Key HR UNLOCKED
WE ARE THE KEY TO YOUR SUCCESS!
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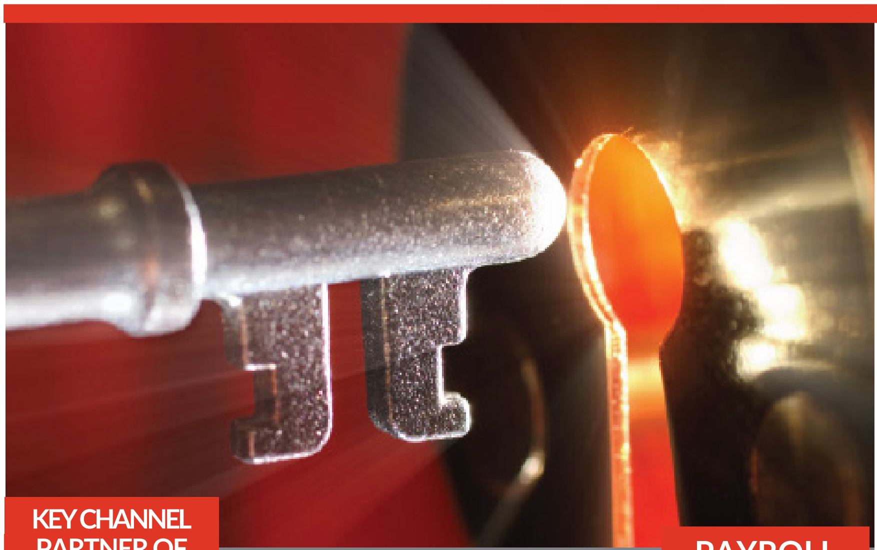

KEY CHANNEL PARTNER OF THE MONTH

John C. Jones & Associates, Inc. INSURANCE SERVICES

PAYROLL

Measuring Economic Immunity

Through our 2022 Global Financial Inclusion Index, we analyzed 42 global markets to understand the level of financial inclusion support in their populations.

Once governments establish safety nets to support fundamental needs, the Index suggests there are three phases in the evolution of financial inclusion within a given market. These phases can create a virtuous circle of enhanced financial security.

Employer Support. Businesses are the primary source of financial guidance and support for employees. In this first phase, many governments lack the resources and infrastructure to provide this comprehensively at a state level.

Government Support. When the business environment in the market matures and starts fueling a stronger economy, it gives the government greater firepower and resources to introduce measures promoting financial inclusion.

Financial System Support. These measures lay the foundation for the third phase: Supportive employers and governments help drive progress, complemented by a more developed financial ecosystem, enabling greater participation by diverse groups.

Of course, for the virtuous circle of financial inclusion to remain self-reinforcing—employers, the government, and the financial system all need to keep evolving as their economy and society develops. If a fracture emerges in one phase, it will inevitably impact the others and risk breaking the cycle. Financial inclusion can provide investors clues about which markets may be set for more rapid, inclusive growth. Most importantly, it can indicate which markets are best built for economic immunity and are less likely to be disrupted given the invisible strength developing from this model. It also underscores how and where societies should focus their financial inclusion efforts to become more resilient (i.e., immune to financial shocks).

Thailand and Malaysia: Strong Prospects for Economic Immunity
Both Thailand and Malaysia are examples of countries that rank highly for employer support and have greater balance across all three aspects of financial inclusion. (By contrast, rankings from countries in Latin America show financial inclusion has regressed.)

Thailand has undergone significant reforms at the state level. For a decade, the Thailand government has been working to establish a National Pension Fund. While it hasn't formally launched yet, employers are attempting to get ahead of its introduction and are creating greater awareness among employees about the importance of a long-term savings culture that encourages credit creation. This exemplifies how to provide a benefit to all forms of society.

In Malaysia, there has been a push to create a retail investment culture by reducing state-owned stakes in government-linked companies and promoting equity purchases across the population to encourage intelligent risk-taking.

The global macroeconomic challenges will no doubt continue to put stress on these markets. Taking a long-term view, Thailand and Malaysia provide important insights about how economic immunity is possible across developing economies thanks to equitable, inclusive growth that allows them to support financial inclusion for their citizens.

While macroeconomic forces (e.g., inflation, trade, supply chains, demographics, etc.) always determine market growth or contraction, societies that invest in their populations, innovate, and take a balanced approach to financial inclusion, should fare better when downturns arise.

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Key HR is aligned with preferred provider companies to offer new and innovative ways to meet out clients' payroll, employee leasing, benefits and insurance needs.

Our relationship with these companies helps business owners reduce costs, save time, optimize their workforce, increase revenue and minimize risk. If your company needs to save money, address compliance issues, improve efficiencies and increase productivity, we have the solutions.

If your company needs to save money, address compliance issues, improve efficiencies and increase productivity, we have the solutions and the key to your success.

Trust Key HR to provide you with...

- Access to more service providers than any other business of our kind
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It could be one of the smartest business decisions you ever make!

Trends HR Should Be Ready For in 2024

The year 2024 looks to be one of amazing potential and ongoing challenges for HR. Talent, economic and supply chain issues are expected to continue, while myriad political views will take center stage during this election year. The Great Resignation, the Gray Resignation, the Great Regret, the Big Stay, quiet quitting, quiet firing and so many other epithets have developed in recent years for good reason: While the economy is strong and talent scarcity widespread, some employers have embraced layoffs as the best way to manage their bottom line.

The erratic pressures and "polycrises" of global wars, labor strikes, technology disruption, stock market and interest rate gyrations, political turmoil, gun violence, immigration, climate change, and so many other social issues pervade the workplace. Simply put, many employees are exhausted, confused and overwhelmed. The pace of change will only exacerbate these problems, leaving workers constantly putting out fires, at work and at home. These realities pose both opportunities and threats to HR leaders of organizations large and small.

Likewise, 2024 will develop into a year focused on talent, from talent acquisition and talent management to talent development. Whatever way you look at it, talent remains the defining asset that drives a company's business and the primary profit lever that differentiates superstar organizations from those that struggle to remain competitive. The pandemic shined a light on how critical it is to have the right talent in place to keep your company's doors open and cash flowing. Sure, there will be pockets of upheaval that contribute to layoffs and downsizings. But talent scarcity will remain the law of the land through much of the rest of this century.

Emerging Labor Trends The Baby Boomer generation was born in 1946 after World War II and continued through 1964, when the increased availability of the birth control pill ended the "boom" and resulted in the "Baby Bust" generation (Generation X). Over those 18 boom years, roughly 75 million babies were born—some 10,000 per day—fueling America's growing need for talent. But then something happened in 2011: The first Boomers turned 65 and began to retire. Now, millions of Americans will retire between now and 2029—again, approximately 10,000 per day—fueling the need for retirement home accommodations but leaving the workplace lacking. Combine that with the fact that Gen X is only half the size of the Boomer generation, and you can see the talent gap widening as we move into the 2030s and beyond.

Generations are clues, not a box, of course, but we would be wise to track and trend what's most important to our workers depending on their age and stage of life. At this point, it's healthy to look to the priorities of Generations Y and Z—the Millennials and the Zoomers— to understand where to focus our future talent planning efforts. Gen Y Millennials (born 1981- 1996) and Gen Z Zoomers (born 1997-2012) are the most studied generational cohorts in history. Employers know their priorities and would be wise to direct their workforce planning and cultural enrichment efforts to accommodating their desires and goals, which include:

1. Career and professional development.
2. Diversity of thoughts, ideas and voices.
3. Work/life/family balance, control and equilibrium.
4. Corporate social responsibility and environmentalism.
5. An ethical employer, meaningful work and a management team that cares about them personally.

These top priorities are clearly defined and relatively easy to build strategies around. Setting your strategic course around these core principles will help you remain relevant, aware and top of mind when attracting and retaining talent. Coming across as tone deaf, out of touch or otherwise apathetic toward workers' needs can harm your organization's reputation irreparably. The labor force participation rate—the percentage of the population ages 16 to 64 that is either working or looking for work—fell from 67% in 2000 to roughly 62% today and is projected to remain at that lower level through 2050 due to an aging labor force. By 2050, advanced industrial countries will be losing population at a dramatic rate, making living with underpopulation a global phenomenon. By the 2040s, many industrialized nations suffering from declining birth rates will be enticing tax-paying foreign workers to enter their borders. Some, like Japan and South Korea, have already begun offering foreign workers financial incentives and fast tracks to citizenship.

Likewise, underrepresented racial and ethnic groups account for 30% of the total U.S. population today. By 2060, they are expected to reach 60% of the population. These groups have historically been overlooked but have a growing amount of buying power. As such, a diverse talent pool increases the range of human capital available to U.S. companies while also better reflecting the buying habits of a more diverse consumer base. This is likely the most critical benefit of diversity hiring: It represents a concrete and practical way of developing external talent pools going forward.

Combined with company goals of creating a greater sense of inclusion and belonging in the workplace—along with equality of opportunity—this organizational core value helps workers of all walks of life do their very best work every day with peace of mind. Despite the attacks on the inclusion, equity, diversity and belonging movement and programs, making inclusion and diversity core principles and organizational values not only meets Gen Y and Gen Z's list of priorities, but it also expands the talent pool. Wise employers will seize that opportunity by developing a talent bench that reflects their customer base. They'll garner kudos along the way for building new muscle when it comes to women in leadership, multiple generations in the workplace, military-to-veteran as well as disabled hiring, and so much more.

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EMPLOYEE BENEFITS

7 Things Employees Hate About the Office — and How to Fix Them

In 2024, nine in 10 companies with office space will return to the office in some capacity, according to a recent report by Resume Builder. The same study found that most organizations plan to track attendance, with 28% threatening termination for those who don't comply. It's all adding to the tumult of RTO conversations within the workplace — and English is all too aware of why so many employees are resisting their former cubicles. As employers struggle to answer that question, most offices, by English's estimation, have settled on a hybrid formula: A few days a week working remotely, and a few days in the office.Though that may be the trickiest balance to strike, he notes.

What employees hate: Punching the clock
The fix: Flexible arrival and departure times
What may feel like small issues to management can have outsize importance to employees — so it's vital to build a change management plan that will anticipate and address more granular problems from day one. As an example, English points to commute times, and the challenges that can come with intense rush hours, particularly in big cities. "Simply let employees come in later to avoid that rush hour," he says, rather than enforcing a stringent 9-to-5 policy. That flexibility can also provide a cushion for working parents or other caregivers juggling drop-off and pick-up schedules for loved ones. "Give them that flexibility. Little things will go a long way."

What employees hate: A lack of connection
The fix: In-person gatherings — for all employees
One unanticipated complaint about the return to office? For distributed companies, entirely remote employees feel left out, and worried that a lack of in-person time with colleagues and leadership will make them invisible, harming their growth and promotion opportunities. This is where the value of planned, intentional in-person connection cannot be overstated, English says. While Centric Consulting doesn't have any brick-and-mortar offices, they lean into regional pockets where significant portions of their staff exist, and create opportunities to gather for more informal meetings, perhaps holding a business development meeting at the local Panera Bread for lunch, or connecting for coaching sessions to support team development. The all-hands gatherings, which require travel, are of course a financial investment, English says, but it's one with a high ROI.

What employees hate: Inaccessible leadership
The fix: More facetime with the C-suite Access to and visibility among leadership is often promised as a benefit of return-to-office plans. But some organizations are seeing a RTO translate to closed-door leadership meetings that actually isolate the C-suite from the employees that would benefit from boosted engagement with senior-level management. But that's a symptom of a problem much larger than RTO, English warns.

What employees hate: Top-down decisions
The fix: Granting department heads decision-making power
Every organization has a unique way of working — and within every organization, individual departments and teams have their own weekly rhythms, expectations and outputs to manage. Businesses that blindly command every staffer to come to the office on two or three specific days a week for focused collaboration are ignoring the nuances and expectations of the very teams that make their operation buzz. Instead, simply ask each team what makes sense for them. Those guidelines will avoid the creation of "haves" and "have-nots," English says — preventing one team from working in the office just two days a week while others are ordered to report in-person five days a week based on manager preferences. If those discrepancies start to exist, he says, it's time to expand the conversation to HR.

What employees hate: A casual approach to COVID
The fix: Embracing remote work as a safety measure
Whether there's a threatening blizzard or a local spike in COVID or flu cases, putting employees at risk in the interest of filling up office desks is an outdated goal, English says. That same kind of flexible mindset can be used to boost morale during the holiday season or times of the year when employees are juggling work with school vacations and family time. Closing the office during the holidays, for example, and having a few weeks of all-remote work can give employees extra flexibility (and help them avoid quick-spreading illness).

What employees hate: Skills gaps for young talent
The fix: Nurture young employees with face-to-face time
For new graduates — many of whom experienced college in a mostly-remote setting — coming into the office may actually be seen as a perk, and is an undeniable learning opportunity. But many employers are missing the mark. The problem, as he sees it, is that plenty of the folks managing young talent don't have the interest in either coming into the office, or in making it a dynamic and collaborative experience when teams are in a shared space. Building parameters around training and supporting this youngest demographic of talent can ensure they get the mentorship they deserve, English suggests.

What employees hate: No chance to give feedback
The fix: Gather feedback — anonymously But collecting feedback, he warns, is useless if leadership doesn't plan to respond and act. Report back on major trends, and share an action plan to improve what's not working with the return-to-office policy as it currently exists.

WORKERS' COMP

The Only Thing That Will Change is Your Bottom Line

Worker's Compensation is a critical business issue. If you haven't thought much about it, chances are it's costing you too much – and if an incident happens, it can cost you a lot more.

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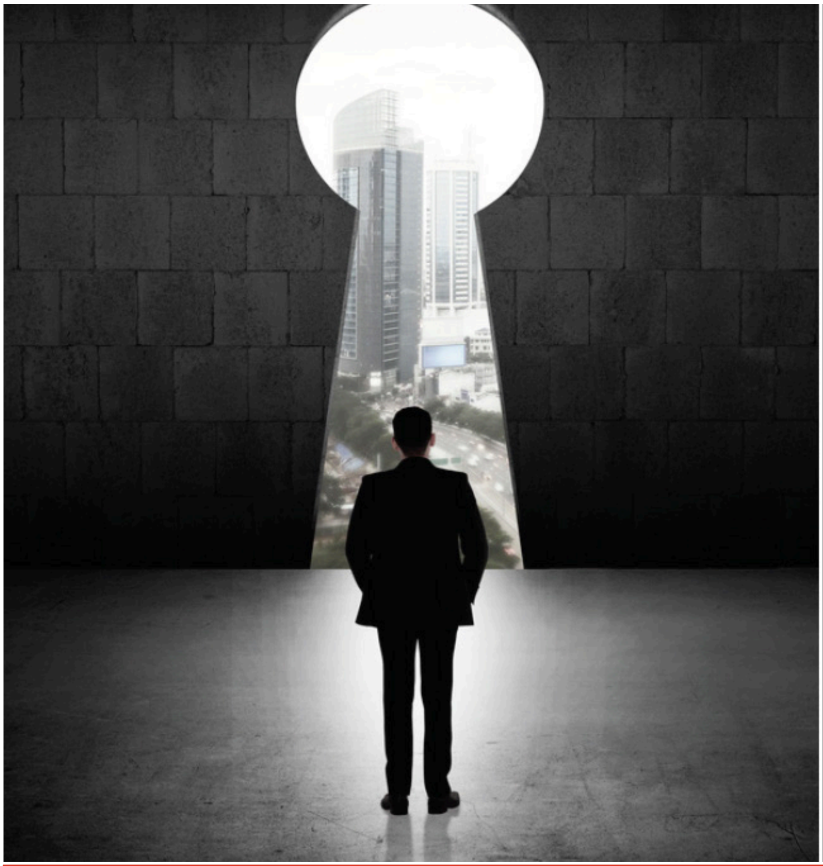

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Want to learn more about what Key HR can do for your business?

Contact us today!

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February 28: Forms 1095-B and 1095-C are due for paper filers. These are ACA reporting documents.Form 1095-C must be filed for individuals who received healthcare coverage from their employer. Form1095-B must be filed for individuals who received insurance through small self-funded groups, employers who use the Small Business Health Options Program, and fully insured employer-sponsored plans.

HR Party of One Tips: Beginning in 2024, the IRS mandates that all employers filing 10 or more forms total (regardless of which form type) must do so electronically. The best way to e-file 1094/1095-C Forms is to use an all-in-one HRIS, like BerniePortal, to fill and file ACA compliance forms for you.

Planning Ahead:

- 1094/1095-C recipient copy deadline by March 1st
- 1094/1095-C e-filing deadlines by April 1st
- OSHA Form 300A Summary is due for e-filing by March 2nd
- Q1 ends on March 31st, so now is a good time for workforce reminders regarding benefits and PTO