



IN THE KNOW with EMPO

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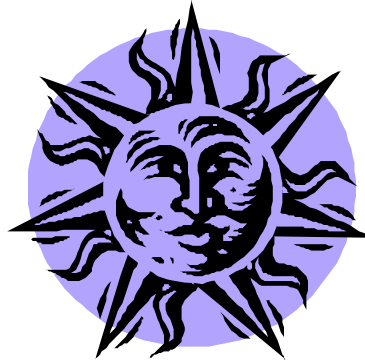
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Insight Into HR News With EMPO! 2nd Quarter 2006

In This Issue You'll Find:

- Retirement Planning Strategies
- HR Professionals Reveal Their Top Ten Concerns
- The Importance of Documentation
- A Safety Tip



Is there a subject that you would like to know more about in a future newsletter? Please feel free to send me an email and let me know at lgoold@empocorp.com

Retirement Planning – Roth 401(k)

The newest hybrid to come out of the retirement planning world is the Roth 401(k). EMPO has been working diligently with Transamerica to evaluate the advantages and disadvantages of incorporating this new feature into our program. After careful review EMPO has made the decision to begin allowing participants to make Roth 401(k) contributions July 1st, 2006.

Since there is no "one size fits all" answer for employers or plan participants when considering the Roth 401(k) feature, EMPO's 401(k) Support Team will be working with you and your plan participants to help you determine if the Roth 401(k) is right for you.

Who Should Consider The Roth 401(k) Option?

Individuals who believe their tax rate will be higher during their retirement years than it is today.

If you believe you'll be in a higher tax bracket during retirement, the Roth 401(k) is preferable. Otherwise, you would pay higher taxes on the before-tax distribution than what you would have had to pay when it was contributed.

Individuals who want to diversify future tax risk.

In diversifying tax risk, one should consider investments in accounts or investment vehicles that are taxed differently. The Roth 401(k) may provide an alternative to traditional tax-free investments such as tax-free bonds.

Individuals who want to take advantage of a savings option that may not be available after 2010.

The Roth 401(k) is the first and only qualified retirement plan feature that permits tax-free accumulation of after-tax contributions by participants of any income level, and allows the tax-free distribution of the contribution and accumulated earnings.

The quality of a person's
life is in direct
proportion to their
commitment to
excellence, regardless
of their chosen field of
endeavor.

-Vincent T. Lombardi

The successful man will
profit from his mistakes
and try again in a
different way.

-Dale Carnegie

Every moment of worry
weakens the soul for its
daily combat.

-Anna Robertson Brown

We are told never to cross
a bridge till we come to
it, but this world is
owned by men who
have "crossed bridges"
in their imagination far
ahead of the crowd.

-Speakers Library

An error gracefully
acknowledged is a
victory won.

-Caroline L. Gascoigne

Individuals who want to delay distribution of their retirement benefits.

The option to rollover the Roth 401(k) into a Roth IRA that is not subject to the minimum distribution requirements permits the individual to postpone distributions until death. In addition, by paying income tax now on the Roth 401(k) contributions, the participant effectively prepays federal income tax on money that may pass to heirs without impacting gift or estate tax exemptions.

Katie Peters, who is our 401(k) Program Manager, will be in contact with you in the coming weeks to discuss in more detail the information provided above. Should you have any questions in the meantime, Katie can be reached at 612-285-6250.

By: Katie Peters



HR Professionals Reveal Their Top 10 Concerns



HR professionals who attended the 2005 Annual Society for Human Resource Management Conference and Exposition in San Diego, were asked to identify the greatest issues they are facing in the next 12 months. Their response, in order of importance, was:

1. Retention/Turnover
2. Leadership Development/Succession Planning
3. Moral/Motivation
4. Benefit Costs
5. Compensation
6. Training
7. Executive Coaching
8. Workers' Compensation
9. Skills Availability
10. Downsizing/Outplacement

EMPO's skilled team of HR professionals can assist you with any or all of these issues. **Be sure to contact us with your specific needs.**



The Importance of Documentation

As a supervisor or manager, one of the most important things that you can do to protect your organization as well as to help develop your employees is documentation. Here are some helpful tips on documentation:

Development – Documentation is a great development tool. From the very beginning of an employee's tenure with your company, documentation is critical. Document his or her progress. If the employee is catching on quickly, document it. If not; document it as well. Not only is this a good tool to evaluate your employees, it is a great way to evaluate the supervisors who report to you as well. Ask to see the documentation files on their direct reports. If it's in their head, and not in writing, it is all too easily forgotten.

Operations – Failure to correct an errant employee's behavior when it begins could have a significant impact on the organization's operation. Failure not to praise proper behavior can have the same impact – if an employee is going out of his or her way to do something right, yet are 'recognized' as much as the employee who is just going through the motions, the employee may stop going

Whether you think you can or think you can't – you are right.

-Henry Ford

The barrier between...success is not something which exists in the real world; it is composed purely and simply of...doubts...about ability.

-Mark Caine

You gain strength, courage and confidence by every experience which you must stop and look fear in the face. You must do the thing you think you cannot do.

-Eleanor Roosevelt

A mind that is stretched by a new experience can never go back to its old dimensions.

-Oliver Wendell Holmes

Thing BIG.

At the same time, be able to be aware of the smallest details

-Author Unknown

above and beyond, and drop down to the level of just an average employee. **Catch** – Catch the employee doing something right. Everyone expects to be 'chewed out' when they get called to the office. It goes back to the school days and the principal's office. Call the employee to your office when you catch them doing something right. The employee will feel better when they leave your office, and may not be intimidated by it in the future.

Uplifting – Don't concentrate only on the bad performance. As noted in the point above, documentation doesn't have to be negative. Certainly when you call EMPO to discuss a problem employee, we are going to talk about documentation of some type. We don't often get the call when a supervisor notices the positive behavior. Don't let that stop you – allow yourself to think about documenting the positive aspects of work.

Modification – You can't expect employees to modify behavior if you don't talk with them about it. Once you have discussed it, write it down. Written documentation will almost always prevail in front of an unemployment arbitrator or, worse yet, judge and jury.

Encourage – Documenting proper behavior encourages good work. Hopefully, documenting improper behavior, such as tardiness, helps the employee realize what has been done wrong, so the behavior can be corrected.

Neglect – When you neglect to document the positive behaviors, you may forget about them. This is simply human nature – we tend to remember the negative. I suggest starting a review file. In this review file, you will have a sheet of paper for each of your direct reports or any reviews for which you will be responsible. Every time you notice something that this employee has done that you might want to remember, write it down. If you do reviews in the first quarter as we do at EMPO, things that happen in June may be forgotten by the time the next review cycle comes around. An example might be taking on a project, or maybe dropping the ball on that same project. Either way, don't neglect to write these things down – the information will be a great aid at review time.

Truth – Stick to the facts, and nothing else. Don't document that 'she is a bad influence on her fellow workers.' Instead, record what she is doing that makes her a bad influence on others, such as 'she has been observed two times asking others to falsify their time cards on return from an extended lunch.'

**Documentation Do's and Don'ts
(these apply primarily to negative documentation):**

- ? Do be factual – stick only to the facts
- ? Do provide a history (what brought us to this point)
- ? Do be thorough in your descriptions ('he showed up at 9:15a.m, start time was 9:00a.m.' instead of 'he was late')
- ? Don't make assumptions
- ? Don't make judgments ('the register was short by \$200', not 'he stole the money from the till' unless you are absolutely certain)
- ? Do tell them what will happen if they don't comply
- ? Don't document a consequence that you aren't willing to live with
- ? Do be consistent with the consequences from employee to employee
- ? Do discuss any documentation concerns with the EMPO HR department
- ? Do send a copy of any documentation to your HR Consultant at EMPO

Ideally, with proper encouragement, each new-hire turns out to be an outstanding employee. You can help the employee by noticing the things he or she does right, and documenting it so you remember it at review time. Unfortunately, each employee doesn't turn into your ideal employee. Even then, many of them can be turned around before they either leave the company, or the company chooses for them to leave. Again, proper documentation can be key in this process.

If you have any questions on documentation, or wish to discuss 'positive documentation' further, please contact your EMPO HR Consultant at 612-285-8707.

By: Scott Andreassen



*The great thing in this world
is not so much where we
stand, as in what
direction we are moving.*
-Oliver Wendell Holmes

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*We have but to move in the
direction of our dreams
to meet with a success
unexpected in common
hours.*
-Henry David Thoreau

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SAFETY TIP: **Roll, Pull and Hold – How to wear soft foam earplugs**



To get the best protection from your soft foam earplugs, The National Institute for Occupational Safety and Health (NIOSH) recommends that you remember to roll, pull and hold when putting them in. Use clean hands to keep from getting dirt and germs in your ears!

- 1. Roll the earplug up into a small, thin “snake” with your fingers. You can use one or both hands.**
- 2. Pull the top of your ear up and back with your opposite hand to straighten out your ear canal. The rolled-up earplug should slide right in.**
- 3. Hold the earplug in with your finger. Count to 20 or 30 out loud while waiting for the plug to expand and fill the ear canal. Your voice will sound muffled when the plug has made a good seal.**

Check the fit when you're all done. Most of the foam body of the earplug should be within the ear canal. Try cupping your hands tightly over your ears. If sounds are much more muffled with your hands in place, the earplug may not be sealing properly. Take the earplug out and try again.

