



Companies That Care

Notes from October 22, 2008 Honor Roll Network Call “Helping Employees Through These Tough Economic Times”

Call was commenced at 10:02 AM

Participating Honor Roll Employers: Ace Hardware, ADP, Bon Secours, CHAN, Enterprise, Opto Technology, Umpqua Bank

Cynthia Cobb welcomed participants to the last Honor Roll Network Call of 2008 and shared the following to set the stage:

With all of the negative news about the economy, it's easy for employees to be off-task and unfocused about work. We're experiencing rising costs on just about every front – fuel, food, housing, interest rates – with more increases on the horizon. I just read an article that health care premiums are projected to increase at least 9%. Factor in the high credit card debt that thousands of people have and it's very stressful for the majority of us.

An early 2008 SHRM survey revealed that over the past 12 months:

- A 39% increase in the number of employees requesting advances on their 401(k) and a 20% increase in the number requesting advances on salary as well as
- A 26% increase in wage garnishments

A 2007 ComPsych Survey of 1,136 employees in over 1,000 client companies reported:

- 30% of respondents were worse off than the previous year and one major setback away from disaster
- 20% were worse off with less savings and income and more debt
- 24% said they were the same as last year
- 16% were better with more income and savings and less debt
- 4% were in their best ever financial health

Before turning it over to Brenda Maday (Opto), this quote from the article “Easing the Burden of Employees’ Debt”, HR Magazine, July 2008 was spoken:

“Equipping workers to deal with financial challenges of life...gives them confidence and security that carries into their work through increased productivity, job satisfaction, and retention.”

If we can help employees better manage their financial situation, there's definitely an upside for employers.



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Brenda's comments focused on helping associates deal with rising gas prices. Her sources were *Employee Benefits News* and notes from a HR roundtable she attended.

Ideas shared:

- Increase the amount of flexibility employees have with their work schedules (e.g., telecommuting or four 10-hour days if jobs lend themselves to those types of arrangements)
- Car- or vanpooling
- Offer tax-free commuter benefits
- Increase compensation or mileage reimbursement (IRS rate is currently 58.5 cents/mile)
- Give gas cards as rewards

One of the things Opto has done is to implement a short-term recognition program, "Get Some Green by Going Green". Associates complete a short questionnaire (about 8 questions) each week about what they've done to be green and drop it in a box. Each Friday a name is drawn to receive a \$50 gas card. Some responses to the questions would be: I brought my lunch in a reusable bag, I recycled paper, or I carpooled. This has been quite popular.

The call was opened up to hear what others are doing ~

Wendy from Bon Secours added online resources to help employees find deals, such as lowest gas prices. They're working with Ride Finders for carpooling and vanpooling. Associates completing the Ride Finders survey were entered into a raffle to win \$50 gas cards. Those attending the Annual Benefits Fair had a chance to win \$250 gas cards.

Mary from Ace said they've surveyed employees to gauge their interest in carpooling. Wanted to make sure employees were willing to let colleagues know their addresses. The Company has held lunch and learns to promote networking and to further explore carpooling as an commuting option. Ace is also talking with another employer about sharing the cost of running a van from the closest train station to give employees that travel alternative.

Stacy from ADP shared they obtained tools for their associates from their EAP provider. The tools spoke to carpooling, vanpooling, ways to tighten your belt)



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Additional points Cynthia shared:

- The most frequently taken actions on this matter companies take are conducting workshops, offering online courses and other resources, giving employees the chance to have one-on-ones with financial counselors. Presenters are either internal, through EAP providers, or other external outfits
- In another survey she thought was conducted by Money Management International but reported in HR Magazine, 45% of the respondent employers were offering debt management courses and 44% were offering one-on-one help
- Advice for those offering resources to employees:
 - Do a thorough background screen and reference check of the external outfit's capabilities and reputation (by offering services the employer has some responsibility and potential liability)
 - An employer should still have a role in the workshop or seminar even if using external presenters. This role can be to introduce the speaker or co-present
 - Set some goals to be able to determine if what you've offered made a difference or was worth the investment
- As with other types of tough times, it is recommended that employers enhance communication and education about what's happening with the business and the potential positive or negative impact on employees. Think Characteristic 10: Considers the human toll when making business decisions.
- Other possible ideas:
 - Relaxing company policy against having another job (Note: Employers on the call either don't have a policy or have it for certain levels of employees.)
 - Make sure employees have a forum to express emotions, frustrations
- Temporarily beef up reward and recognition programs to give employees more opportunity to
 - earn money – could certainly be geared toward addressing business challenges
 - Focus on improving financial literacy of adults and children

Since time was available, Mindy of ADP had a question: What are some low to no cost ways of continuously improving what employers do for employees and communities? Sandy from Umpqua talked about their Professional Advance Dress Program which costs the Bank nothing. Associates can purchase clothes up to 2 times/year and \$500. They submit receipts and are reimbursed by Umpqua. They then set up a payroll deduction to reimburse the Bank. All levels of employees have taken advantage of this program.

To get more ideas, Cynthia encouraged Mindy to use the Honor Roll ListServ.

Call was adjourned at 10:32 AM.