

The New Worker

The nation's oldest, quarterly newsletter published for professionals concerned with human factors and disability management in the workplace.

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Working Through the (Great) Recession

Background:

In May 2009, the U.S. economy shed 345,000 jobs. While this number is fewer than expected, it did result in a national unemployment rate of 9.4%. The unemployment rates for the Mid-Atlantic region for May 2009 were:

- Pennsylvania 8.2%
- New Jersey 8.8%
- Delaware 8.1%

Employers who have experienced the need to lay off employees as a result of the economic downturn may find that they are **faced with new problems**, not fewer problems that the reduced workforce would seem to dictate.

Turning to the Expert for Ideas:

The leading expert on this unique, seemingly contradictory situation is Dr. Barry Shore, a professor of decision science at the University of New Hampshire.

Shore's premise is that in a downsized environment:

"Employees become obsessed with their plight – it dominates informal discussions in the organization, and, as a result, employees turn their focus inward and worry about job security rather than focusing outward on job performance."

Since the employees who were not laid off are now required to assume the additional work of those who were, the levels of stress on them are increased.

Shore provides specific symptoms employers can look for in order to be aware of the problem and lists positive steps they need to take to deal with it. In short, he recommends that employers develop a strategy to survive the recession that goes beyond cost control and reduction in force. For Shore's Ten Tips to Improve Workplace Morale During the Recession, see:

www.downsizingstrategy.com

The CEC Associates, Inc. Effort

Although CEC Associates agrees with Shore that the economic downturn presents new challenges for employers, it also believes that those employers who have proactive Disability Management programs in place will be in a better position to deal effectively with the phenomenon than those who do not.

In terms of workplace disability, CEC has reported on the pioneering work of two medical doctors working with the employees of the auto industry in Detroit in 1966. In 1990, CEC published an article in its newsletter (*The New Worker*) by R.C. Behan and A.H. Hirschfeld called "Disability Without Disease or Accident." The key concept of this pioneering study was that **"a considerable buildup of psychological tension ordinarily precedes an accident in which chronicity is involved."** The result of the Behan/Hirschfeld findings, which they called **"The Accident Process,"** was the premise on which all the quality disability management programs currently functioning in the American workplaces were built. Central to the accident process is the need for human resource and rehabilitation professionals to identify the "psychological tensions" inherent in the lost time case, to focus a good part of the rehabilitation on the presence of these elevated stressors, and to devise and apply stress reduction strategies.

The state-of-the-art in disability management is predicated on exemplary programs as they were established in some of America's "well-managed" companies. Many of the larger companies with quality Disability Management programs also have staff members assigned to monitor and apply "Best Practices" in the management process, including the best practices of their Disability Management programs. (In some recent instances, companies with Best Practices experts – Proctor & Gamble, for one – have made these specialists available as resources for federal initiatives.)

CEC Associates has contributed to the individual aspects of many of these programs with a continuing flow of innovative and experiential writings published in the oldest and longest-running newsletter on occupational rehabilitation, as well as in professional journals. CEC Associates remains the only available source of the *basic components* of disability management **as well as the seminal methods and materials used in the "Transition-to-Work" process** (<http://www.cecassoc.com/transitiontowork.htm>).

Other Considerations

Although employers and their managers will focus on going forward with those employees that remain after a reduction in force, it is essential that they also revisit their long-range goals in respect to maintaining the company's "culture." To be true to these goals, it means that employers will also have to devote time and resources to those who were laid off as well as those who remain. That is, in the urgency of reorganizing around the realities of a downturn in the economy, planning for the future is as important, and in many cases will turn out to be more important, than the *status quo*. Best practices for those companies that find the resources to plan ahead will include providing laid off workers with some (however minimum) in-house resources to assist them to find other employment and/or retraining. By doing so, employers will send positive messages to their remaining employees that they are, contrary to their anxieties and feelings of mistrust, valued. Employee Assistance Programs need to be supported as a resource to those employees who remain stressed by the anxieties of future layoffs. Mediation of

employee disputes will reduce the "hidden losses" resulting from the inevitable conflicts brought about by shifting responsibilities for those who are not separated through reductions in force.

The history of adverse economic pressures in the past is replete with stories of employers who took advantage of the situation and made decisions that would only come to fruition in the future. If this history is to repeat itself, and we believe some employers will attempt to take advantage of an economic downturn by achieving short-term gain and ignoring long-term organizational consequences, employers need to remain forward thinking and give attention also to their future sources of trained and skilled employees. That is, present planning should give consideration to the fact that new graduates are devastatingly impacted by the difficulty of finding employment in the work for which they are trained. Creative, farsighted employers and their managers will find efficacious ways to be supportive of this group and thereby maintain their "farm systems" as well.

References:

[Jobless Rate Rises, but Pace of Losses Slows, *The Washington Post*](#)

[Business Professor Warns of Post Downsizing Stress Syndrome, \[hrtools.com\]\(http://hrtools.com\) Pennsylvania's Employment Situation: May 2009, \[PRNewswire\]\(http://PRNewswire\)](#)

[New Jersey leads region in unemployment, \[app.com\]\(http://app.com\)](#)

And it's not just in New York City

Whatever has happened in terms of layoffs in the employment market at large seems to be true for the legal profession as well. An article in the *New York Times* on June 16th is titled "Unemployed and Struggling Lawyers Seek Solace." The article asserts:

"The recent wave of legal layoffs, rescinded job offers, and even bankruptcies has created the ugliest market for lawyers – particularly in Wall Street-fueled New York City – in more than a quarter century."

According to the article, to cope with the situation, Vault, a career website (www.vault.com), co-sponsored with the New York City Bar Association a daylong program called "Getting Back in the Game: How to Restart Your Career in a Down Economy."

The article also states, "At least 10,000 [lawyers] at major firms across the country have lost their jobs so far this year."

On the positive side, one of the speakers at the workshop "emphasized the importance of attitude." She advised the crowd to "go on a diet of depressing news.... It will not be helping things when you are presenting yourself to others.... You want to be upbeat."

Good counsel for lawyers and the rest of us as well.

The Healthy Families Act

The Society for Human Resource Management (SHRM) reports that "The Healthy Families Act" has been introduced in both the U.S. House and Senate. The bill would require certain employers with 15 or more

employees to provide employees with up to 56 hours of paid sick leave per year. The sick leave is calculated on the basis of one hour for every 30 hours worked.

As it stands in draft form, an employee begins to accrue the sick leave at commencement of employment and is able to begin using the leave after 60 days. The leave could be used for the employee's own medical needs or to care for a child, parent, or spouse.

More details on the proposed bill are available from the SHRM web site (www.shrm.org).

Programming in the Workplace Based on ROI (Return on Investment)

For years, CEC has been advocating quality Disability Management in the Workplace on the basis of its ROI. At the same time, many insurance carriers and well-managed companies have quantified their value in terms of the bottom line. That is, they have demonstrated the cost effectiveness of these programs in terms of highly favorable ROIs.

Now some companies have begun to look at the ROI of one specific component of a Disability Management program: the company's Wellness Program. The difficulty is that the ROI for this kind of program isn't always clear and remains hard to factor. The recent attacks come despite aggressive support for wellness programs by benefits officers and health care academics. In May, President Obama hosted a seminar with top company executives, union leaders, and health officials on the importance of a wellness focus for workers. The outcome was deemed positive, and since then, follow-up meetings have been conducted. The President also included the continuation (and expansion) of such programs as one of his essential points for the new Health Care initiative.

In addition to the cost effectiveness issue, another concern about wellness programs has entered the mix. Employers are beginning to hear complaints from employees about privacy and discrimination issues. Some employers have begun to report backlashes from those who don't like bosses pushing them to get involved with fitness workout, to quit smoking, to eat better, etc.

Disability Proneness

Disability Proneness is a reality in the workplace. That is, some workers are prone to manifest lost time secondary to injury or illness as a consequence of various life stressors, including the typical demands of the workplace environment.

The definition of Disability Proneness, how managers can recognize it, and what they can do to control its effects are presently being explored in depth by Jasen Walker and other CEC Associates. The study is based on years of observation and reporting on the condition. As with most of the research done by Walker, the documentation will focus on providing employers practical information on the condition and how to deal with it.

Managing Your Boss

"Managing Your Boss," a concept developed by the Harvard MBA program more than 20 years ago, is still part of the curriculum today. Some companies that have adopted the process call it "Managing Up."

If you are interested in doing a half-day, interactive seminar in your facility for your employees on this essential process, simply call Dina at (800) 246-9767. She'll be glad to help you schedule it.