

Published Research in Total Rewards

A review of total rewards, compensation, benefits and HR-management research reports.
(Compiled by the editors from the WorldatWork Newsline column at worldatwork.org.)

Labor-Related Regulations Take a Financial Toll

More than half of HR and payroll professionals (54%) say that, on average, it costs their organization between \$40,000 and \$100,000 to prepare for each labor-related regulatory change, regardless of whether that's at the federal, state or local level.

The Workforce Institute at Kronos Inc. published the report "The \$100,000 Bill" based on a national survey of 812 HR and payroll professionals in management, senior leadership and the C-suite.

The costs cited by employers cover a range of activities that vary by organization. Those include:

- Consulting with legal counsel to create new internal policies
- Training for HR and payroll employees
- Educating leaders and managers on the change
- Wide-ranging employee communications to ensure everyone understands the change.

Respondents expect the cost of compliance to keep going up, too. 68% said compliance has become more expensive in the past year, while three-quarters (74%) said it's more expensive than in 2007. And while larger organizations are more sophisticated at tracking expenses related to maintaining compliance, one out of every five organizations with fewer than 500 employees (20%) surveyed aren't sure how much the activity of remaining compliant costs annually.

There are more implications beyond the financials for employers trying to keep pace with changing regulations. While regulatory changes can become law in as little as 60 to 90 days, 53% of respondents said more time is needed to create and communicate new internal policies to employees. 40% of HR and payroll professionals said 120 to 150 days is the preferred amount of prep time, and 24% of respondents at smaller organizations said they require a minimum of 150 days. With too much work and not enough help, 58% of respondents reported they've witnessed colleagues occasionally cut compliance-related corners.

Workers Are More Secure, Satisfied in Their Jobs

Job satisfaction rates improved for the sixth year in a row and, for the first time since 2005, job satisfaction surpassed the 50% mark — meaning more than half of U.S. workers surveyed are satisfied with their jobs.

Why are employees feeling so positive? The increase in job satisfaction is largely due to the improvement in the labor market in recent years, according to findings of "The Conference Board Job Satisfaction" survey, an annual barometer of satisfaction of the U.S. worker.

The Conference Board predicts several trends will continue moderating satisfaction levels: the emphasis on maximizing shareholder value, declining unionization, outsourcing (both domestic and foreign) and market concentration.

Along with overall job satisfaction, the report looked at 23 components that contribute to job satisfaction, including wages, job security and health plans. The report found that workers are more satisfied with:

- People at work (60.5%)
- Their commute (59.2%)
- Interest in work (58.4%)
- Their supervisor (57.3%)
- The physical work environment (56.1%).

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But not everything's coming up roses, according to the report. The five components that U.S. workers are least satisfied with are:

- Promotion policies (25.4%)
- Bonus plans (25.5%)
- Educational/job training programs (30.8%)
- The performance review process (31.2%)
- Recognition/acknowledgement (34.3%).

Execs Say Skills Shortage Is the No. 1 Challenge for Companies

Business executives are generally upbeat about prospects for the U.S. economy, and they have upgraded expectations for profit and revenue growth for the next 12 months. But there is one area where they're not as optimistic: suitable job candidates.

For the first time, "availability of skilled personnel" was cited as the top challenge facing companies, per respondents to the third-quarter "AICPA Economic Outlook Survey." In the Association of International Certified Public Accountants' poll of CEOs, CFOs, controllers and other certified public accountants who hold executive and senior management accounting roles, 75% of respondents said they were seeing at least some increased competition in recruitment efforts. 21% of respondents said there's been a significant increase. At the end of 2014, the last time this survey question was asked, only 16% said they were experiencing a significant increase in hiring competition.

Despite recruiting challenges, half of business executives said their companies had the right number of employees. 24% said they planned to hire immediately, the same as last quarter, while another 15% said they had too few employees but were hesitant to hire. Respondents who said their companies had too many employees dropped from 8% to 7%, quarter over quarter.

Besides "availability of skilled personnel," the top three concerns for business are No. 2 "regulatory requirements and changes," and No. 3 "domestic competition." "Employee and benefits costs" dropped from the top slot last quarter to No. 5.

Remote Workers Perceived as Less Valuable

In-office employees' perceptions about remote workers and their disconnect from company culture is becoming a cumbersome career pain point, concluded the "Reality of the Remote Workers Report" from CyberLink Corp. The study reports that remote workers understand productivity, but office workers think it's twice as difficult for remote workers to build a relationship with the boss, make work friends, collaborate with their team and navigate the workplace culture than in-office workers. The survey queried 1,154 U.S. working adults.

Respondents cited other perceived disadvantages, including that remote workers:

- Are less valued by a company (15%)
- Don't get to experience office culture (38%)
- Get promoted less often than in-office workers (20%)
- Are less trustworthy (8%).

While working from home may sound like an appealing way to balance work and personal life, most office workers expressed potential frustrations when asked about their concerns regarding remote work. 42% of respondents said that, as a remote worker, they wouldn't be able to build relationships with co-workers, and 36% said they would feel lonely or isolated from their team.

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Another third (34%) said they would miss out on office culture if they worked from home, demonstrating that simply being present in the office with co-workers appears to be a large factor of a positive work experience.

With the speed at which the business world is shifting in this gig economy, the move toward remote work likely will not reverse. Simplifying communication and aspects of collaboration among workers is a necessary part of making remote work successful, especially when 31% of remote workers have been late or missed a meeting because of a technological failure, Cyberlink pointed out.

The Price of Today's Workplace Environment

Unstable work schedules, unpleasant and potentially hazardous working conditions and often-hostile social environments are adding up to an American workplace that is physically and emotionally taxing for today's workers.

More than one in four American workers reported that they have little time to do their job, according to the "Working Conditions in the United States: Results of the 2015 American Working Conditions Survey" from RAND Corp., Harvard Medical School and UCLA. The complaint is most common among white-collar workers. Workers also reported that the intensity of work frequently spills into their personal lives, with about one-half of people reporting that they perform some work in their free time to meet workplace demands.

While eight in 10 workers reported having steady, predictable work throughout the year, 54% reported working the same number of hours on a day-to-day basis. One in three workers said they have no control over their schedule. And, despite much public attention on the growth of telework, 78% of workers reported that they must be present at their workplace during regular business hours.

Nearly three-fourths of workers reported either intense or repetitive physical exertion on the job at least a quarter of the time. While workers without a college education reported greater physical demands, many college-educated and older workers reported being affected as well.

More than half of American workers reported exposure to unpleasant and potentially hazardous working conditions. Nearly one in five said they face a hostile or threatening social environment at work. Younger and prime-aged women are the workers most likely to experience unwanted sexual attention, while younger men are more likely to experience verbal abuse.

There is a bright side, though: American workers appear to have a certain degree of autonomy on the job, most feel confident about their skill sets and many reported that they receive social support while on the job.

The findings are from a 2015 survey of 3,066 adults who participate in the RAND American Life Panel, a nationally representative, computer-based sample of people from across the United States.