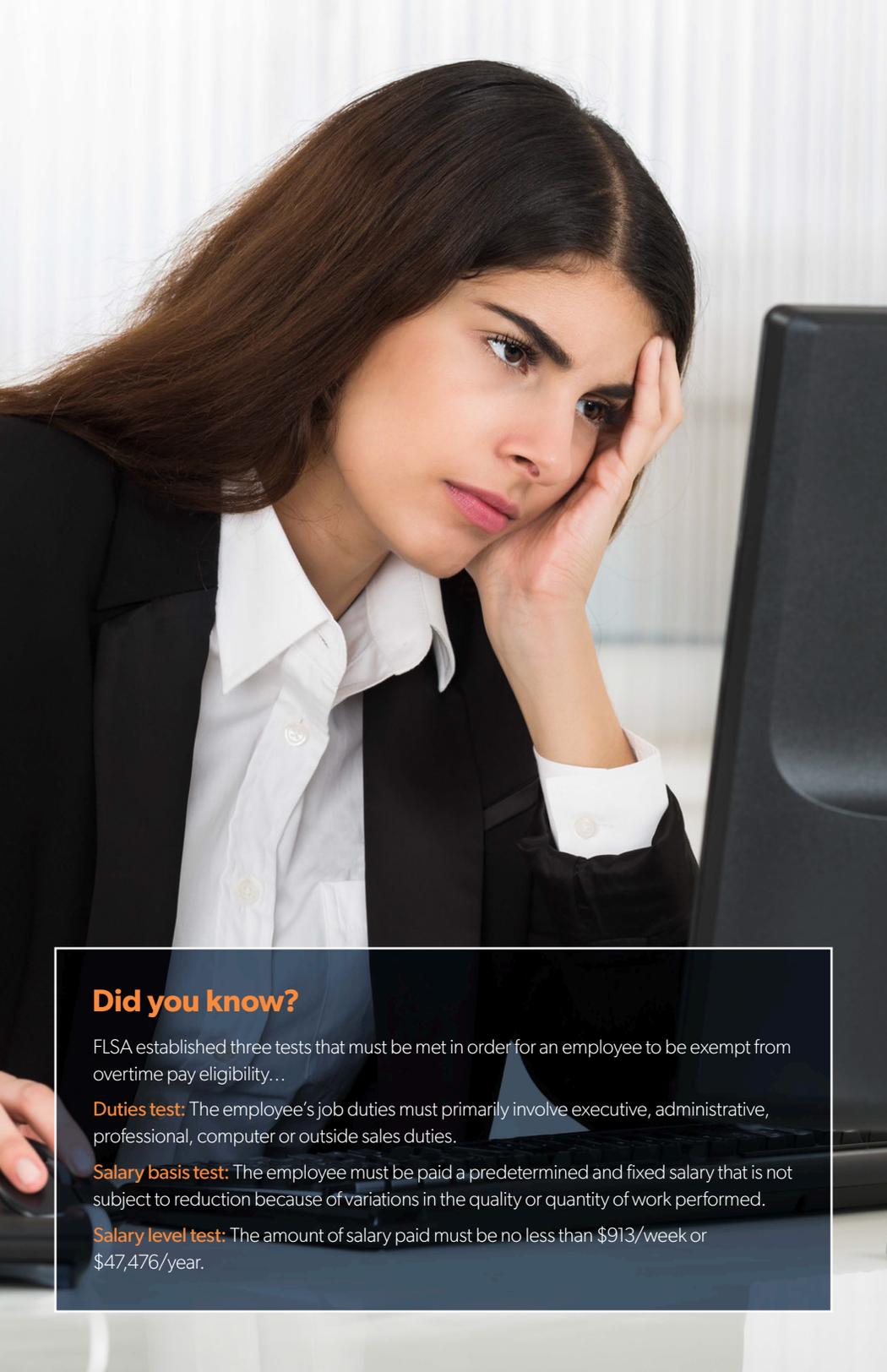


3

common FLSA challenges
and how to overcome them



How higher education HR professionals can mitigate the impact of the upcoming overtime rule changes



Colleges and universities have until Dec. 1 to comply with the new FLSA regulations, but HR professionals are already anticipating complications.

“FLSA is going to be a big challenge for us,” said David Perryman, assistant director for talent solutions at North Carolina State University in Raleigh, North Carolina. “Not only are we making determinations that could change people’s compensation, but it could change the way NC State works.”

Danny Linton, assistant director of human resources at the University of Memphis in Memphis, Tennessee, agreed. “We have a lot of competing interests happening simultaneously, and now, on top of our regular day-in-day-out work, we’ve got challenges with the new FLSA regulations. It’s a lot to balance.”

So, how do you make sure your college or university is ready?

Take a look at these common FLSA challenges — and their solutions — to learn how you can prepare your institution for success.

Did you know?

FLSA established three tests that must be met in order for an employee to be exempt from overtime pay eligibility...

Duties test: The employee’s job duties must primarily involve executive, administrative, professional, computer or outside sales duties.

Salary basis test: The employee must be paid a predetermined and fixed salary that is not subject to reduction because of variations in the quality or quantity of work performed.

Salary level test: The amount of salary paid must be no less than \$913/week or \$47,476/year.



Reducing the financial impact

One of the biggest concerns surrounding FLSA is the financial impact. “For most institutions, it’s going to be significant,” said Ricardo Coronado, Ph.D., associate vice chancellor for human resources at Tarrant County College in Fort Worth, Texas.

Heather Murray, customer advancement executive at PeopleAdmin and former associate director of human resources at Gonzaga University in Spokane, Washington, encourages HR professionals to remember that “overtime is a controllable expense” and mitigating the financial impact is simply a matter of defining what that control looks like.

“I suggest creating a personnel action request form for overtime that employees need to submit proactively before they are given permission to work overtime hours,” Heather said.

Automated tools, such as SelectSuite Records, can help your institution streamline an overtime request and approval process like the one Heather suggests.



2

Supporting supervisors

Preparing supervisors to handle their increased responsibility is also a major concern. “Supervisors will have to be more accountable, as far as keeping track of time and managing schedules,” said David, with NC State.

It’s up to HR to make sure they’re ready — and that means training.

According to Heather, “They have to be shown how to manage these things they aren’t used to managing, and they need to know how to do that in a way that doesn’t come across as either condescending or micromanaging.”



3

Improving employee morale

Many colleges and universities are also worried about the impact FLSA will have on employee morale. “A lot of the issues will be perception-based because exemption is a status symbol,” said Edward Wilson Jr., Ph.D., director of strategic partnerships at PeopleAdmin and former director of academic affairs at the University of Kansas Medical Center in Kansas City, Kansas. “There’s a belief that needs to be dispelled from a cultural perspective so employees don’t feel like they’ve just been demoted,” Heather said. The key to managing this challenge? Proactive communication. “It’s important that you give all parties involved the ability to have tactical conversations and do it in a way that maintains the dignity of the incumbents in those jobs,” Heather said. “Then, you’re not allowing your morale to go into the tank, and you’re not compromising your culture.”

Want more help?

Contact us to learn how PeopleAdmin solutions can help you simplify the administrative burdens of FLSA by streamlining processes related to position descriptions, personnel action forms, and more at peopleadmin.com.

PeopleAdmin