



JUNE 2022

STRIVING TO COMBAT THE HEADWINDS OF 2022

“Being intentional in today’s uncertain economic environment means creating an ‘all-weather business’. While it is tough to predict what type of outcome 2022 and beyond will hold, AHT remains supremely confident we can deliver peace of mind to our partners. This first part of a three-part series, *Striving to Combat the Headwinds of 2022*, explores the principles and successes AHT and our partners utilize to take the sting out of the current labor shortage.

We encourage you to review the holistic strategies used in the enclosed playbook, *Navigating the Battle, Winning the Talent War*. Throughout these extraordinary times, AHT remains true to our core values. We look forward to releasing the second and third part of the series in the coming weeks to best equip you to remain discerning stewards of your business when faced with high inflation, higher interest rates, and an increasingly digitized environment.”

Trevor Baldwin
CEO, Baldwin Risk Partners





JUNE 2022

PLAYBOOK

NAVIGATING THE BATTLE, WINNING THE TALENT WAR

TABLE OF CONTENTS

- Page 1** Why Holistic Risk Protection Matters
- Page 2** What Can We Do Now?
- Page 3** Promoting Resiliency and Productivity
- Page 4** Leveraging a Safer Workplace
- Page 5** Keeping Assets Protected
- Page 6** Taking a 360° View
- Page 7** Sample Client Experiences
- Page 8** What's Next?



If you want to achieve victory to win the war for talent, equip yourself with holistic strategies. The greater the clarity, the greater the success.



Today's labor market struggles showcase more than ever that employee experience is the predominant way to win the war for talent. Workers want more money, flexible hours, safer work environments, improved benefits and an enhanced quality of life—inside and outside their workplace. During the recruiting process, candidates look to Human Resource teams to inspire them to do great, purposeful things as part of accepting a new job offer. At the frontline are HR professionals who are weary but dedicated . . . and seeking creative answers from their service providers.

The inability to retain employees and hire new candidates is not necessarily a new labor challenge for U.S. employers, especially for those in higher-risk industries. But as Human Resources teams and their senior executives face mounting pressures to engage and hire the right people during the Great Reshuffle¹, as the U.S. Chamber of Commerce coins it, an unprecedented battle has arrived—protecting employers from emerging risks within their employee benefit, commercial insurance and personal insurance programs.

How does an employer navigate the battle and win the war for talent? The answer is simple but the battleplan strategic. An employer must think holistically to develop the right gameplan. Then, they must communicate, communicate, communicate.

Aiming for a strong and vibrant culture that focuses on the employee's environment is key. Culture is the differentiator that separates the wheat from the chaff in getting the right talent.

When employees are unmotivated to work due to a poor culture, the list of the organization's happy clients disappear. The client-centered experience is essential but should not be an organization's sole focus. Doing so impacts the well-being of the employee population.

To best support those in the battle, *Navigating the Battle, Winning the Talent War* takes a comprehensive approach to minimize the risks and vulnerabilities employers face during one of the most challenging labor markets any of us have witnessed. Employers' lifestyles do not fit into neat, organized silos, so the first question to be addressed is, ***During this labor shortage, how has your risk changed?***

We deeply admire Human Resources teams and Benefits Leaders who, during the last two years, have learned how to recruit and onboard new talent within a pandemic and without a best practices framework to draw from. Many individuals involved in employee engagement and talent recruiting have nurtured workforces to the point of sacrificing their own physical and mental well-being.²

OTHER KEY QUESTIONS TO CONSIDER:

- 1** If we maintain the current status quo with no changes for the foreseeable future, how long can current employee operations be sustained? The goal is to assess employee well-being and identify population health risks.
- 2** How quickly can we respond today given our current level of risks and vulnerabilities? The objective is to identify the financial and liability risks to keep current and new talent safe.
- 3** With new processes and ideal scenarios in place, how resilient are we to react to any significant loss or disruption in services? The goal is to close the gap through careful review in a variety of circumstances.

Why holistic strategies matter: Winning the war for talent requires intentionality to overcome the hurdles by shoring up the personal, professional and business risks that may exist. Over time, inefficiencies and weaknesses greatly lessen. As the world continues to change, employers who make decisions from a 360° vantage point rather than silo by silo will be equipped to solve complex problems that are preventing them from engaging their teams.

WHAT CAN WE DO NOW?

CREATING WAYS TO ENGAGE, ONBOARD & PROTECT

...IN EMPLOYEE BENEFITS



Use Compensation Statements and Benefit Administration Systems as a strategic tool in employee retention, focusing on the Total Rewards package.



Schedule Benefit Plan Design adjustments four to five months before renewal month.



Review Competitive Benchmarks to ensure industry alignment.



Move toward expanding non-traditional benefits, like Health Concierges, wellness incentives or lunch stipends.



Raise salaries to compete with signing bonuses from other employers.

...IN COMMERCIAL RISK



Enhance telemedicine benefits for skilled laborers to use over the weekend to avoid unnecessary workers' comp claims.



Implement online safety trainings and technology to improve workplace protocols as well as carrier negotiations.



Use science-based behavioral assessments to identify and retain safety-conscious talent.



Leverage wellness programs as part of an overall safety protocol to improve population health and workers' comp claims outcomes.



For certain industries and organizations, utilize D&O Insurance policy as a recruiting asset for prominent board members.



Maximize diversity, equity and inclusion (DEI) efforts by ensuring employment practice loss controls are regularly reviewed through legal counsel.

...IN PRIVATE RISK



Create employee manuals for families with domestic staff.



Be proactive with insurance protection if domestic staff travels internationally.



Identify personal liability exposure when sitting on for-profit and non-profit boards.



Meet with and counsel domestic staff so they maintain the right automobile coverage.



Create safeguards by utilizing comprehensive background checks.

PROMOTING RESILIENCY AND PRODUCTIVITY

As Human Resource teams comb the talent pool, many consider wage increases as a frontline answer to gain new workers and keep the current ones employed. The Total Rewards package, such as salary, bonuses and commissions, along with PTO, medical and voluntary benefits, for example, includes more than just padding the paycheck. Why? Because workers need to be re-sold another way, from an educational perspective, so employers can claw back lost ground.

Positioning the workplace as one that is flexible in mindset goes a long way. This includes building the talent pipeline in a variety of ways such as employing part-time and flex-time staff. As the current inflationary environment puts a squeeze on an individual's buying power, preliminary data forecasts show the talent pool may offer more candidates to consider within the next year as recent retirees reenter the workforce³. Until then, as Human Resource teams work in tandem with leadership today more than ever, all must answer questions such as, *What do you need right now*, and *What do you need in the long-term*, and all must recognize the need to bounce back quickly when an employee wants to permanently move on.

Often, the culture will be a deciding factor for talent to engage. When an organization wants to have a workforce whose values and cultures match its own, they can seek out community resources for answers. Employers are fine-tuning which local events to sponsor that employees care about; it can also be a recruiting tool. By bringing work into the community, it creates a stickiness inside the organization, and out. These types of events support the mental health and well-being of people as well. Multiple opportunities to take time off to serve as a volunteer is a big draw for employees—and employers who make financial donations on an employee's behalf to that cause create a win-win.

Employers have launched extra mental health days, often tied into the mental health awareness programs they offer. In some cases, summer PTO days to support colleagues' well-being are required and must be taken for individuals to stay fresh and engaged—with pictures as proof of a day off well lived. Wellness programs are more popular than ever, and health fairs are on the rise. Workplace challenges, interactive workshops and more—people are craving connection with other colleagues beyond just downloading another app.

A well-being strategy relies on learning what employees want, and what employer data tells them to do. Do they want lunch and learns, but data show more than half the population has a chronic condition? Creating a comprehensive checklist to help formulate a plan to offer a worksite wellness program is the first step. Ultimately, healthier people create a safer work environment, as they likely recover from an illness faster than those who do not make healthier choices. And, this translates into containing healthcare costs at a greater margin.



LEVERAGING A SAFER WORKPLACE

Positioning an organization as the right place to work due to superior safety measures enables colleagues to know they are cared for—and that ripples into those who share in an employee's home life. Plus, employees can get on board to help create their own sense of safety. And, with a bit of science, predictive analytics help recruit the right talent.

Risk managers and workers in higher-risk industries can steward safety protocols through online safety trainings. They log into a risk management system where specific training resources are ultimately emailed to a worker's inbox to complete within a specific timeframe; in some cases, wellness programs from benefits plans could tie incentives like gift cards to these tasks. This lifts the administrative burden off the Human Resources and Safety teams to keep colleagues secure and accountable. Best in class employers then utilize documentation of the completed safety trainings to improve negotiations with their respective property and casualty carriers.

What if an employer could weed out the candidates who would not uphold safety protocols? Behavioral assessment tools, such as Predictive Index, support talent recruitment by connecting a business strategy (hiring the right candidate) with a business result (decrease in turnover, errors and incidents). What these tools are not are fluffy teambuilding exercises; these behavioral assessments are utilized during the interviewing process and help predict the economic cost of disengagement. When used effectively, these online behavioral markers help preempt claims before they occur by ensuring an individual is matched with their optimal role.

Deploying a loss control professional onsite further enhances a safer work environment. Their assessments compare the employer's existing practices and procedures to those recommended by OSHA. The end result is a baseline risk assessment which details recommendations on how to reduce the frequency and severity of accidents that occur. Ongoing and frequent monitoring ensures optimal protocol adherence.

Yet, in spite of establishing strong safety protocols, injuries do occur. It is critical for employers to use claims analytics services to identify trends and ultimately inform creative risk mitigation strategies. If these claim trends show a concerning frequency of accidents on weekends or evening hours, employers should promote telemedicine benefits or offer a 24/7 Health Concierge within their employee benefits program to quell claim severity. The goal is to untangle complicated situations ahead of time where possible.

Enter, overcommunication. Employer leadership who communicate—and then communicate again—the organization's business continuity plan in case of disaster, plus its Diversity, Equity and Inclusion (DEI) plans, to employees and candidates rank higher in employee retention and with jobseekers.

Employers should educate colleagues on how the business will operate before a disaster strikes. In the event of a fire, hurricane, flood, or earthquake, colleagues want peace of mind that their job will remain intact; this job security reinforces they are working for the right employer. Plus, a proactive communication strategy around safety can also involve the employee by letting colleagues know ahead of time the local charitable organizations the employer will physically or financially serve in the event of a local disaster. Safely staging supplies such as baby formula, food, or bottled water can help employees be at the ready once it is safe to help others in the community. Additionally, DEI best practices do more than holistically create a meaningful and positive culture—a stable DEI plan prevents lawsuits and helps reduce EPLI claims while employees continue to engage and remain productive to the company.

Employers in higher-risk industry groups with hard-to-attain talent, (ie., construction, healthcare, distributors and manufacturing) are establishing relationships with community colleges or technical schools to gain an edge with future potential employees. They ride along on trucks and see what it is like to be a technician for a day, or work on an air conditioner unit. By being active in that trade school, these employers are showcasing their places of business as safe places to work, and students are participating in mini-internships.

KEEPING ASSETS PROTECTED

Having the right, lifelong holistic plan in place helps free up time for families to focus on what they enjoy.

As families assess their risk exposure, often sitting on a Board of Directors provides opportunity for review. Successful individuals garner more public attention, which creates more vulnerabilities, especially if they sit on a not-for-profit board. These types of not-for-profit organizations run lean operations and vetting new board members may not be as stringent as for-profit corporate board organizations. Shoring up gaps of coverage beyond an umbrella policy helps minimize risk as successful individuals grow in visibility in the community and on social media.

These successful individuals and family offices may employ domestic staff where employee handbooks are offered to minimize liabilities upfront as clear expectations are set. Alleviating future disputes by ensuring staff understand overtime, breaks and timekeeping principles, for example, protects everyone involved. Categories also include travel and vehicle policies set, especially for domestic staff who care for children and travel internationally. Background checks are also essential.

UPDATING THE EMPLOYEE HANDBOOK:

Because private risk management does not operate in a vacuum, assessing how risks have changed is ideal. Families can consider addressing life events and quality of life incentives for staff in order to update current employee handbooks and revisit liability insurance policies, such as:

- **Are new children expected to arrive this year?**
- **Have children grown and out of the house?**
- **What destinations are domestic/international for travel this year?**
- **What automobiles will domestic staff use to perform their job?**
- **What holidays and other days off does the family office honor?**
- **What, if any, uniform or food stipends are offered?**
- **How often are background checks performed?**
- **Will staff be working full-time or part-time?**
- **What holidays and other days off do the family consider?**

STEPS TO PROTECT THE FAMILY LEGACY

Families should also let domestic staff know that when they are hired through an outside firm, the family works in partnership with the firm. Obtain a copy of the firm's insurance certificates for proof of workers' compensation, health and disability insurance. Occasional employees, like babysitters or lawncare professionals, do not need upfront communication about how they are protected; however, this does not absolve reviewing homeowners or renter's insurance policies to determine whether enough liability coverage exists.

If the staff is not working for a firm but rather is a direct employee and uses his or her own personal

vehicle for business, an upfront conversation with the employee about their auto insurance limits should be a mandatory conversation. Some families pay additional premiums on a staff member's auto insurance policy in order to subsidize the increased coverage limits, or have the employee drive a household vehicle to ensure the coverage is in place. For domestic staff who travel overseas, a family should consider protecting them by adding them to their travel and/or kidnap and ransom policy—how are they currently protected should an injury occur abroad? Since the pandemic, many countries have imposed travel and med-evac coverage requirements for international travelers.

TAKING A 360° VIEW

Using holistic risk protection can help create the turning point for talent. An employer can have the best business plan in the world, but without holistic foresight and aligning talent strategy to the business strategy, costs will run high from unintended consequences.

As we gather our interdisciplinary team of corporate risk, employee benefits and private risk experts at one table, your entire sphere of your lifestyle, passions, professions and business ventures are reviewed holistically. We want to examine your priorities, support you in your disciplines, and enable you to achieve and protect your vision. This 360° view of your risk topography, including hidden points where your risks intersect with your exposure to loss, gives you optimal coverage in all areas of your life.

Our firm is “Powered by People”, and we practice what we preach. We attract and nurture people who are smart, forthright, creative, and striving for constant improvement. With a focus on positive outcomes, AHT is your partner in creating a culture of safety and wellbeing for your colleagues and those to come.

Working with AHT can help reduce workforce turnover, productivity issues and liability claims. One tool in our risk mitigation suite of services is to deploy behavioral data to improve worksite safety, hire the right job candidates and supercharge the culture. Outcome possibilities include:

- Three-year study of distributorships showed reductions in both vehicle losses and workers’ compensation losses, down to zero in year 3, when drivers are a right fit for the job.
- In nursing, clients report a decrease of more than 15 percentage points in turnover and vacancies.
- Heavy and Tractor-Trailer Truck Driver validity study shows longer job tenure, fewer preventable and non-preventable accidents, fewer DOT shutdowns, fewer moving violations and a better composite safety ranking.
- An energy company handled multiple mergers and acquisitions without compromising service and safety standards by using behavioral and workforce analytics to align cultures.



SAMPLE CLIENT EXPERIENCES

Primary Client Program	Client Experience Gap	Holistic Solution	The Value Created
Employee Benefits	Lack of data analytics available to guide a senior living organization's wellbeing strategy was creating unnecessary absenteeism and resident care concerns.	Ran data analytics that spotlighted the need to focus the wellbeing strategy on managing chronic conditions more effectively.	Controlling the ill effects of chronic conditions improved colleague retention, productivity, and most importantly resident care.
Commercial Risk Management	A manufacturer's outdated safety program was creating unnecessary claims and an unsafe environment that made it harder to attract talent.	Provided access to behavioral assessments, online safety trainings, and loss control professionals who fixed major gaps in safety.	The safety program was transitioned from a liability to a recruiting asset that marketing and HR used to compete more effectively for scarce talent.
Private Risk Management	The absence of an employee manual was detracting from the colleague experience and putting significant family office wealth at risk.	Consulted with family office leadership and outside counsel to tailor an employee manual to their unique risk exposures and preferences around colleague experience.	Setting clearer expectations with domestic staff improved the colleague experience and significantly reduced assets at risk.



WHAT'S NEXT?

Learn how AHT Insurance equips our partners with actionable steps to help improve employee retention and provide strategies to win the war for new talent. Get inspired by contacting us today!

CONNECT WITH US

800.648.4807 | ahtins.com

4211 W. Boy Scout Blvd, Suite 800, Tampa, Florida 33607



AHT

INSURANCE
A BALDWIN RISK PARTNER

CITATIONS

1 – U.S. Chamber of Commerce, “America Works Data Center” <https://www.uschamber.com/workforce/america-works-data-center>

2 – Human Resource Executive, “HRE Annual ‘What’s Keeping HR Up at Night’ survey, <https://www.hrexecutive.com/burnout-and-resignations-are-rampant-in-hr-what-leaders-need-to-know/#>

3 – The Washington Post, “Millions retired early during the pandemic. Many are now returning to work, new data shows,” <https://www.washingtonpost.com/business/2022/05/05/retirement-jobs-work-inflation-medicare/>