HR Brief

Human Resources tips brought to you by
eESI

April 2018

DID YOU KNOW?

More than 60 percent of employee turnover is voluntary, according to a recent ADP Research Institute report. This report allows employers to understand the workplace characteristics that are most likely to lead to employee turnover.

If you are experiencing high turnover, chances are you are experiencing high losses as well. It costs nearly 20 percent of an employee's annual salary to replace an employee. Contact us today to learn more about valuable retention strategies to implement at your company.

Compensable Time: What You Need to Know

The Fair Labor Standards Act (FLSA) requires employers to pay their employees for all hours they are "suffered or permitted to work." These hours are known as "work hours" or compensable time.

What is compensable time?
Compensable time includes all hours during which an individual is actually performing productive work and all hours an employee is required by his or her employer to remain available for the next assignment. Compensable time does not include periods where an individual is relieved of all obligations and is free to pursue his or her own interests.

How is compensable time calculated?
To determine how much of an employee's time is compensable time, employers must determine whether the employee is on duty, and how rest periods or certain industry extended hours affect an employee's hours of work. The U.S. Department of Labor's (DOL) Wage and Hour Division enforces work hour standards.

What are the penalties for noncompliance?
FLSA violations are punishable by a fine of up to $10,000, imprisonment for up to six months or both. In addition, these violations are subject to civil liability in state or federal courts and employers may be required to compensate employees for unpaid wages, liquidated damages, attorneys' fees, court costs and any other amount a court sees fit to impose. Fee amounts may increase for repeat and willful offenders.

Employers may not discharge or discriminate in any manner against an employee who files a complaint or cooperates with the DOL in an investigation or proceeding.

Questions?
Contact eESI for more information on wage payment and work hour laws.

FBI Warns of Direct Deposit Phishing Attacks

The FBI warns that cyber criminals are posing as HR employees and using a phishing scam to get employees to provide the scammer with access to the company's self-service payroll platform.

When employees click on the link within the scammer's email and provide the requested information, they unknowingly provide the scammer with their W-2 and pay stub information. The scammer can then change direct deposit instructions, passwords, credentials and email addresses linked to the account to avoid detection. In the majority of cases, employers were not aware of anything until workers reported they weren't receiving their wages.

To learn how you can prevent this from happening at your organization, please view the FBI's suggestions or request employee cyber security training materials from eESI today.