

## CHANGE, CHANGE, AND MORE CHANGE

It's been a chaotic start to the new year with changes needed in HR policies and the continuation of mergers, acquisitions, and layoffs. As I am writing this newsletter, Workday just announced the layoff of almost 2000 employees representing 8.5% of its workforce.

Companies who are experiencing layoffs for any reason need to revisit the terms of their HR Work Tech contracts. Be sure the "floor" that was established still makes sense, and, if not, let's have a conversation with your suppliers. Most contracts are PEP based and have a minimum employee count threshold.

Does the minimum reflect your current state?



## THE POLICY WE'RE ALL TALKING ABOUT



In January 2025, President Trump issued Executive Order 14173, titled Ending Illegal Discrimination and Restoring Merit-Based Opportunity, which significantly impacts Diversity, Equity, and Inclusion (DEI) initiatives within federal agencies and among federal contractors.

This order mandates the elimination of DEI programs and policies that are deemed discriminatory or unlawful.

## KEY IMPLICATIONS FOR EMPLOYERS

### 1. Private Sector Employers:

*Voluntary Compliance Encouraged:* The executive order primarily targets federal entities and contractors, and it does not impose new obligations or provide specific guidance for private-sector employers beyond existing federal anti-discrimination requirements. However, it encourages private companies to discontinue DEI programs that may violate federal policy.

### 2. Federal Contractors:

*Review DEI Policies:* Federal contractors must assess their current DEI initiatives to ensure compliance with the new directives. The executive order prohibits promoting diversity, requiring affirmative action, or engaging in workforce balancing based on race, color, sex, sexual preference, religion, or national origin.

*Contractual Compliance:* Contracts with the federal government will now include clauses emphasizing adherence to federal anti-discrimination laws and certifying that the contractor does not operate DEI programs conflicting with these laws.



## AS YOU PREPARE TO GO TO MARKET



We are getting ready to launch a number of RFIs for both HCM and Benefits Administration solutions. A new part of our discovery process is a more in depth look at employers AI and InfoSec policies as well as the way suppliers deploy AI within their platforms. Think data ingestion and machine learning (not chat bots and guided decision support).

If you need help creating an internal AI policy, lets talk. And if you are thinking about going to market, lets be sure to include a serious discussion about AI with your suppliers.

## GETTING SMARTER

Lots of opportunities to hear directly from suppliers. We've identified some meetings you may want to attend. All are open to brokers and employers.



### **SAP HR Connect**

March 26, 2025 | Washington, DC

### **Paycor Connect+**

April 22, 2025 | Orlando, FL

### **WEX Spark**

March 31, 2025 | San Diego, CA

### **PlanSource Eclipse**

May 5, 2025 | Orlando, FL

## ADVISORY BOARD UPDATES



The PlanSource Advisory Board meeting was great, and we are excited about their collaboration with UKG. In addition, their service model across all clients is going to mirror what they do for their current Premium clients.



Excited to be invited to join Aptia's Advisory Board. That meeting is in April, so details will follow.



LMCIS will be featured in the WEX webinar April 22. Let me know if you need a registration link.

## LMCIS - HERE TO HELP

Rethinking your technology strategy?

Let us help with an agency specific plan that showcases your best carrier and solutions partners. Our technology partners have changed dramatically.

Retained basis or one group at a time.

Let us know what your needs are.

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## SHARE THE KNOWLEDGE

If you are sharing this with a colleague, invite them to join our community. Send us the contact information and we will add them to our list.

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