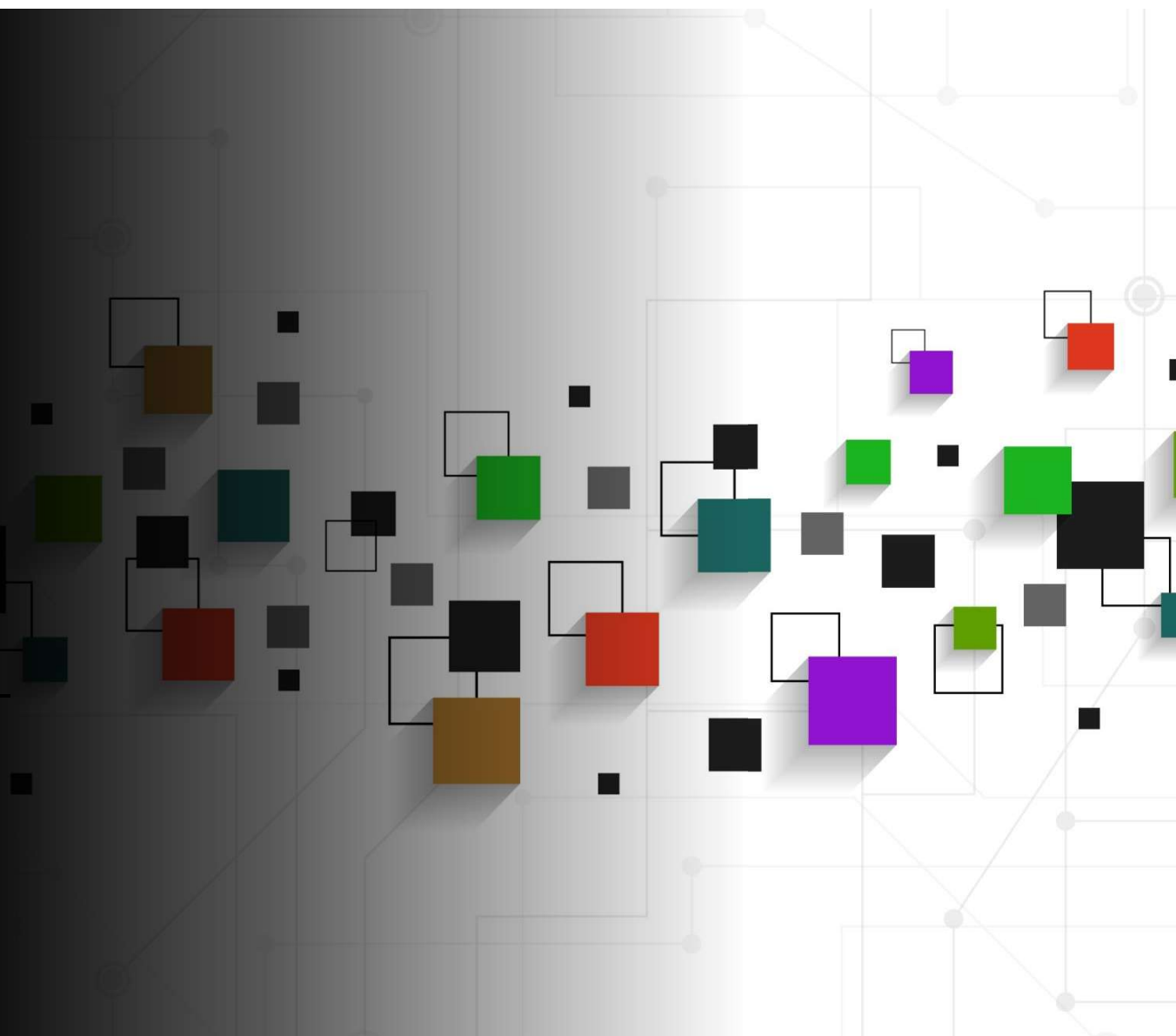




*Building Strong
Chambers: Practical
HR Solutions for
Every Organization*



WELCOME!

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Agenda

- Introduction
- The Essential Role of the HR Practitioner in the Workplace
- Today's Workforce: Makeup, Motivations & Trends
- An Employer's Challenges
- An Employer's Solutions
 - Approaching Compensation with Confidence
 - Meeting Benefit Needs of Your Workforce
 - Creating Champions through Engagement

Responsibilities of Human Resources

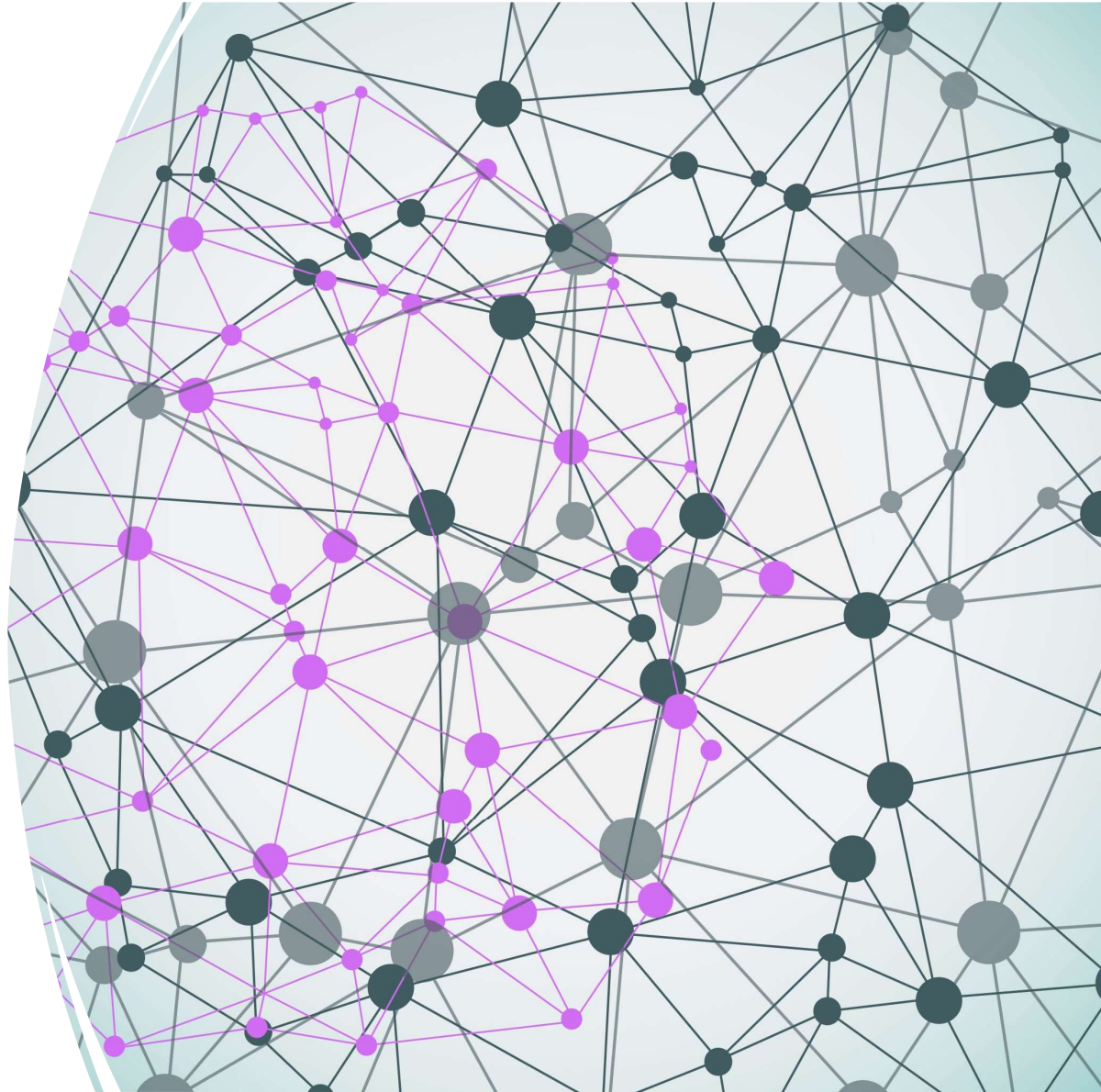
Compensation & Benefits	Diversity, Equity & Inclusion Initiatives	Employment Law & Regulations
HR Technology & Leveraging Data	Leadership & Professional Growth	Policy Development & Enforcement
Talent Management	Recruitment & Talent Acquisition	Workplace culture & Engagement

SHRM Competency Model



Basic Competencies for HR Practitioners

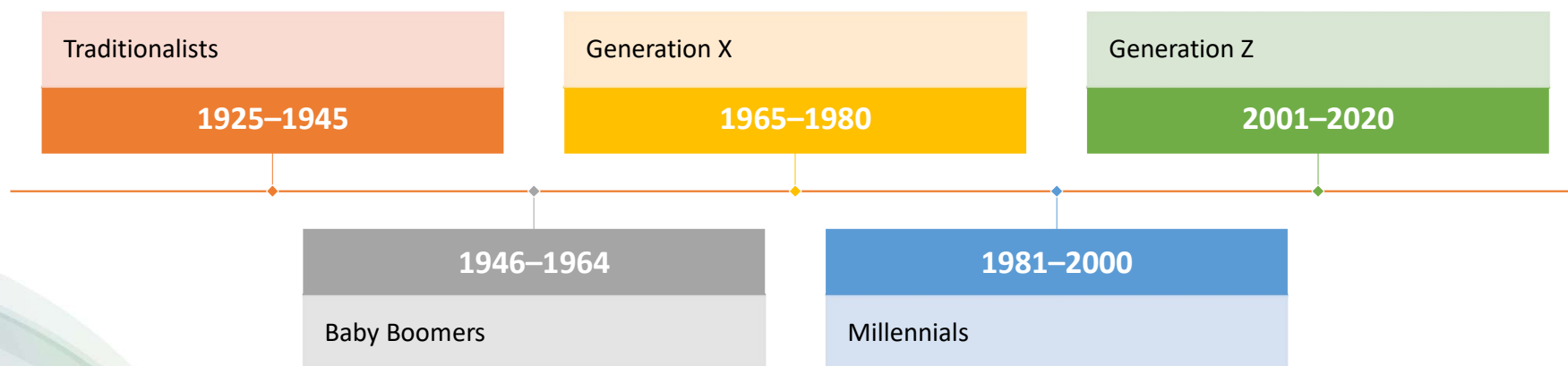
- Human Resources Leader
- Human Resources Business Partner
- Organizational Change Agent
- Human Resources Expert



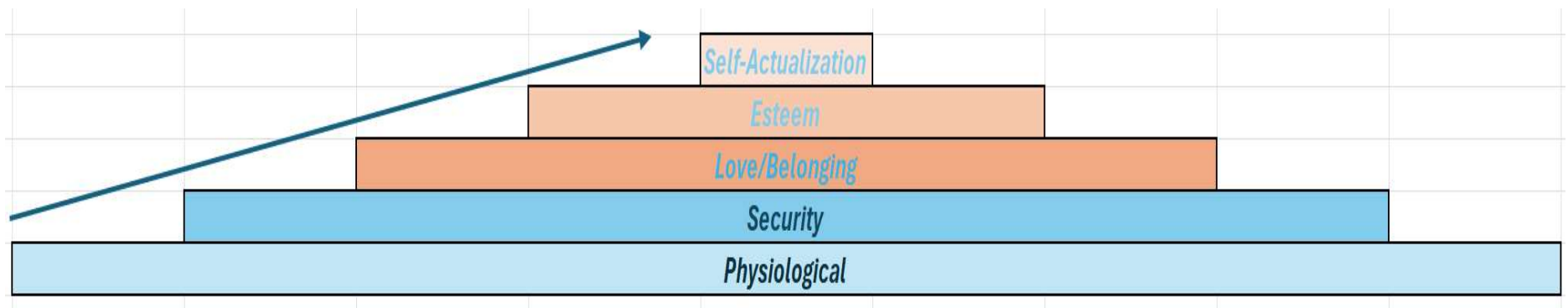
The Modern Workforce Has Changed



Today's Workforce



Employee Engagement Hierarchy of Needs



The Employer's Challenge

- Ensuring consistency through policies and procedures
- Complying with everchanging laws and regulations
- Understanding and adjusting to workforce trends

Policy
Updating and
Enforcement

A spiral-bound notebook is shown at an angle, with a white label on the cover that reads "Policy Handbook" in bold black text. The notebook has a white cover and a spiral binding on the left side. The background is a dark blue gradient. The notebook is slightly open, showing some pages. The label is framed by a thin blue border. The text "Policy Handbook" is written in a bold, sans-serif font. The notebook is positioned on the right side of the image, with the text "Policy Updating and Enforcement" on the left.

**Policy
Handbook**

DOL Announces Final Overtime Rule



	PRE-RULE MINIMUM THRESHOLD	JULY 1, 2024	JANUARY 1, 2025
EAP Exemption	\$35,568	\$43,888	\$58,656
Highly-Compensated Employee	\$107,432	\$132,964	\$151,164

The Great Resignation Is Over Quits Return to Pre-Covid Level

Monthly number of people quitting their jobs in the U.S. seasonally adjusted

The 'Great Resignation' Isn't Over Yet

Number of people quitting their jobs in the United States seasonally adjusted



Employment Trends

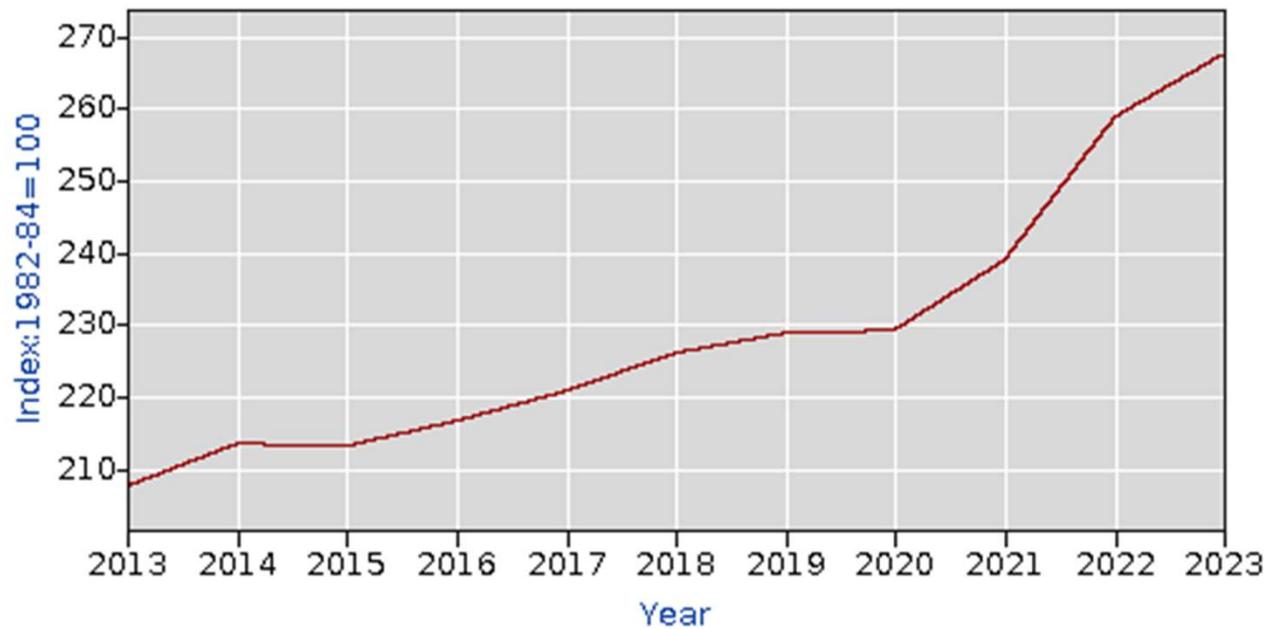


Consumer Price Index for All Urban Consumers (CPI-U)



Not Seasonally Adjusted															
Series Title:	All items in Houston-The Woodlands-Sugar Land, TX,														
Area:	Houston-The Woodlands-Sugar Land, TX														
Item:	All items														
Base Period:	1982-84=100														
Years:	2013 to 2023														
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014		2.9%		2.8%		3.3%		2.6%		3.4%		1.1%	2.8%	3.0%	2.6%
2015		-0.7%		-0.4%		-0.4%		0.3%		-0.1%		0.4%	-0.2%	-0.4%	0.1%
2016		2.0%		1.4%		1.6%		0.9%		1.7%		2.3%	1.6%	1.6%	1.6%
2017		2.1%		2.0%		1.6%		2.2%		2.3%		1.7%	2.0%	2.0%	1.9%
2018		2.6%		2.4%		3.0%		2.3%		2.2%		2.3%	2.4%	2.4%	2.4%
2019		0.9%		1.8%		0.8%		1.4%		0.9%		1.0%	1.3%	1.5%	1.0%
2020		1.5%		-1.3%		-0.2%		-0.2%		-0.1%		0.7%	0.2%	0.2%	0.1%
2021		1.0%		4.5%		4.6%		5.3%		6.1%		6.6%	4.3%	2.9%	5.6%
2022		7.8%		8.5%		10.2%		9.5%		7.6%		5.3%	8.2%	8.6%	7.9%
2023		5.2%		4.0%		1.7%		2.7%		3.0%		4.5%	3.5%	3.8%	3.1%

Consumer Price Index for All Urban Consumer (CPI-U)



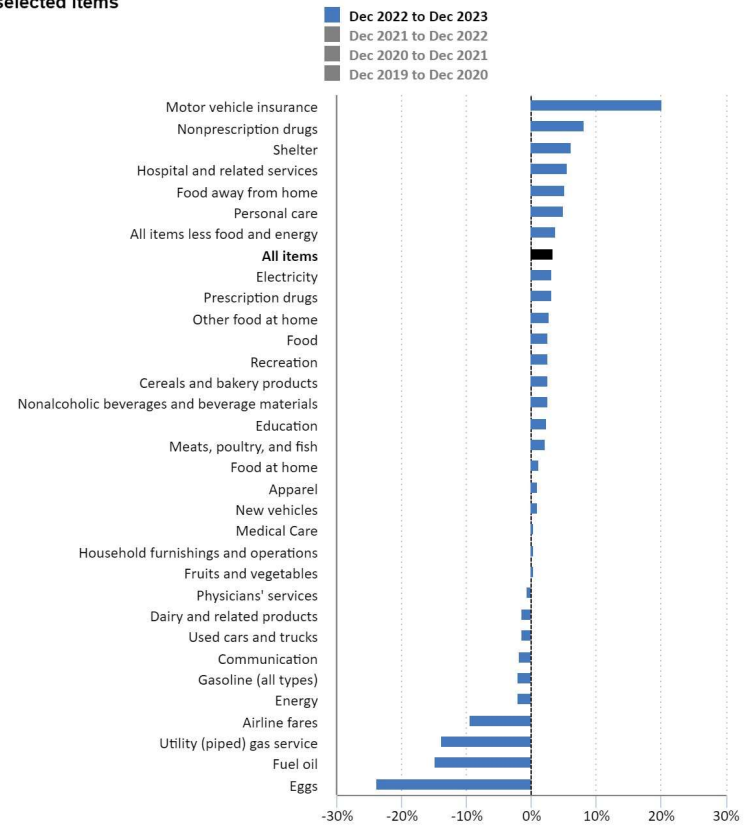
2023 in Review

**"LUMBER PRICES
AREN'T THAT HIGH."
LUMBER PRICES:**



Consumer Price Index: 2023 in review

12-month percent change in the Consumer Price Index for All Urban Consumers, selected items



Click legend items to change data display. Hover over chart to view data.
 Note: Data are not seasonally adjusted.
 Source: U.S. Bureau of Labor Statistics.



The Employer's Challenge



In 2024, organizations will continue to face significant challenges

The 2024 Labor Market



A competitive talent landscape

An exhausted workforce

Pressure to control costs amid a looming economic downturn

Quiet Quitting



I ALWAYS GIVE 100% AT WORK

MON - 11%
TUES - 24%
WED - 40%
THURS - 23%
FRI - 2%

Trends Expected to Continue in 2024

An employee's labor market continues

The 2024 Labor Market

73% are at least somewhat satisfied, compared to only 9% who are dissatisfied. Despite this, 85% are at least somewhat open to other job opportunities. 51% believe that finding a job in the labor market is easy. 71% of CEOs expect the tight labor market to continue – Deloitte 2023.

Some go for job interviews just to get a raise from their current employer.

Biggest factors motivating employees to start searching





The Employer's Solution

Implementing Sustainable Solutions to Internal and External Market Challenges

Approaching
Compensation
With
Confidence



Approach Compensation with Confidence

- Determine a compensation strategy
- Conduct a job evaluation
- Conduct an external market analysis
- Build an incentive/variable compensation program
- Establish a performance management system
- Effectively communicate expectations and evaluation criteria



Key Concepts

Benchmark Job: A job with a high degree of comparability to other positions in the marketplace. Because of this comparability, benchmark jobs are used for market pricing purposes.

Compa-Ratio: A ratio expressed as a percentage that reflects the relationship of an employee's salary to the midpoint of their salary range. Compa-ratios range from 80% (minimum) to 120% (maximum) with the midpoint being 100% (median). It is calculated by dividing the employee's annual base salary by the midpoint of the salary range for the position held.

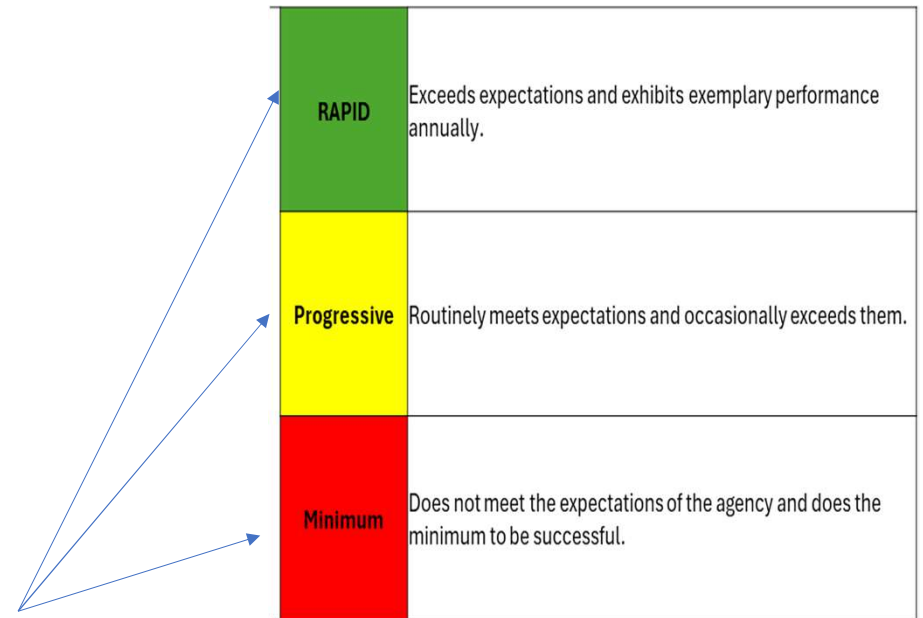
Externally Competitive: The process of setting wage rates that correspond to prevailing fair market value rates in the external market for a particular job or type of work.

Market Based Pricing: A term used to describe a compensation system that uses external competitiveness and market pricing to set wage rates. An organization's labor market comparators must be defined.

Develop a Pay System that Rewards High Performers

Example

	PAY BAND - RANGE PENETRATION		
PERFORMANCE RATING	LOWER THIRD	MIDDLE THIRD	UPPER THIRD
EXCEEDS EXPECTATIONS	5%	4%	3%
MEETS EXPECTATIONS	4%	3%	2%



A large crowd of people is shown from behind, looking towards a bright light source, likely a stage at a concert. The scene is dimly lit with warm, golden light. The crowd is dense, and many people have their arms raised. The entire image is framed by a large, semi-transparent white circle with a dark border.

Meeting Benefit Needs of Your Workforce

Medical / Rx Benefits

- **Why Evaluate?**
 - **Employees rely upon company leaders to ensure their wellbeing**
 - **Lower Baseline and Cut trend**
 - Estimated 7.6 – 11.7% Medical Trend in 2024
 - **Assess if Fully funded or Self Funded options are best**
 - **Understand Key Drug Trends to Keep Costs Low**
 - Humira had market share in 2023. Now Biosimilar drugs are 5% - 30% lower than Humira.
 - GLP-1 Treatments for Diabetes and Weight Loss drugs have increased by 78% and is forecasted to continue growth.



Develop Programs by Leveraging Aggregate Claims Data

- Implement programs to counteract issues identified as Top Diagnosis on plan reports (i.e., diabetes management and smoking sensation).
- Structure Rx tiers to be competitive; influence behavior of plan members through education.
- Consider alternate medical plan design structures that incentivize provider optimization and engagement.
- Implement TPA-integrated Care Coordination platforms that have expanded, showing high double digit growth annually



Creating Champions through Engagement Initiatives



Examples of Engagement Activities

- Quarterly Mixers
- Interactive intranet
- Celebration of milestones and birthdays
- Public Acknowledgement of accomplishments
- “In the Moment” rewards for exceptional work or exemplary customer service

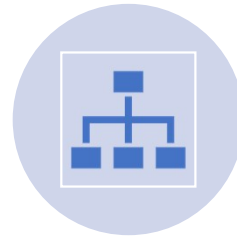
“Employee engagement is measured by the ability and willingness of individuals to exert extra effort for the benefit of the company, their tendency to speak highly of the organization and their intent to stay,”

-Greg Harris, President Quantum Workplace

Review



Your HR role has expanded and requires your input as a strategic leader. Learning competencies is essential.



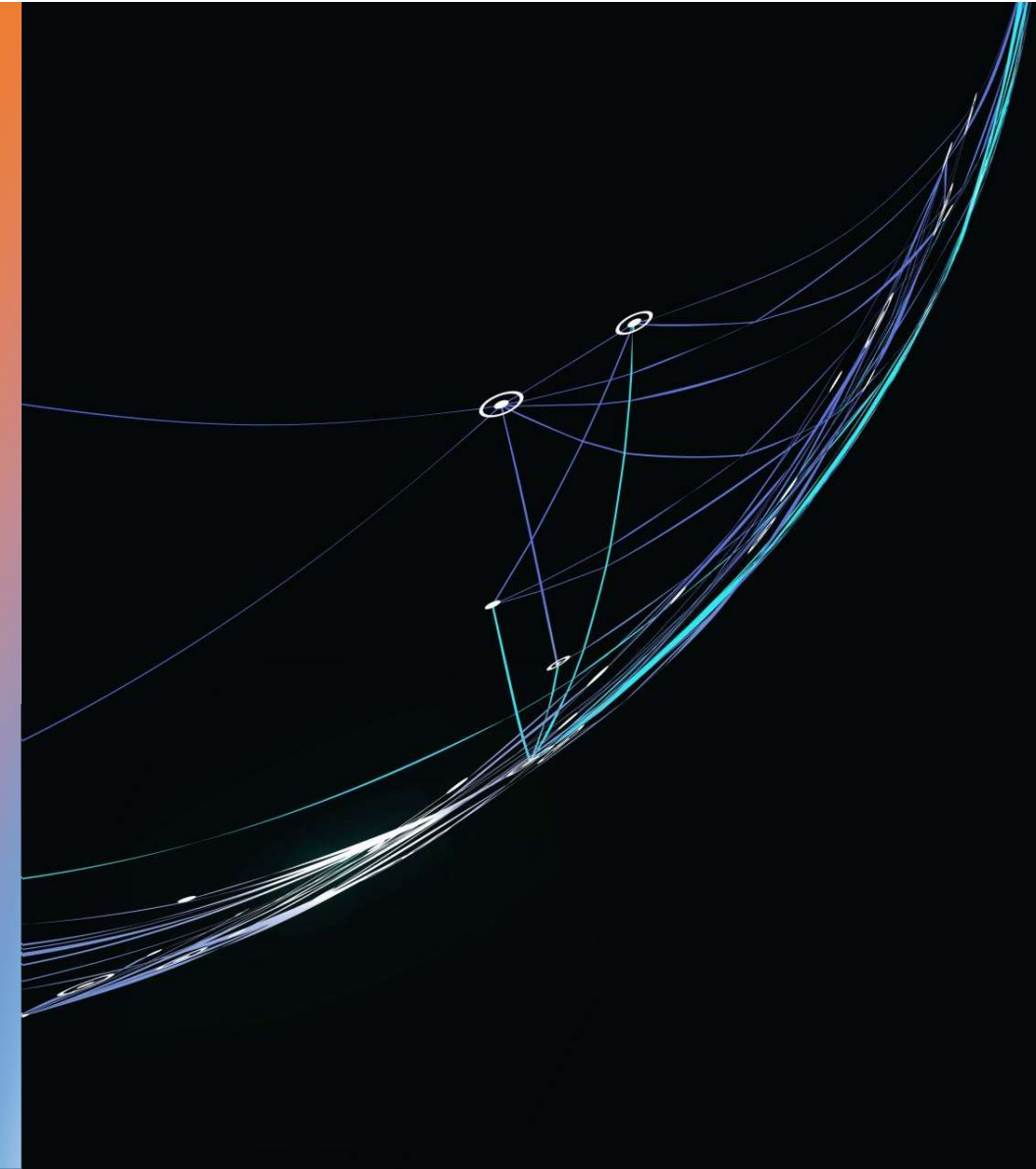
Today's workforce is comprised of 5 generations. HR solutions must be able to meet the needs of all.



Employers are challenged with ensuring policies are updated, abiding by everchanging laws, and combatting market and workforce trends.



Critical solutions to identified challenges include ensuring compensation strategies are evaluated and refined, rewarding high performers, remaining aware of benefit trends, and connecting employees through engagement activities.



Thank you

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