

DID YOU KNOW... ?

**T**he employment eligibility of temporary staff assigned to your company is an increasingly important consideration.

Companies utilizing temp employment services are liable for fines, public embarrassment and disruptions if found to employ non eligible workers. **This is the case even if the employees are provided by a temp service.**

RP has a rigorous employment eligibility screening process. We believe this avoids liability and embarrassment and assists our clients as they consider hiring our temps.

**We are also researching the E-Verify program.** E-Verify is the joint employment eligibility program of the Social Security Administration and Department of Homeland Security. Companies doing business with the Federal Government will likely be required to participate.

**Beginning January 1, 2009** the Internal Revenue Service set the optional standard mileage rate used to calculate the deductible costs of operating an automobile for business purposes at .55 cents.

**Business to business** firms that maintained or increased their marketing expenditures during the 1981 and 1982 recession produced significantly higher sales growth both during and after the recession and for the three following years than those that cut or eliminated marketing.

**Nationally businesses** have reduced travel and entertainment expenses by 32%.

**The Connecticut unemployment** rate increased from 5% in Jan. 08 to 7.3% in Jan. 09.

**From the President's Desk**



**ECONOMIC RECOVERY**

**W**e are all hopeful that we will find the path toward economic recovery. How long will this take? No one can say. However we know from past experience we will recover.

When I wrote this, the worst forecasts predicted GDP to shrink a few percent this year before recovering in 2010. Most forecasters expected a weak recovery to begin in the second half of this year.

Reitman Management & Leadership Institute recently held a seminar for our clients and others to discuss how to effectively manage during the recession. Approximately 60 managers from 45 companies and health and human service providers participated. Starting with the reality that staff is our most valuable asset, we discussed a number of issues including...

- \*Alternatives to Layoffs
- \*Coaching Teams to Maintain Focus
- \*Sales Staff Burnout
- \*Protecting Our Human Capital Assets
- \*Maintaining Personal Energy and Focus
- \*Demonstrating Leadership When You Don't Have the Answers



I think the results of a recent study on the attitudes of survivors of company layoffs provide us with real direction for managing through this difficult time.

Seventy four percent of employees who kept their job during company layoffs say their own productivity has declined. And 69% say the quality of their company's product or service has declined. It is a myth that surviving employees are so grateful they still have a job, they work harder and are more productive. And although some people use stressful situations as fuel for achievement and to work harder, this study tells us that the opposite is true. In many cases it is the catalyst for the layoff survivors to begin a job search in earnest.

When asked to describe their personal feelings about the layoffs, the three most commonly used words were: Guilt, Anger and Anxiety.

- 87%** say they are less likely to recommend their organization as a good place to work
- 64%** say productivity of their colleagues declined
- 81%** say customer service has declined
- 77%** claim more errors and mistakes were being made
- 61%** believe their company's prospects are worse

**However, here is the key finding and most important lesson learned from the study. It's all about the strength of individual managers. Workers who gave their managers high scores for visibility, approachability and candor were 72% less likely to report a decrease in their productivity. Ultimately a sense of solidarity and empathy were fostered between survivors and the managers who handled the process with a focus not only on those being downsized, but also on those left to drive results.**

Source: Leadership IQ, 1/09

Our seminar produced similar conclusions. Managers who communicate and provide leadership undercut negativity and rumors and instill confidence.

Our most important asset is our people; therefore it is crucial that we handle this management process well. Companies will have to retain, develop or find top talent because they will drive our success when the economy moves forward.

If we move away from the negative news, begin to implement plans for recovery, we will have the ability to help ourselves and our staff and we can begin to assure our future. It is important to be positive so that you manage others well through this period. We all need to generate creativity and new ideas which will drive success. This attitude is necessary to emerge from the recession. Let us practice contiguous enthusiasm.

I hope the following articles will prove helpful as you go through this process. Call or email with your comments or questions 203-488-6944 or Fran@reitmanpersonnel.com.

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**REDUCE STRESS, MAINTAIN PRODUCTION**

Stress is fear based. It is a powerful force which holds people captured in negative paralysis thus limiting one's possibilities.

In today's stressful economic climate filled with uncertainty and seemingly negative consequences, it is easy to see why everyone is feeling pressure in the work place.



Employees are taking notice of the changes in the business flow, wondering if their jobs are in jeopardy and are concerned about making ends meet.

All of this strain can take its toll and productivity will begin to decline. If left unattended, this pattern will be detrimental to your business. In times of real stress most people will tend to focus on the negative rather than engaging in dialog that produces solutions.

When people are distracted and stressed they make mistakes, get into petty arguments and generally can make the workplace a difficult place for everyone. So what can you do as their leader?

We need positive focused employees who are productive and provide excellent service. Leadership is required to...

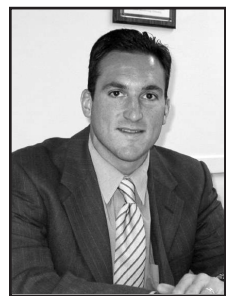
- Define and communicate your action plan for the short term and for the recovery.
- Take action because action reduces fear and depression. Fear comes in all shapes and sizes and has always been a part of life especially fear of the unknown. In spite of your fears, take action and be courageous as this too will pass.

- Think strategically and continue working to improve processes. Find ways to get customers buying again.
- Stop the gossiping in your workplace. Gossip has the potential to either damage someone's reputation or spread negativity throughout the organization. Don't allow rumors to start. Keep private and confidential conversations behind closed doors. In this economy employees are grasping for information, keep them informed.
- Communicate with staff openly and often. People get stressed when they don't know what is going on. Answer their questions and keep them in the loop as much as possible.
- Encourage staff to turn off the media. We all know that many radio, news papers and TV shows focus (and even dwell) on the negative. At this time it is best to stay away.
- Be honest without divulging sensitive and confidential information.
- Shield them from any politics, panic or doom and gloom and lead by example. When things are difficult leaders need to be confident and decisive. They must show strength, courage and an optimistic view of the world while at the same time keeping it real.



For more information on this topic contact Fran Reitman at [Fran@reitmanpersonnel.com](mailto:Fran@reitmanpersonnel.com) or 203-488-6944.

**FROM THE DESK OF ANTHONY AVALLONE  
And The Winner Is...YOU!**



With the economy on a downslide and given today's high unemployment your company may feel it is a good time to use this market to bolster the quality of your staff. You may have

found that some recruiters have lowered their fees to earn your business as they believe it is easier to find candidates in today's market. When faced with this scenario, here are some thoughts.

- Make sure your service is offering you candidates not easily attainable. Our job as professional recruiters is to find candidates you will not have access to, people who are successfully employed. We shouldn't strictly be using newspaper ads, internet, etc. Remember people who are laid off are

not likely to be top producers. These people rarely get laid off.

- Be certain the recruiter is asking probing questions which lead to a thorough understanding of your business, your needs, and what makes you successful.
- Insure that your recruiter is spending time personally interviewing and evaluating each candidate. References should always be checked prior to offer. Don't accept a forwarded resume without a formal presentation of the candidate and their qualifications (which have been verified). Insure that you are provided with the top candidates to interview. Don't allow them to waste your time.
- Ask for a guarantee which will support the recruiter's work and insure your organization is treated ethically in the process. Be sure it is in writing.

Follow these guidelines and your company can be a "winner" in today's market. As the book "Good to Great" states "**putting the right people on the bus to insure success**" is the first step. You can do it in the current market with a solid recruiter attracting the best talent to your company.

For a list of our recent permanent placements, references or for more information contact Anthony Avallone at 203-488-6944 or e-mail [Anthony@reitmanpersonnel.com](mailto:Anthony@reitmanpersonnel.com).



**HANDLING EMPLOYEE LAYOFFS**

Employees often think companies are cold hearted when layoffs become necessary. Perhaps they have never seen the anguish and raw emotions managers/owners experience when charged with, or forced to take this action. It is a very painful task affecting people they care about. However sometimes it is the only way to survive.

Reitman Personnel recommends that you consider these options prior to considering layoffs.

- Reduce benefits
- Cut employee hours selectively or across the board by an appropriate percentage
- Reduce pay rates by an appropriate percentage
- Selective closings, non paid time off or furloughs

When layoffs are the only action left...

- 1) Do it once, if possible. Think through your workforce requirements very carefully and try to make one round of cuts. Retain your talented core staff; you'll need them when the economy turns around.

- 2) Communicate. The absolute worst morale draining thing you could do is to have a communication vacuum. It will inevitably be filled by gossip and misinformation. The truth is easier for people to understand. For example, this is a particularly bad recession; we're hurting; we need all of you to help us get through it. We're not going to lay off anyone else unless it's necessary. The harder we work, the more focused we are, the less likely that'll be.
- 3) Be visible, approachable and honest.
- 4) Treat laid off workers fairly. The survivors need to believe that they work for a company with strong values. They'll learn from their peers every detail of the layoff including the severance packages.

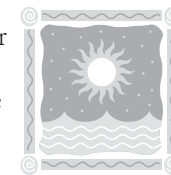
If the layoffs are handled properly the chances are you'll get through it fine. Layoffs can define who we are and who we will be in the future. Do it well.

Excerpts from HR Café Study: Why it's so important to handle layoffs right.



**OVERCOMING THE BLAHS**

We're looking forward to spring and wondering how we can beat the BLAHS. Our mood may have been affected not only by the economy, but also by the winter and cold temperatures, shorter days and the anticlimactic state we find ourselves in after the holidays.



With spring comes hope. Let's set the tone for a positive future.

As you know, bright happy colors influence our mood. Experts suggest we wear bright colors and surround ourselves with color in the workplace and at home. This has been shown to improve moods almost immediately.

Also with spring comes more natural light. Be sure you have exposure to it throughout the day. Keep your windows undressed and spend time outdoors.

Smell is associated with memories and can affect the nerves in your brain. Aromatherapy is an affective anecdote to depression.

Exercise is crucial. Moving your body increases energy. Do fun things like dancing, golfing, tennis, etc. Many of us didn't exercise as much over the winter, so the time has come. Let's get moving.

Change your appearance. Buy new clothes, change your hairdo,



change the color of your hair, get a manicure and pedicure, and if you feel it is necessary join a weight loss program.

Change your environment. If you can't afford a vacation, spruce up your surroundings with fresh paint, pictures, etc. This always makes us feel better.

Socialize: Time spent with positive friends and relatives is invaluable.

We encourage you to try these recommendations. We believe with a little effort, you'll find life more interesting and you'll pull yourself out of the blahs quicker. Good luck.

**WEAK ECONOMY PUTS PRESSURE ON CT**

Connecticut residents and the CT government are feeling the effects of the worst financial crisis in history, which includes the economy, jobs and taxes.

Here are some of the key findings of Zogby International Survey commissioned by CT Business & Industry Association earlier this month. There were 606 responses to the survey, which had a margin of error of 4.1%.

They found that adults in CT cite the economic concerns as the top issues they are facing. Eighty-eight percent of residents responding said their families have been affected by the

state's economic conditions. They all report taking action to cope with the crisis by 62% cutting back on purchases, 8% putting off home improvement projects; 7% postponing retirement and 7% taking additional employment.

Respondents asked the state to cut back and assume fiscal responsibility. They believe job creation should be our legislators' top priority for stimulating the economy, followed by cutting taxes.

State residents agree (70%) that taxes paid by CT businesses are already too high. One half oppose raising state taxes on businesses or people as a

way to balance the budget. They do not support increasing labor regulations on businesses operating in CT...already one of the costliest states in the nation in which to do business.

Sixty-six percent want the government to concentrate on its core functions including education and public safety, as opposed to expanding into areas such as retirement offerings, health insurance benefits and electricity programs to the private sector.