New Year

Change. Just writing this six lettered word strikes fear in my heart. The worst thing about change is that usually it's supposed to be for the better, but why do we spend so much time thinking it's for the worst?

Change is...Being Uncomfortable

First and foremost – we lose the comfort level we once had with our job. How many of you experienced your comfort level dropping when the IT guy installed Windows Vista on your computer after having Windows XP for six years? The data was still the same and your work was still the same but “how” you got your job done changed dramatically. Even if you had a prep class, it was still a different way to do things and it took a while to become comfortable again.

Change...Takes Time

According to the *European Journal of Social Psychology*, researchers recruited 96 people to incorporate a new habit and measured how long it took before the new habit became one that could be done “without thinking.” On the average, it took subjects 60 days to fully incorporate a new habit into their routine so that it could be done without conscious thought. However, the good news is that even if the subjects missed a day of the new habit, it did not significantly derail the change.

How to Help Employees with Change

In order to effectively create change in the workplace, consider the following four steps:

1. Tell them WHY. People are more likely to move in the direction of change, if they know why. Share with employees as much as you can about why a change is necessary and what would happen if there isn't change.
2. Care about their reactions. Employees want to feel that they have been heard and that the company has answers for their worries. By listening and responding, management can show that the company cares.
3. Give choices if possible. Employees who can make a choice in the change process will feel they have some control over the event. The more choices, the more they feel in control. However, don't offer a choice and override it or you will do more harm than good.
4. Reinforce employees' skills and abilities. Workers are more likely to proceed with change if they feel they have the knowledge, skills and abilities to succeed. Offer training, education or practice so that employees will feel like they are competent enough to proceed with the new process.

The Bottom Line

We all know that change is inevitable at work, but that doesn't necessarily make us like it. By planning change and communicating with employees, companies may see less disruption in the workforce and a faster learning curve for the change.

State Minimum Wage Increases as of January 1, 2012

	Minimum Wage		Tipped Minimum Wage	
	2011	2012	2011	2012
Arizona	\$7.35	\$7.65	\$4.35	\$4.65
Colorado	\$7.36	\$7.64	\$4.34	\$4.62
Florida	\$7.31	\$7.67	\$4.29	\$4.65
Montana*	\$7.35	\$7.65		
Ohio	\$7.40	\$7.70	\$3.70	\$3.85
Oregon*	\$8.50	\$8.80		
Vermont	\$8.15	\$8.46	\$3.95	\$4.10
Washington*	\$8.67	\$9.04		

Employer Advantage has sent the new state minimum wage posters to clients in these states. If you have not received your poster yet, or need additional copies, please contact your Payroll or HR specialist.

*State does not allow employers to take tipped credit.