

## Key Topics:

- More Than Two Sides to Turnover
- New Employer Ombudsman Office in Michigan
- Job-Related Issues & the Economy
- Electronic Employment Verification System (e-Verify)
- Work/Life Programs Imbalance

## More Than Two Sides to Turnover

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Turnovers have two sides, one that faces the baking sheet and one that puffs up, and browns beautifully. On the puffy side, you can even add icing. The same can be said for employee turnover, there are positives and negatives to both sides. Let's take a look at the puffy or positive side and see how to add the icing.



There are many factors that can transform ordinary turnover into a positive or desirable turnover. Evaluating turnover depends primarily on the business impact caused by the departing employee. A departing employee who is a top performer and leader of a team in an area of the company that is critical to new business development and ROI can definitely be termed "negative turnover." While this form of voluntary turnover can be disruptive and costly to replace/retrain, it also creates an opportunity to upgrade, restructure, add new vibrant employees, and/or provide promotional opportunities to internal candidates. Also, understanding that one of the primary reasons for employees choosing to leave is "limited career development, advancement, and promotional opportunities," can make even this situation turn into a positive one for the company on an overall basis.

Examples of how turnover can benefit or be positive for an organization are listed below:

- 1) A lower performer leaves, avoiding the need to terminate them.
- 2) A lower performer leaves to go to a competitor (another company's problem now).
- 3) A lower or average performer is replaced by someone who becomes a superior performer ("talent swap").
- 4) A lower performer is replaced by promoting an employee who needed more challenge or growth opportunities
- 5) A non-diverse employee is replaced by a diverse one.
- 6) An employee with key skills transfers from a non-critical job to a critical, revenue generating job.
- 7) The exiting employee was a poor manager.
- 8) The exiting employee was highly paid due to tenure, but not performing at the level of lower paid employees.
- 9) An employee who provides adequate notice allows for a good replacement to be found, hired, and trained prior to exit.

When an organization responds positively to turnover by replacing departing employees with more highly skilled employees who have quick learning curves and talents for interfacing with their immediate team of employees, as well as external contacts, such as, customers, sales contacts, and vendors, the impact on the business or business unit can be energizing for all. New blood is healthy and new employees can bring fresh ideas to their companies. Finding replacements that bring special skills and talents to the company is the "icing" on turnover.

## New Employer Ombudsman Office in Michigan

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The State of Michigan's Unemployment Insurance Agency opened a new office of the Employer Ombudsman (OEO) this month to provide employers with better service. It is expected to offer "a single responsive point of contact for employers across the state, and to provide more efficient resolution of employer concerns," according to Steven Hilfinger, director of the Michigan Department of Licensing and Regulatory Affairs, which oversees UIA. Employers may reach the office by a toll free number or via email. In return, OEO offers a service guarantee that it will acknowledge and follow-up within 2 business days. Here is the contact information for OEO: toll-free phone# at **1-855-484-2636** or **1-855-4-UIAOEO**, or via email at [OEO@michigan.gov](mailto:OEO@michigan.gov). Office hours for Michigan's new OEO are **8:30 a.m.-4:30 p.m., Monday through Friday**.

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## Job-Related Issues and the Economy



Unemployment or jobs topped the list of key problems for over a third (36%) of Americans, and 30% cited the economy, a recent Gallup Poll reported. Only dissatisfaction with government, at 13%, was in double digits. Other topics of concern included the federal budget deficit, lack of money, healthcare, moral decline, immigration, education, inflation/high cost of living, and war.

**Jobless Claims Down for 5th Week:** First-time jobless benefit claims declined by 10,000 in the week ending 11/12, with 390,000 claims filed, the U.S. Labor Department reported. It marked the fifth consecutive week that initial claims have dropped. The 4-week rolling average for claims filed as of 11/12/11 was 400,000, down 5,250 from the previous revised average. October's unemployment rate was 9 percent, down from 9.1 percent in September.

## Electronic Employment Verification System

The Society for Human Resource Management (SHRM) is advocating for Congress to pass a law which would improve the federal government's electronic employment verification system. SHRM believes that employers need a more reliable, efficient and foolproof system for confirming the work eligibility of potential employees. The Legal Workforce Act (H.R. 2885) is the proposed legislation that would do the following to strengthen E-Verify, the voluntary federal system currently in place:



- Replace Form I-9 with an electronic verification system
- Pre-empt state employment verification laws and create a federal system
- Allow employers to complete eligibility verification before a new employee starts work
- Create a measureable pilot program to address the fraud and identity theft issues of the current system (E-Verify)

## Work/Life Programs\*



Over the past decade, employers and employees have been encouraged to participate in work/life programs, such as, flexible work hours and remote offices. Nearly half of the 2,000 employees surveyed from companies around the world noted negative repercussions that included receiving unfavorable job assignments, negative performance reviews or comments from a supervisor; plus, being denied a promotion, and clearly, being discouraged from using the company's flexible work arrangements as described.

While it is HR departments that design work/life programs, it is managers who implement them. In order for work/life programs to be effective and truly accommodate a balance of work-life for employees, managers' attitudes, as described below, will need to change.

- Over half of managers surveyed believe the ideal employee is available to meet business needs regardless of business hours.
- 40% believe that the most productive employees have few personal commitments.
- 1/3 of managers surveyed think employees who use flexible work arrangements will not advance far into the organization.

\* SHRM staff

**Reminder of Holiday Hours: Employees Only** will be closed for the Thanksgiving holiday, from Thursday, November 24 through Sunday, November 27, 2011. Enjoy the extended weekend, and have a wonderful, healthy and happy holiday!



## Quotes of the Week:

*Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity.* ~ General Patton  
*Wise men talk because they have something to say, fools, because they have to say something.* ~ Plato  
*What you get by achieving your goals is not as important as what you become by achieving your goals.* ~ Thoreau



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