



JMT & Associates, LLC

Human Resources & Safety Consulting

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PEOPLE POINTERS

Volume 8, Issue 1 January 2011

*** NEWS ***

Are You Ready For The New Department Of Labor (DOL)?

The DOL's goal is to implement "Plan/Prevent/Protect." This is a program designed to assure that employers and other entities regulated by the DOL take responsibility for employment law compliance.

The new regulations will likely require the following:

- **Plan.** Require employers to prepare a written plan for identifying and remediating risks of legal violations.
- **Prevent.** Require employers to implement the plan in a manner that prevents legal violations and risks to workers.
- **Protect.** Require employers to ensure that the plan's objectives are met.

How prepared are you for the new regulations?

OSHA Log Posting

Employers that are required to comply with the OSHA recordkeeping guidelines (this

includes most employers) must remember to post their OSHA No. 300A (Summary of work-related injuries and illnesses) for the calendar year 2010 from February 1, 2011 thru April 30, 2011. The No. 300A should be posted in a conspicuous place where you normally post employee information. Failure to post can result in citations and penalties.

Ohio Minimum Wage

Effective January 1, 2011, regular minimum wage increases from \$7.30 to \$7.40 an hour. Minimum wage for tipped employees increases from \$3.65 to \$3.70 an hour.

Don't forget to post the new minimum wage poster.

Residential Construction

The U.S. Department of Labor's Occupational Safety and Health Administration announced on December 22, 2010 a new directive withdrawing a former one that allowed residential builders to bypass fall protection requirements. With the issuance of this new directive, all residential construction employers must comply with 29 Code of Federal Regulations 1926.501 (b)(13). Where

residential builders find that traditional fall protection is not feasible in residential environments, 29 CFR 1926.501 (b)(13) still allows for alternative means of providing protection.

Construction and roofing companies will have up to six months to comply with the new directive.

How Much Do Your Trucks Weigh?

The Public Utilities Commission (PUCO) of Ohio has revised its rules relative to motor carrier transportation safety. These revised rules now extend PUCO's jurisdiction to regulate vehicle safety to vehicles with a Gross Vehicle Weight Rating (GVWR) of 10,001 to 26,000 pounds that are operating on a not-for-hire basis within Ohio.

If you have a vehicle within this weight class, you should review these new regulations very carefully. There are several compliance action items that must be completed.

Compliance Review Checklists

Checking key components of your human resources and safety programs is important to maintaining an effective and up-



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to-date management program.

Each issue, we will present a checklist of human resources, general industry safety and construction safety key components.

Please take a few minutes to check your compliance with the components that apply to your business.

Human Resources Checklist

- ✓ When was the last time you reviewed your new employee orientation program? Does it contain all of the required components relative to your business?
- ✓ Do you have any independent contractors? Are you sure they qualify as independent contractors and not employees? This area is now under very close review by government officials.
- ✓ Who conducts your internal investigations? Are they trained and qualified? What is your business risk in this area?

General Industry Safety Checklist

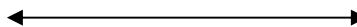
- ✓ Hooks and chains shall be visually inspected daily and monthly with a full, written, dated and signed report of condition kept on file and be readily available to appointed personnel.
- ✓ Hoist ropes on crawler, locomotive and truck cranes shall be free from kinks or

twists and shall not be wrapped around the load.

- ✓ All U-bolt rope clips on hoist ropes on overhead and gantry cranes shall be installed so that the U-bolt is in contact with the dead end (short or nonload carrying end) of the rope. All nuts on newly installed clips shall be tightened after 1 hour of use.

Construction Safety Checklist

- ✓ No employee shall be permitted to work under concrete buckets while buckets are being elevated or lowered into position.
- ✓ To the extent practical, elevated concrete buckets shall be routed so that no employee or the fewest number of employees is exposed to the hazards associated with falling concrete buckets.
- ✓ Formwork shall be designed, fabricated, erected, supported, braced and maintained so that it is capable of supporting without failure all vertical and lateral loads that may reasonably be anticipated to be applied to the formwork.



Human Resources (HR) Strategic Planning

By: John M. Turner, Ph.D.,
President

Part 8

Human Resources Planning

How effective is your plan?

The final part of strategic HR management is to determine the effectiveness of your plan. We measure HR effectiveness using HR metrics. We have often been told that the HR function cannot be measured. This is simply not true. HR, just like other departments (marketing, production, sales, finance and quality control), must be evaluated by measuring its actions and the value it adds to the company.

HR metrics are specific measures tied to HR performance indicators. A metric can be developed using quality, quantity, costs, timeliness and other company goals and objectives. Some common examples of HR metrics include:

- Annual employee turnover rate
- Benefit costs as a percentage of payroll
- Training costs per employee
- Average time to fill job openings
- Workers' compensation costs per employee
- Employee absenteeism



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- Labor cost as a percentage of total operations costs
- Payroll/benefit costs as a percentage of revenue
- HR department expenses as a percentage of total expenses
- ROI of human capital expenditures

Characteristics of good HR metrics include:

- Measurement data drives HR management efforts
- Results can be compared both internally and externally
- Measures provide information expected by owner/senior management
- Calculations are easy to understand
- Measures are linked to strategic and operational goals and objectives
- Accurate data can be collected

HR can justify and explain its costs by using the above characteristics. The key to measuring HR effectiveness is to properly collect and analyze this data. Most of the data can be found in existing HR records. Today's technology has made HR data more available and easier to gather.

Let's take a look at an example of an HR metric. We will look at Return on Investment (ROI) which shows the value of HR expenditures. It is used to show how long it will take for the HR activities to pay for themselves. The formula is:

$$ROI = \frac{C}{A + B}$$

A = Operating costs for a new system for the time period.

B = One-time cost of acquisition and implementation.

C = Value of gains from productivity improvements for the time period.

The following three steps are taken:

1. Identify all potential/actual costs.
2. Determine the potential/actual benefits.
3. Calculate the ROI.

Let's say a manufacturing company spent \$100,000 on a customer service incentive program for employees to sell new services. Sales of the new services produced net revenues of \$110,000. The ROI would be \$110,000/\$100,000 or 10%. This percent would be compared to the company's threshold ROI to measure its effectiveness. This is a relatively simple example, but it illustrates how the process works.

Another method used to measure HR effectiveness is benchmarking. This method compares specific measures of performance against data on those measures in other similar companies. This data is available from the Society for

Human Resources Management (SHRM) and the Bureau of National Affairs. HR effectiveness is best determined by comparing ratios and measures from year to year.

An HR audit can be used as another measuring method.

An HR audit is similar to a financial audit. It is a formal function to evaluate the current state of HR management in a company. The audit evaluates how well HR activities (staffing, compensation, safety, regulatory compliance, training, etc.) have been performed. This allows management to develop a road map to improve the areas that are deficient. The audit can be especially useful for small companies that do not have an HR department.

Whatever method is used, it is important to regularly measure HR effectiveness and efficiency. This lets others in the company know how HR is contributing to the company's success.

This concludes our discussion on strategic HR management. I leave you with a final question, "How much is your HR function contributing to your company's overall success?"

Note: Previous articles are available on our website.





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The Right Tool For The Job

By: Vicki Hershey
Independent Safety Consultant

Hand tools are extensions of our hands. When we misuse our hands, we experience pain. Misusing hand tools increases the chance of injury to coworkers or ourselves. Using tools incorrectly can damage or cause the tool to fail. The following are some important guidelines for hand tool safety.

The first step to hand tool safety is choosing the right tool for the job. There are even tools designed for right and left handed persons. Specific tools are designed for specific jobs. This is why screwdrivers are various lengths, tips, and pliers have different head shapes. Using a tool inappropriately is a step in the wrong direction. To avoid injury and tool damage, choose the proper tool to do the job correctly and safely.

Quality hand tools will last years if they are properly cared for and treated with respect. Manufacturers design tools for specific jobs. If you use your screwdriver as a chisel or a pry bar, you can't expect it to be in good shape when you actually need to use it as a screwdriver.

Use tools for their intended purpose.

Insulated Tools

Some jobs require insulated tools. Hand tools are often used in relationship to lockout tagout programs to ensure circuits are not live. You never know when a situation will occur where insulated tools are needed. All companies must have some insulated tools in their collection.

Insulated hand tools must be clearly marked with the official, international 1,000-volt rating symbol. They also must meet IEC 60900 and ASTM F1505 standards. Every insulated tool is tested at 10,000 volts to receive a 1,000-volt rating. They are designed to reduce the chance of injury if the tool should make contact with an energized source. Make note, tools with plastic-dipped or slip-on plastic handles are not insulated. Those features are for comfort only.

Inspect your insulated tools frequently for wear or cracking of the insulation.

General Safety And Maintenance Practices

Tool safety helps maintain a safer, more effective work environment. Misusing tools is dangerous and exhibits a lack of understanding of tool safety and a lack of respect for your coworkers. If there is an accident, this can impact the entire facility.

Wear the appropriate eye protection when using hand tools. Coworkers in the immediate area should also wear eye protection.

Cutting tools should be kept sharp, lubricated, and in good working condition. This applies to knives, bolt cutters, cable cutters, many types of pliers, and all other cutting tools.

A 90-degree angle cut is recommended when cutting wire, bolts, and similar materials, to avoid chipping the edges of the knives.

Most accidents occur because safe operating practices were ignored. Historical data tells us what we did right or wrong and how it affected our job performance. A wise old saying, "Do it right the first time" applies to hand tool safety as well. Stay current with safety techniques and safe practices in the work place.



Time For Compliance

By: Brad Sheely, EMTP
Independent Safety and Sales Consultant

Are you ready for the new OSHA regulation on cranes and derricks? OSHA published its final rule back in August. Certain provision won't take effect for 1 to 4 years after the November effective date. This gives companies affected by this change a chance to focus on



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their needs to comply with this ruling. OSHA is expecting to prevent 22 fatalities and 175 non-fatal injuries each year. OSHA is focusing on the four main causes of worker death and injury, which are; electrocution, crushed by parts of the equipment, struck-by the equipment/load, and falls.

Several provisions have been changed from the proposed rule:

- Employers must comply with local and state operator licensing requirements which meet the minimum criteria specified in CFR 1926 – Subpart N.
- Employers must pay for certification or qualification of their currently uncertified or unqualified operators.
- Written certification tests may be administered in any language understood by the operator candidate.
- When employers with employees qualified for power transmission and distribution are working in accordance with the power transmission and distribution standard (1926.269), that employer will be considered in compliance with this final rule’s requirements for working around power lines.
- Employers must use a qualified rigger for rigging operations during assembly/disassembly.
- Employers must perform a pre-erection inspection of tower cranes.

This rule won’t affect material dealers with articulating/knuckle-boom trucks, unless those trucks are involved in the construction of the project. The NLBMDA lobbied against this ruling for the material dealers stating the industries near perfect safety record, also that the delivery truck wasn’t involved in the assembly/disassembly of any cranes. OSHA will have more information available within the next month.



Three Key Ingredients Needed To Solve Your Cash Flow Problems

By: Paul E. Donihue

As I write this I am flying to Jacksonville, Florida for three days of meetings, two of which are at an annual meeting for a large group of contractors. Since our company deals with a lot of home service contractors, there are always a lot of contractor businesses represented at this association meeting. Unfortunately, this year attendance is down from what was anticipated and the culprit, during these economic times, is lack of cash flow. For nearly two years now, I have seen contractors and other businesses throughout America, and the world, continually struggle over the issue of cash flow.

It has always been a problem, but during these economic times the problem is exasperated. Cash flow problems are today at record epidemic levels and companies, small and medium size, are closing their doors because of it.

Besides managerial ineptitude or poor business practices, there are generally three main areas that comprise a company’s cash flow problems:

Cash Flow problems occur when you experience slow pay for the goods or services you have performed.

Companies used to expect payment within Net 10 days or Net 30 days, but now payments generally take as long as 45 – 90 days, and can take much longer. I know some very large national companies that take 180 days to pay their vendors. When others do not pay you on time, then it seems reasonable to realize that you cannot pay the people you owe on time, and a vicious cycle begins. Part of the problem exists because of the time and cost of preparing paper invoices, including sending them out and waiting for a check.

Cash Flow problems happen when there is not enough money coming into your business on a regular basis, month in and month out.

If you cannot depend on a certain amount of money each month in sales, you will struggle for the cash to pay your employees, overhead, and



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yourself, let alone make a profit. In an economic climate where your customers are experiencing their own cash flow issues, it is extremely difficult to ascertain what your monthly income will be on a regular basis. Combine that with “slow pays” and you have a recipe for disaster in your business.

Cash Flow problems also occur when you do not change the way you and/or your sales people conduct themselves (sell).

The name of the sales game has to change, and in fact, the game itself has to change. People are more informed, more educated and savvy and the old game of “closing until they drop” is no longer effective. Loyalty is not a common place household word any more. Your customer does not have to buy from you and won’t if they are dissatisfied. There are other alternatives and they are choosing these instead of opening themselves to the pressure tactics and other forms of sales as we once knew it.

So, what are some ways that you can begin to solve your cash flow issues? Let me share three, one for each cash flow issue.

You must establish ways to reduce the enormous time it takes from delivery to getting paid. This seems to be common sense, but sadly, most businesses today are not effectively tackling that issue. The average cost of sending a single invoice by mail today is somewhere between \$75 and \$100. If you are a small or

medium size company today and your invoice is under \$100, if you decide to process it manually and send it by “snail mail,” you have just eaten up your total cost and profit. Begin the process of reducing your accounts receivables time by evaluating your invoicing procedures, and then require electronic payment within 48 hours.

Next, you must start a monthly “continuity” program where you build a significant monthly base of income that you can definitely count on. A thousand people paying you \$10 every month brings you \$120,000 extra income each year. Companies in all walks of life, retail and service, are catching onto this huge revenue source, and you can as well.

The third way to begin to solve your cash flow issues is to “change the game” of how you and your sales people conduct business. People today do not want to be sold, they want a trusted voice or advisor that guides, helps and leads them to a viable solution to their problems. They do not want a sales person “selling them” what he/she wants to sell today. They desire someone who can come alongside and assist and advise and solve their perceived and real problems.

Can you solve your cash flow problems beginning today? Of course, however, you will need to “throw the box away” and begin to think in ways you have never considered before. One

business owner told me that “he was old school,” and couldn’t possibly begin to adopt these methods to his business. Sadly, he is still struggling with cash flow. Will you?

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Paul Donihue is the CEO of Bedrock Alliance Group, Inc. and President of Business Success Enterprises, national business solutions companies. As chief rainmakers, they have developed a “Ready Cash Flow For Your Business” system that literally helps you increase top line revenue and bottom line profits. Their website, <http://www.TodaysBizSolutions.com> gives resources for owners, managers and employees. You can find his “Ready Cash Flow For Your Business” system there.

Listen to Paul on his new podcast, “The Biz Solutions Guy,” downloaded from the website, <http://www.TodaysBizSolutions.com> or from iTunes. His new book, “More Than A Job: Enjoying What You Do Can Change Your Life” can help your employees buy in, learn to be profit centered, not expense centers, and establish huge goals that are challenging and still reachable. It, too, is available from the website.

Put new life back into your business with our Business Infusion Program. Contact Paul at 330-263-4799 for a free



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webinar introduction or check it out at

www.TodaysBizSolutions.com



You + Value = Worth

By: Nick Dillon, MAED
Independent Human Resources and
Safety Consultant

As a working professional, how do you define your value either as an employee or an entrepreneur? Value starts from how you see yourself and the estimated (or accurate) value you place on you. I am not speaking necessarily on a price value but rather worth. Worth, is the feeling you have that helps you determine how you see yourself in your current professional state of mind.

You + Value = Worth....it is made up of how you carry yourself; how you develop yourself professionally; how you take care of yourself physically; the association you have with other professionals and/or friends.

It is my belief that how you see yourself as an individual both spiritually and professionally becomes the core of who you are.

A brief check of who you are could be to just ask yourself the following questions:

- Am I a person who deserves respect or someone for who

anything goes?

- Am I a person who can articulate and achieve goals or someone with limitations?
- Am I a person who exists to himself/herself or someone with responsibilities to others?
- Am I a person of integrity or someone who really does not care anyhow?
- Am I wired to live a life of greatness or just to survive?

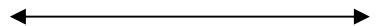
Building and maintaining great value and self-worth should always be your personal ambition. When you are able to live a life of greatness and enjoy the feeling of significant worth, your ultimate purpose in life is fulfilled.

When you consider value and worth, you should be speaking, believing, feeling and putting these words to action:

ambition, competency, individuality, equality, integrity, service, responsibility, accuracy, respect, dedication, diversity, improvement, enjoyment/fun, loyalty, credibility, honesty, innovation, teamwork, excellence, accountability, empowerment, quality, efficiency, dignity, collaboration, stewardship, empathy, accomplishment, courage, wisdom, independence, security, challenge, influence, learning, compassion, friendliness, discipline/order, generosity, persistency, optimism, dependability, flexibility

I ask each of you as you continue this challenge and beyond -

How do you define your value and/or worth?



SURVEY

Widening Workloads

In a new survey of 1,300 full-time employees, 40 percent say their workload has increased in the past 12 months.

Source:
GfK Custom Research North America,
New York and MetLife, New York



INTERESTING FACT

Thirteen percent of U.S. companies provide no paid leave, up from five percent five years ago. Washington State leads the nation with 17 percent of such companies.

Source:
Society for Human Resource
Management





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WELCOME NEW ASSOCIATE

Nick Dillon, MAED has joined our JMT team of consultants.

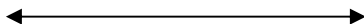
Nick has over 15 years experience in human resources (HR) and employee safety. He is an authorized OSHA and MSHA instructor. Nick's experience includes leadership management training, effective communicating, team building, motivational training, conflict resolution, HR and safety consulting, lean manufacturing and quality training, manufacturing skill standards certification training and CPR/first aid certification.

Nick is a part-time instructor at Waukesha County Technical College.

Nick's education includes a MSE, Education & Human Services (Counseling) degree from the University of Wisconsin-Platteville, a MAED, Adult Education & Distance Learning degree from the University of Phoenix and a BA, Management Communication degree from the Marquette University.

Nick resides in the greater Milwaukee area.

Welcome aboard Nick!



SERVICE UPDATES

Check Out Our Website

We have given our website a new look and added additional information.

We are now an affiliate of **OSHA Campus**. Click on their link to learn more about the wide selection of safety training that is offered.

Send us an email with your comments.

Mechanical Power Presses

Do you have a mechanical power press? As you know, mechanical power presses can be very dangerous. The OSHA standard is complicated and can be confusing. We can perform a comprehensive safety audit and determine if you have any safety hazards and if you are complying with the OSHA standard.

Monthly HR & Safety Programs

JMT & Associates, LLC offers a monthly HR program and a monthly safety program specifically designed for the small business. A comprehensive, customized program is offered for low monthly payments.

CPR, AED and First Aid Training

JMT & Associates, LLC is now offering CPR, AED and First

Aid training for your employees.

Safety Products

JMT & Associates, LLC is now offering a full-line of safety and health related products. Call for pricing.

Construction Safety Training

JMT & Associates, LLC is now offering OSHA 10 hour and 30 hour construction industry outreach training programs.

Educational Books

John M. Turner, Ph.D. has written the following books:

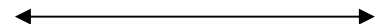
"How Are Your Employees Performing? Employee Performance Appraisals – Book 1."

"How Are Your Employees Performing? Employee Performance Appraisals – Book 2."

"Interviewing for Success – Finding the "Right" Person – Book 1."

"Interviewing for Success – Finding the "Right" Person – Book 2."

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ABOUT US

JMT & Associates, LLC is a full service Human Resources (HR) and safety solutions provider. We partner with small, mid-size, and large companies to develop and improve HR processes and procedures.

We offer extensive "real-world" experience in a variety of industries, including manufacturing, service, union, union-free, profit, not-for-profit, private, and public sectors.

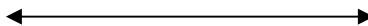
Our level of involvement ranges from complete management of your HR needs to providing project-based assistance to your in-house HR person, depending on your specific business requirements. These services range from basic policy development to in-depth HR strategic planning.

We begin with a comprehensive HR assessment of your current policies and procedures, then we provide a detailed analysis and a "roadmap of recommendations" to maximize your HR investment. We then provide the necessary follow-up to ensure process effectiveness.

Areas of Expertise:

Coaching & Leadership Development, Compensation & Benefits, HR & Safety Compliance, Diversity, Employee Relations, General HR, HR Assessments, HR Policies & Procedures, HR Strategy & Planning, Labor Relations,

Organizational Development, Performance Management, Job Analysis, Job Descriptions, Employee Assessments, and a variety of HR & Safety Training courses.



ABOUT THIS NEWSLETTER

Legal Note: JMT & Associates, LLC provides services in conformance with best practices of the human resource (HR) profession, but is NOT engaged in rendering legal advice or services. While implementation of effective HR management programs and systems significantly reduces potential legal liability, should legal assistance be required the company is advised to utilize the services of a competent legal professional.

While the information in this newsletter has been compiled from sources and documents believed to be reliable, its accuracy is not guaranteed, nor is any responsibility assumed or implied for any damage or loss resulting from inaccuracies or omissions.

Guest Authors: Articles written by guest authors express their own views and information. JMT & Associates, LLC in no way endorses or is responsible in any way for the content or views of their articles.

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