


HAPPY SUMMER!

It's June and that means that you are completing your system evaluations for the upcoming year or you are up to your  in open enrollment planning. And those of you who are not are probably planning for these activities in 2025.

HR TECH VS WORK TECH

It's not an "either/or" decision. Clients will need both. To enhance the evaluation process and decide who on your teams should be involved, think about it this way. HR Tech is the back office software and systems that you need to manage payroll, compliance, talent management and benefit administration. The experience needs to work for both the employer and employee.



Work Tech is the front office software and services that help get work done. Work Tech focuses on the employee and ways to engage and improve workflow.

COMPLIANCE "WATCHOUTS"



Artificial Intelligence—how and what are you using? Lawsuits are in the works. Workday, one of the leading HRIS systems has been sued for allowing bias to enter the talent space. A proposed class action suit has been filed claiming Workday has used AI to screen out applicants based on race, age, and disability. Workday claims they have no control on what and how clients use and configure their software. The EEOC thinks that Workday might be considered "an agent for the employer." It's complicated.



Non-Competes—under the FTC's new rules, non-competes will cease to be enforceable. Existing non-competes for executives can remain in place but new ones are not enforceable. Employers must inform employees of the forthcoming changes.



Independent Contractor Misclassification—In order to be a 1099 consultant or IC the employee must be operating their own business and economically independent of the employer and free from the employers control.



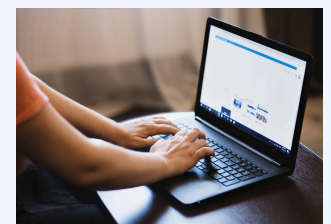
Leave of Absence including FMLA and state mandated paid sick leave become increasingly complicated for multi state employers



Remote workers are protected by the employment laws of the jurisdiction in which they work or their home state. Do you know where your employees are? Work from home is sometimes work from anywhere.

NAVIGATION

There are many enhancements to the search for medical providers. Don't forget that two key elements of selecting a doctor are time (how long will it take to get an appointment) and location (is it close to work or home). Price and quality lag these two cohorts. And even in 2024, 80% of healthcare decisions are made by a woman. When evaluating navigation options, be sure to factor these in.



GARTNER REPORT ON HR BUDGET AND SPENDING (2023)



- The average HR functional spend as a percentage of revenue is 0.76%. Compared to other support functions such as finance (1.30%), IT (3.25%), marketing (7.5%) and sales (4.37%), HR receives one of the lowest investments.
- HR accounts for 1.47% of organizational operating expenses on average.
- HR functions spend \$2,810 per employee annually, on average. The top spending areas are recruiting (\$401 per employee), total rewards (\$221 per employee) and L&D (\$202 per employee). 8.4% of the total HR budget is allocated to HR technology, which is the top area in which HR plans to invest for the third year in a row.
- HR functions deploy one HR FTE per 58 employees, on average. Most HR full-time equivalents (FTEs) are involved in recruiting (3.08 FTEs per 1,000 employees), HR administration (2.29 FTEs per 1,000 employees) and employee relations (1.51 FTEs per 1,000 employees).

FUN FACTS

- Last year, total assets in HSAs reached \$123.3 billion across more than 37 million accounts (according to EBRI database study). That is billion with a "B." Those accounts are owned by individuals, many at work for you.
- Walmart will close all 51 of its doctor-staffed health clinics as part of an announcement that its Walmart Health initiative is shutting down.



MARK YOUR CALENDAR



HR Tech On Line is offering a virtual meeting June 12-13.
HR Leaders can register at no cost.

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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