

The McKenzie Mailer

December, 2006

Volume 6, Number 11

**BEST WISHES TO
ALL OF OUR
CLIENTS AND
FRIENDS FOR A
VERY SAFE AND
JOYOUS HOLIDAY
SEASON.**

**MAKE IT THE BEST
EVER!**

Just a reminder:

**FLORIDA
MINIMUM WAGE
GOES TO \$6.67 PER
HOUR
EFFECTIVE 1/1/07.**

**The new regulations
require another
poster.**

Click here to attain a copy.

[http://www.floridajobs.org
/resources/Poster%20-
%20FL%20Min%20Wage
%202007.doc](http://www.floridajobs.org/resources/Poster%20-%20FL%20Min%20Wage%202007.doc)

A New and Improved

ASK BOB

**Click here to view the
addition to the Ask Bob
tab on the McKenzieHR
website.**

<http://www.mckenziehr.com/>

IT'S BEEN A HECK OF A YEAR

2006 was a very interesting year. In the sports arena, the Pittsburgh Steelers reclaimed the Super Bowl and got one for the thumb. The St. Louis Cardinals won the World Series. Texas won the NCAA football championship and local fans are still crowing about the Florida Gators National Championship in basketball. Many people care little about sports. Others live and die by their team.

In celebrity news, Kate Hudson, Britney Spears, Reese Witherspoon, Pamela Anderson, Whitney Houston and probably many of others we do not know or care about filed for divorce. American Idol created some controversy with Taylor Hicks winning over Katharine McPhee. Ho-hum.

Mel Gibson and Michael Richards were in the news for committing major meltdowns with religious and racial epithets hatefully spewed from their mouths. Mel blamed his on alcoholism and received treatment, Michael Richards has not yet stopped saying, "I'm sorry." These two incidents have risen to national prominence and have drawn out concerns of whether this country has been able to get past racism. The simple answer is, "We're not there, yet."

Regardless of your political persuasion, you were either very displeased or elated with the results of the elections in November. Enough said about that.

Now for the really thrilling news. Things in the employment arena are truly heating up creating for very exciting things to watch in 2007. These are keeping most of the HR people of the world on the edge of their seats.

Illegal immigration. We all know this has been going on for years. But it came to a head in 2006, splitting the country on how it should be handled. Immigration and Customs Enforcement (ICE) raided a number of workplaces and their enforcement activity has more than doubled since 2004. According to the ICE website, "In FY04, ICE initiated 460 investigations; there were 79 indictments and 87 convictions. These numbers increased in FY05 to 502 investigations, 186 indictments and 160 convictions, and in FY06 (as of August 22 - FY06 ends 9/30/06) there were 1,097 investigations, 184 indictments and 177 convictions."

In Wednesday's news (12/13/06), ICE raided six plants of Swift & Company, producers of pork and beef products, resulting in the arrest of over 1,300 employees. The employees are allegedly in the country illegally and stole social security numbers and other identification from legitimate United States citizens in order to become employees. Management of Swift & Company state they have no knowledge of hiring any illegal employees.

Expect the enforcement efforts on the part of ICE to continue to rise. Just be sure you check all I-9 forms in a timely manner and follow up on those employees with temporary work permits. Something else to know is when the Social Security Administration receives a social security number that does not match with the name given, they will send a notice to the employer. Be sure to respond promptly

to any notice regarding social security mismatches. Many organizations are also running a pre-employment social security number check on potential employees.

Corporate Scandals – Every year there seems to be a new corporate scandal. Whatever happened to simple things like “off-the-balance-sheet-transactions”? The corporate scandal du jour is the backdating of stock options. Ellen Simon, an Associated Press business writer, is quoted in an article that appeared last week, “About 1,150 options granted to chief executives at the lowest stock price of the month were the result of manipulation, according to estimates in a Harvard Law and Economics paper released Friday.” There are currently 130 SEC investigations and 60 resignations of top executives at a number of well known companies as a result of this scandal. Many organizations are now scrambling to see if their own companies have back-dated stock options and, if so, to what extent it is occurring.

Business owners and managers often complain that employees have no loyalty to the company. Continual corporate scandals such as this obviously add to the level of distrust on the part of employees. Many come into an organization with a chip on their shoulder because of past work experiences and the expectation that the new boss is the same as the old boss. The manipulation of stock options to give more millions to the multi-millionaires is not a good way to gain the trust and support of the working people.

One of the biggest challenges facing business owners and managers who want to grow their business is to retain a committed workforce. A strong working relationship is based on trust. Gaining and maintaining a mutual level trust is the essence of a healthy employment relationship.

Labor Shortage - As of this writing, the country has the lowest unemployment rate in six years. It seems that all companies are finding it increasingly difficult to fill vacancies with qualified individuals. In many instances, business owners and recruiters are having difficulty just getting people to apply for jobs

From all indications, this shortage will continue for the foreseeable future. Only those organizations that are creative in their recruitment strategies and even more creative in their retention initiatives will have the ability to attain growth. There are many companies out there who have not been able to grow at the pace they could because of the inability to find qualified employees. Expect wages to rise more dramatically than in the past as the laws of supply and demand take hold. Flexibility in viewing scheduling and benefits must also be analyzed. It is a sellers' market and the sellers have the upper hand. Be open to different employment arrangements than you have in the past.

None of us really know what the future will bring. However, by using some of the data from the recent past, we all know the trends that are occurring that affect our businesses. Therefore, we can have a great influence on the future of our own little world. What's your vision for 2007? How will you get there? How will you overcome the obstacles that stand in your way? What are your plans, goal and objectives for the year? How will they be communicated?

Make 2007 the best year yet!