

PeopleAdmin

Drive FLSA success with strategy and compassion

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Host

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Today's Agenda



Introduction and Overview



Intent of the Law



Higher Education Impact



Strategy



Technology Partnership



Closing

HELPING ALIGN
YOUR STARS

PeopleAdmin

Talent Management for
Education and Government

Talent Management Solutions for Education and Government



K-12 Education

Our TalentEd, SchoolSpring and SearchSoft solutions empower you to not only recruit and hire the top teachers and staff, but also to develop them for the academic results you want.



Higher Education

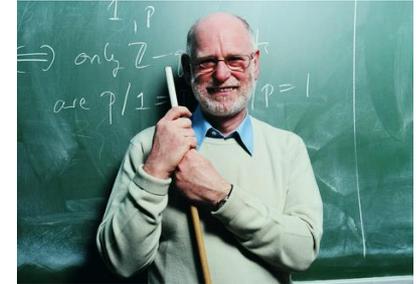
Ensure diversity, efficiency and alignment to your academic mission through our SelectSuite solution and services aimed at hiring and developing top faculty and staff.



Government

Improve productivity, automate your hiring, ensure compliance and gain the information technology you need by employing SelectSuite for your civil service hiring needs.

Designed for Education



"I couldn't imagine working with anyone other than PeopleAdmin. You folks are truly partners ... you work as a team, really understanding your customers. This is what makes PeopleAdmin so different from anyone else out there."

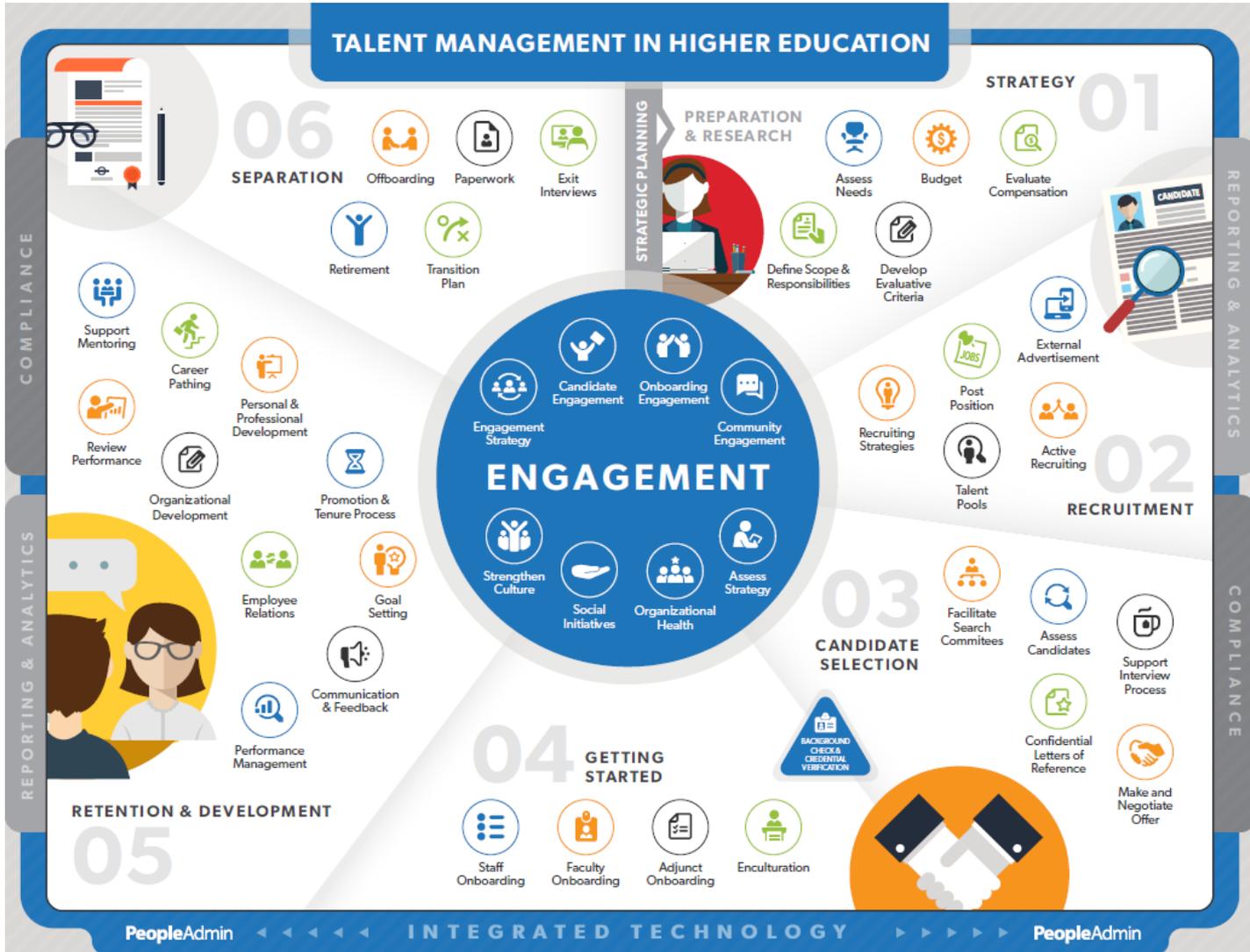
- Neil Jones, Georgia College & State University

"TalentEd is such a great addition! We can now process, approve, and hire so much faster. I couldn't imagine going back to anything different."

-Kerri Smith, Northwest Regional ESD, Oregon

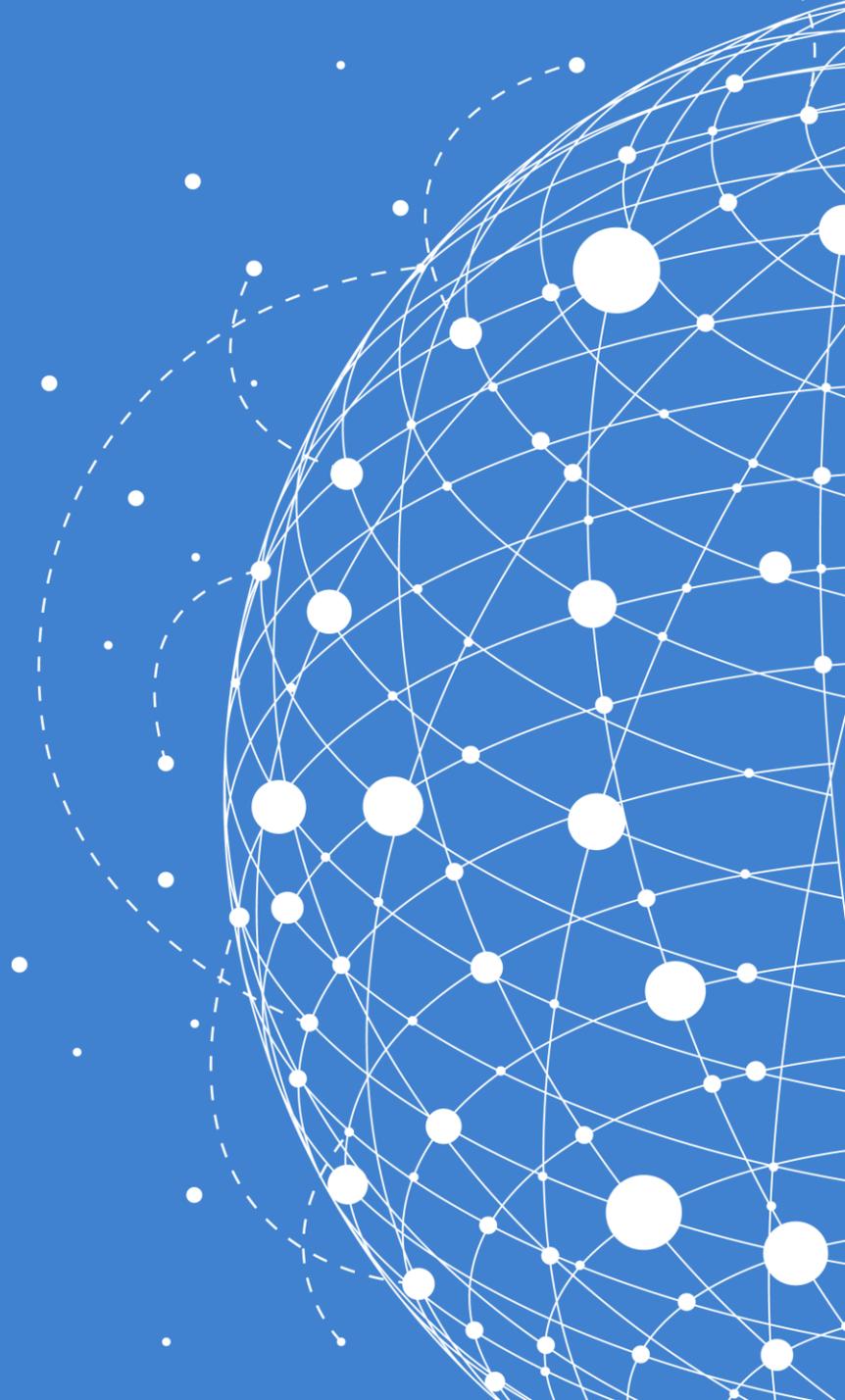
HR's Evolving Landscape

PeopleAdmin views Higher Education through your lens



Question?

How will HR remain relevant as a strategic partner while allowing time to be cultural stewards to the institution in the ever-evolving landscape of compliance?



Drive success with strategy and compassion

Overview

Human Resources continues to be challenged by the evolving nature of our profession. The new DOL ruling on FLSA is no exception. Leadership is now looking to their HR teams to ensure regulatory compliance, engage in an impact assessment and be the culture stewards for the organization.

Whether HR falls under a centralized or decentralized structure; our response to the FLSA changes will have a rippling impact throughout our campuses. Using the new FLSA landscape as an opportunity for change, learn how to model compassionate behavior in a strategic manner and become a key collaborator to all levels within your institution.

Learn how to utilize technology as a tool to affect these regulatory changes and preserve morale.

FLSA Highlights

May 18, 2016 DOL Ruling

1

The new minimum salary threshold has been set at \$47,476 per year (previously \$23,660 per year).

2

The threshold will automatically update every three years. Each update will raise the standard threshold to the 40th percentile of full-time salaried workers in the lowest-wage census region, estimated to be \$51,168 in 2020. DOL will post new salary levels 150 days in advance of their effective date, beginning Aug. 1, 2019.

3

DOL did not make any changes to the duties test.

4

Employers will need to be in compliance with the new regulations by Dec. 1, 2016.

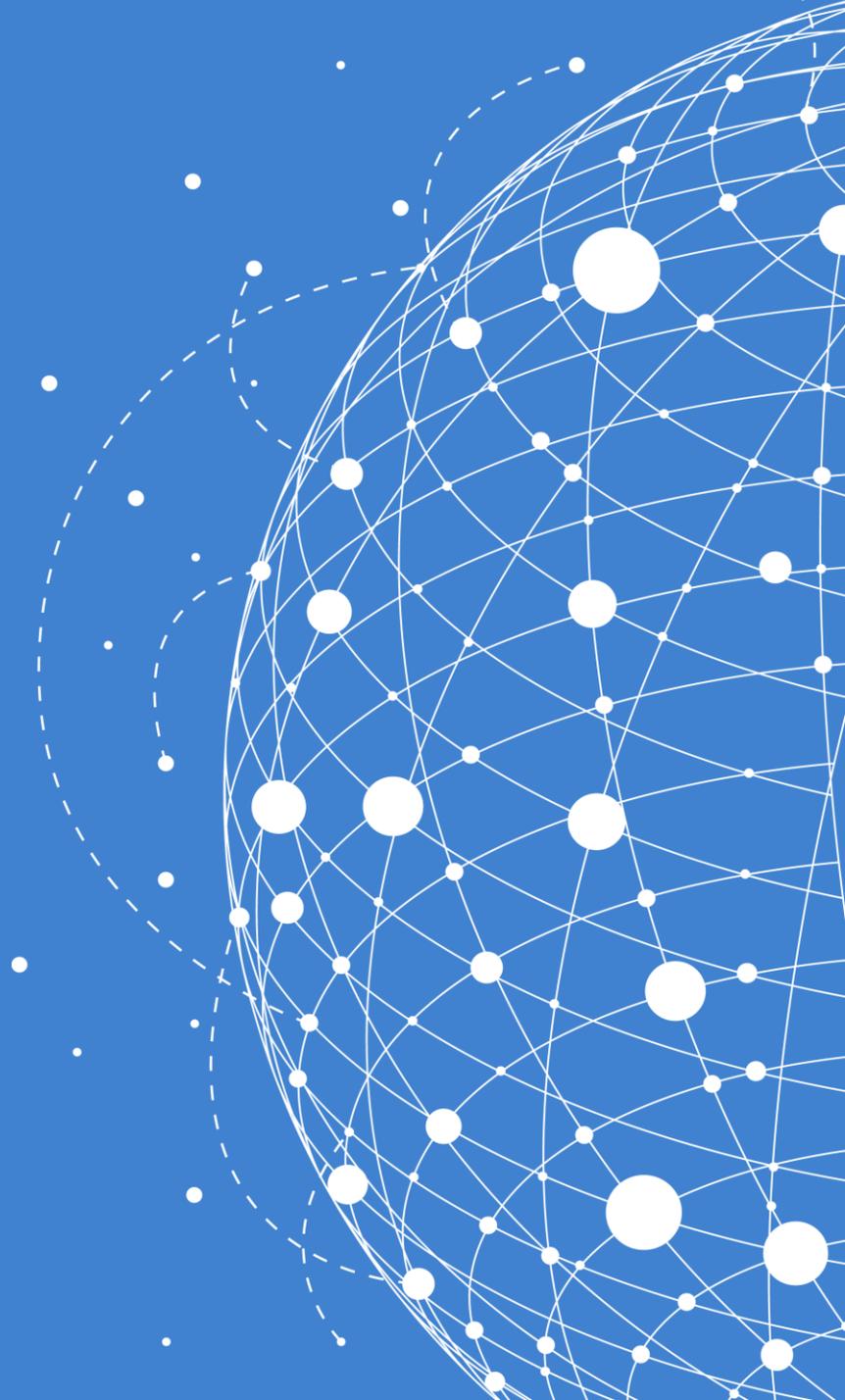
Intent of the law

Keep in mind...

- FLSA revisions are an unfunded obligation
- The intent and spirit of the law is positive
- Overtime is a controllable cost
- Long-term inflation and market survey data should be considered in salary decisions
- There may be resulting salary compression and pay equity issues
- We need to find a balance between work expectations and quality of life
- We can set policies on what constitutes reasonable overtime
- We should be sensitive to perceived status losses (exempt becoming non-exempt)
- Compliance must come with education

Question?

What do you believe is the most challenging perspective to keep in mind and why?



Higher Education Impact

Initial reaction

- 1 Significant financial cost to institution
- 2 Modification to processes and systems
- 3 Organizational changes
- 4 Cultural impact
- 5 Strategic change management

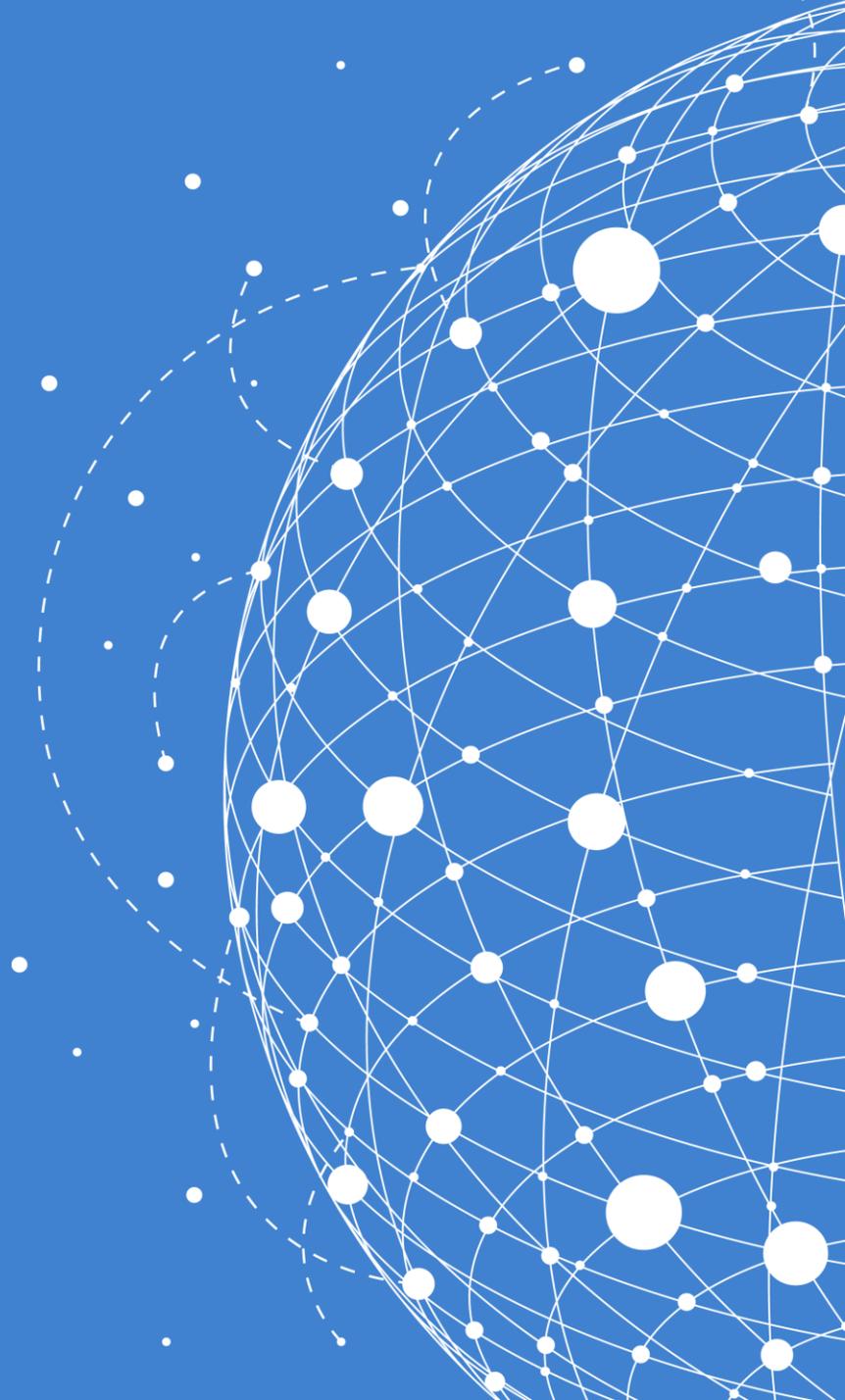
Higher Education Impact

Sample of positions affected by the rule

-  Postdoctoral researchers (if primary duty is research and not teaching)
-  Non-academic administrative employees
 - Admissions Counselors
 - Recruiters
-  Other salaried workers (not unique to an educational setting)
 - Food service managers
 - Less than 12 month positions
 - Athletic Trainers (if primary duty is not teaching)

Question?

What positions do you anticipate being impacted most by the ruling at your institution?



Strategy - Approach

An opportunity for change



Fresh look

- Create a formal process for evaluating job descriptions against FLSA criteria
- Create or refresh policies designed to mitigate financial impact
- Training programs
- Communication plans



Control overtime expenses

- Evaluate prior year's overtime spend as an indicator
- Establish funding mechanism for overtime (centralized or decentralized)
- Create long-term fiscal plan
- Establish a pre-approval process for overtime requests

Strategy - Role

HR is a strategic change agent



Policy and Process

- Evaluate policies (i.e. Travel, Vacation, Compensation, Budget)
- Create a process for job re-evaluations for potentially affected positions AND supervisory positions
- Create formal OT request process and reporting process



Communication Game Plan

- Engage with supervisors and leadership of all levels to educate
- Create training programs for supervisors and individual contributors
- Create a holistic communication plan aligned to institution's mission and value statement



Acknowledge there is no one way to accomplish compliance



Establish mindset of shared responsibility and accountability

Strategy - Implement

Implement with compassion

-  Engage in establishing partnerships throughout all areas of institution
-  Engage in conversation with executive leadership to understand sub-cultural impact and collaborate with each division to create approach that fits their sub-cultural norms
-  Work with Marketing and Communications on creating an institution position statement and educational campaign effort
-  Engage in a conversation in empathetic, ensure dignity, provide tools to provide comfort, be a strategic and culturally astute partner. HR is active and present, leading how this impacts culture while minimizing the potential for employee relations issues.

Strategy - Implement

Implement with compassion

-  Engage affected employees in the evaluation process for understanding (not necessarily agreement) of derived outcomes
-  Define performance effectiveness for your institution as it relates to job expectations, cultural and morale preservation and alignment with the institution's strategic plan
-  Decentralized HR operations – insure your deployed HR practitioner's have the KSA's to engage in competent conversations

Strategy - Cultural Stewards

Know your culture and assess the implications compliance will bring



Engage, engage, engage

- Be proactive with timing of communications and recognize need for on-going communication after December 1st.
- Forthcoming and transparent in there is no “one way” to accomplish the work
- Foster partnerships (i.e. executives, first line supervisors, faculty and staff assemblies, etc)



Acknowledge the emotional impact of your decisions, but do not feed drama

- Be open, objective, and forthcoming while ensuring the integrity of the process

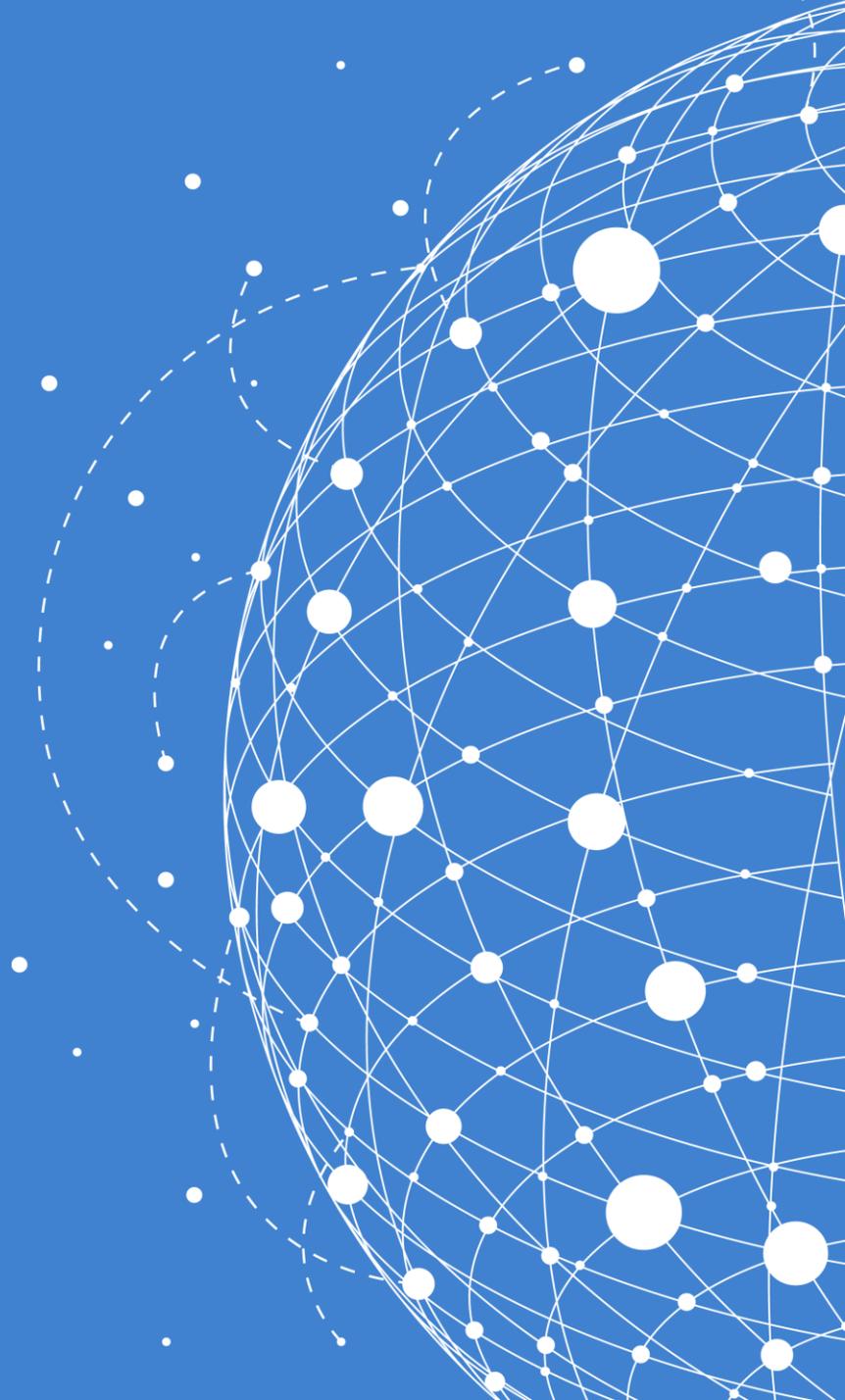
Strategy - Cultural Stewards

Know your culture and assess the implications compliance will bring

-  Foster culture “ambassadors” throughout the various departments across the institution
-  Do not lose sight of the big picture – the decisions made for immediate compliance today will have a lasting impact and ripple affect tomorrow
-  Insure your institution is positioned to be ahead of the FLSA salary threshold curve and not going to fall behind every three years = continuous conversation
-  Maintain a higher perspective on the cultural implications and not lose sight of the possible unintended consequences that could arise as a result of this ruling (employee relations, pay equity, web time entry, etc)

Question?

What will prove to be more challenging – working through the strategic & tactical operational changes or being cultural stewards as you work through the professional development challenges effected by the ruling?



Technology Partnership

PeopleAdmin is your partner in building trust and becoming a strategic change agent

Position Management

- Audit affected positions
- Assess job descriptions
- Formalize and streamline re-evaluation with workflows and approvals
- Conduct FLSA gut check based on salary threshold and white-collar exemption definitions
- Upload changes in bulk
- Invoke process integrity and accountability

Performance Management

- Integrated job description realignment
- Manage for a positive work-life balance
- Establish mutual and reasonable goals
- Communicate culture and mission alignment in performance programs
- Document continuous conversations
- Evaluate with shared responsibility

Records

- Onboard new hires with accurate expectations
- Create a personnel action to request overtime
- Configure unique workflows and approvals as appropriate for your institution
- Identify opportunities for budget utilization forms
- Utilization reporting to audit with payroll systems

Technology Partnership

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Integrations

- Integrations between your ERP system and SelectSuite can maintain your salary and FLSA data automatically to ensure consistency and accuracy between your systems.

Industry Resources

- Webinars
- Blog
- Community
- Connections
- PeopleConnect
- Partnerships

Technology Partnership

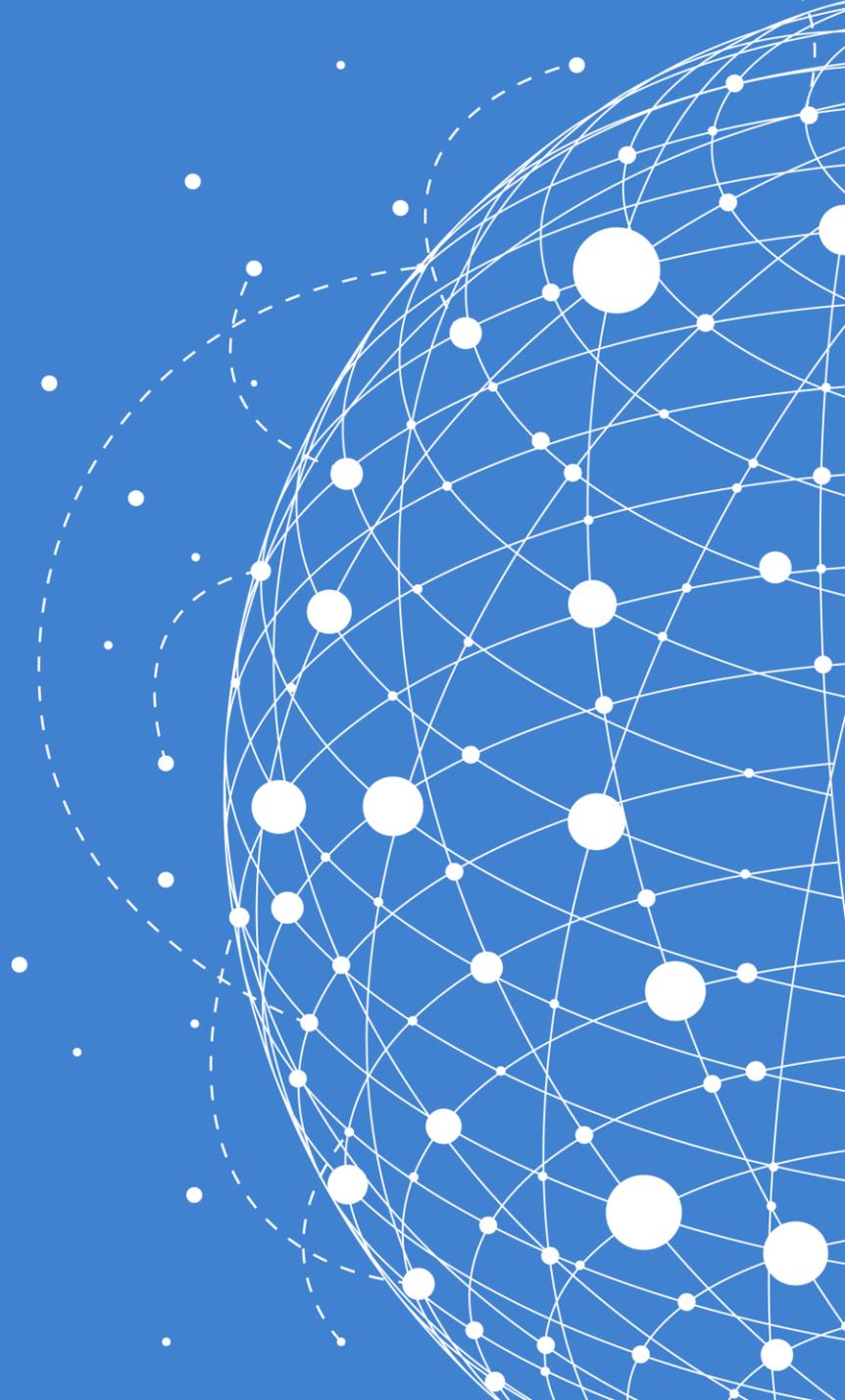
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Product Roadmap

- Enhanced performance management module capabilities to capture performance effectiveness
- Classification and compensation management functionality
- Performance analytics and trend reporting
- Integrations out of Onboard
- More to come....

Question?

How will you manage this? Using
technology? Manual/paper process?
Both?



Toolbox

DOL higher education fact sheet

- <https://www.dol.gov/sites/default/files/overtime-highereducation.pdf>

CUPA-HR resources

- <http://www.cupahr.org/events/webinars.aspx>
- <http://www.cupahr.org/advocacy/flsa.aspx>

SHRM

- <https://www.shrm.org/hrdisciplines/technology/articles/pages/device-management-and-the-new-overtime-rule.aspx>

PeopleAdmin resources

- Contact your Account Executive or one of our Customer Success Advisors for opportunities to enhance your systems
- www.peopleadmin.com



Questions?

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Thank You!!

