



**KEY CHANNEL  
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## Federal stimulus for business: CARES Act

Hundreds of thousands of businesses coping with the COVID-19 crisis rushed to apply for emergency benefits through the Coronavirus, Aid, Relief, and Economic Security (CARES) Act, an unprecedented \$2.3 trillion of federal stimulus. The initial \$350 billion for its Paycheck Protection Program (PPP) all had been claimed by mid-April, prompting Congress to add \$310 billion more to PPP as part of the most recent \$484 billion relief bill. And then the PPP Flexibility Act in June gave businesses more time and options for spending their loans. The act makes it easier to get the most out of your PPP loan and maximize forgiveness. For background on how the CARES Act was designed to help your business, watch our April webinar.

### WHICH BUSINESSES ARE ELIGIBLE FOR THE CARES ACT?

Nearly all who need help. The nation's largest stimulus bill in history arrived quickly, only about two months after the United States confirmed its first case of COVID-19. "It's a huge shot in the arm," says April Caudill, advanced solutions director for Principal®. "Thought was given to every level of business need." Congress, through the Small Business Administration (SBA) and local banks, included billions in forgivable low-interest (1%) loans for small- and medium-sized businesses striving to maintain operations. The act is complex and loaded with detail—down to a specific tax break for distilled spirits used to manufacture hand sanitizer. The general parameters:

- Much of the act is aimed at businesses with fewer than 500 employees per business location, although there may be exceptions according to the SBA definition of "small business" for certain industries.
- Special provisions are included for large businesses in troubled industries, such as airlines.
- Sole proprietors, gig workers, and independent contractor also are eligible, as well as nonprofits and veterans' organizations.
- Ineligible: private equity or venture capital firms, or businesses connected to Congress or the White House.

### HOW TO APPROACH THE CARES ACT

What you need most should dictate how you seek help from the act and its four main types of assistance:

- Loans
- Grants
- Payroll tax relief
- Other miscellaneous tax provisions

Yes, you can seek multiple SBA loans during this crisis, but generally they must cover different expenses. Be ready to document the past year of your company payroll and any expenses you

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intend to cover with the loan (mortgage, rent, retirement benefits, insurance premiums, debt, etc.).

### DIFFERENT WAYS TO TAP INTO CARES DEPENDING ON YOUR BUSINESS NEED

If you need help maintaining payroll because of a business shutdown or downturn. The PPP loan helps businesses cover the cost of payroll—including salaries, paid sick or medical leave, insurance premiums, mortgage, rent, and utility payments. The amount is based on 2½ times last year's average monthly payroll cost, up to \$10 million. Depending on your situation, payroll costs (as well as rent, mortgage interest, and utilities) during your forgiveness period of either eight or 24 weeks may be forgiven as incentive to retain or rehire employees. For more information please go to:

[principal.com](http://principal.com)

# Just Because Your Workers Feel Loyal Doesn't Mean They'll Stay

Do you wonder if your employees feel loyal to your company, and to you as a manager? They probably do. Do you wonder if they might jump ship for a better job? More than half of them are thinking about it. One survey found that while most workers—in fact, 82%—say they feel loyalty toward their employers, more than half—59%—would leave given the right job opportunity.

“In a time when U.S. job openings are at a record [high] employees have ... the pick of the litter when it comes to employment options,” notes West Monroe Partners, a business and technology consulting firm that published the survey of 2,000 full-time workers in September. “Overall ... employees want to stay with their current companies. But in a tight labor market, there will always be other options for those who feel stuck or idle in their current jobs. If you don't provide your employees the professional opportunities they want, they can, and will, find it elsewhere.”

## After a Bummer Day, Workers Eye the Door

After a bad day at the office, 45% of employees who'd been with their companies less than a year admitted to applying to new jobs, according to the West Monroe survey results.

“Today's definition of loyalty isn't what it once was,” said Mike Hughes, managing director at West Monroe Partners. “Some define loyalty as being focused and giving their best efforts during their time with an organization. Others consider themselves loyal after they hit their one- or two-year anniversary with a firm. In our survey, nearly 90% had been with their employer over a year, so that may be enough for them to say ‘yes, I'm loyal.’”

According to Work Institute's 2018 Retention Report, voluntary turnover is projected to set back U.S. companies more than \$600 billion this year, with each lost employee costing a company, on average, 33% of the employee's base pay.

## Compact Between Employer and Worker Is 'Fragile'

According to research by London-based Aon, 4 out of 10 workers are passively looking for jobs—meaning they aren't actively in the job market but would consider another job opportunity. “Most would like to stay with their company,” said Ken Oehler, Aon's global culture and engagement practice leader. “But they are open to see what else is out there.”

Randstad US in August 2018 released its own report examining the reasons employees stay or leave a job. More than 8 in 10 workers said that to remain happy at their jobs, they expect an annual pay raise. Yet recent research indicates that many companies are investing more in benefits than in pay increases and that even when annual raises are given, they aren't keeping pace with the cost of living.



“There's a common saying that ‘people leave managers, not companies,’” said Jodi Chavez, president of Atlanta-based Randstad Professionals, a segment of Randstad US, which provides finance, accounting, HR, sales, marketing, legal staffing and recruitment services. “That holds very true, but while working for a great boss certainly helps create a positive employee experience, it doesn't curb the expectation of an annual pay raise.” The West Monroe Partners findings, Oehler said, indicate that “the compact between employer and employee is fragile and that loyalty has its limits.”

## Professional Growth

A lack of professional growth opportunities is employees' top reason for leaving a company, according to the West Monroe report. Forty-six percent of respondents said they left a previous company because they saw no opportunities to move up.

“No one wants to feel stagnant in their career,” Chavez said. “Unfortunately, most companies' promotion schedules don't reward loyalty. They make existing employees truly wait until they meet all [of a job's] criteria, but because the job market is so tight, they're willing to budge on [criteria for] new hires. If workers feel they don't have enough growth opportunity, that their skills and abilities aren't being utilized, or that they may be passed over for upwards opportunities, they will definitely be more likely to head for the door.”

Ask employees if they see themselves staying in their current position with the company beyond five years. If the overwhelming response is no, West Monroe advises, then encourage them to explore other interests and opportunities within the company. Seventy percent of employees surveyed said they'd have some level of comfort with switching to a new role or department at their current company. In addition, provide employees with the right technology to free up their time for more meaningful and engaging projects at work.

## Why Unhappy Workers Stay

Even when employees stay, it's not necessarily because they like their jobs, Randstad found that:

- Half (54%) of employees feel pressure to stay in jobs they don't enjoy because they are the family's primary breadwinner.
- 56% don't seek other job opportunities because they'd have to start with less paid time off.
- 71% admit they stay in their current jobs because it's easier than starting something new.
- 78% say their benefits packages are as important as their salaries in keeping them at their jobs.

Consider improving some of the perks you offer to employees. For instance, 29% of respondents said the top reason for staying at their company was their ability to take advantage of workflex opportunities.

EMPLOYEE BENEFITS



## CORONAVIRUS PANDEMIC STRESS & THE NATIONAL WEIGHT GAIN

Have Americans gained weight during the Coronavirus Pandemic? Apparently, the answer is yes. A recent Eating Well poll found that 36% of adults had gained weight. All were being very honest in their responses, I'm sure! On average their gain was 12.5 pounds. A WebMD poll of over 1,000 Americans found that 47% of women and 22% of men said they had gained weight during the Pandemic.

The clothing industry is taking notice as well. The trend should be a good one as more weight means new clothes. Some manufacturers are adding larger sizes to their offerings. Perfitly, an app that helps shoppers see how something fits before purchasing it, says shoppers are re-doing their profiles in much larger numbers compared to last summer. More along the lines they see usually in January, after holiday eating results in weight gains.

This is not surprising news. Stress levels among American are high nationally. Normal, easily accessible stress-relieving coping activities like socializing with family and friends, attending faith-based services, and enjoying sporting and entertainment events have been severely restricted. Surging levels of COVID 19 cases and deaths in many areas make returning soon to these once routine activities seem unlikely.

There is a relationship between mind and body that is producing this national bulking up. Each time we experience stress our bodies produce adrenaline and cortisol, often called the "stress hormone." They cause the body to dump glucose into our blood streams to give us energy. This is the fight or flight response. It helped our ancestors escape saber-toothed cats, dire wolves, short-faced bears, and other giant, hungry predators looking for a snack. We are thankful this mind-body process was so successful for our ancestors; else we might not be reading this. But in our modern life especially with very high stress

levels, it leads to regular spikes in blood sugar levels and then to cravings, overeating, and weight gain.

One theme many mental health professionals including myself encourage in their clients, is to focus on what one can change. And not so much on the things we cannot change. We cannot change the societal and public health effects of the Coronavirus Pandemic. Nor can we change the human fight or flight response. But we can take actions that will help us break the stress-weight gain cycle. Here are some tips – see if any might work for you:

- Drink more water. Hydration is important for many health reasons, including managing stress. Stress causes us to confuse thirst for hunger. If you are suddenly hungry between meals, drink some water before reaching for a snack.
- Make exercise a daily priority (physician-approved exercise, of course). Exercise is a great stress reducer. Be intentional. Plan regular exercise that fits your lifestyle and health status.
- Give yourself permission to eat comfort foods – but – select healthier comfort foods as often as possible when you feel especially stressed and hungry. Examples of healthier comfort foods include popcorn, nuts, and tasty fresh fruits.
- Beside exercise, look for other stress-reducing daily activities that fit your lifestyle and health status. These may include gardening, yoga, meditation, reading, spending more time in nature, and many other simple and accessible activities.
- Don't be too hard on yourself. Be your own best friend. Notice successes, however small, and encourage progress.

By the way, awareness is the first step and you just took it! Keep up the good work!

WORKERS' COMP



## The Only Thing That Will Change is Your Bottom Line

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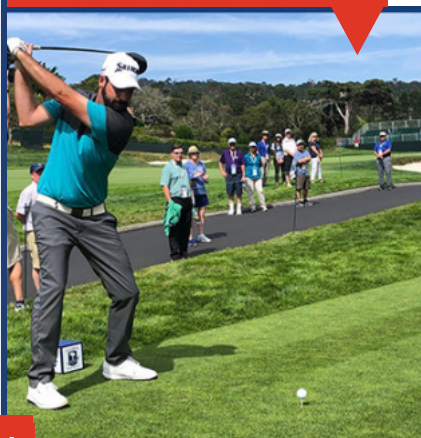


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### GOLF CORNER



## BRETT DREWITT

Key HR's own, Brett Drewitt just finished the Albertsons Boise Open presented by Kraft Nabisco in Boise, ID. To keep up to date on his progress, follow us on facebook, twitter, or Instagram! We wish Brett luck at this latest Korn Ferry Golf Tour.

GO BRETT!!

## UPCOMING TOUR



Thursday Aug 20 - Sunday Aug 23, 2020

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