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## MAKE GOOD DECISIONS FASTER

by Nick Tasler (Harvard Business Review)

In her recent HBR article "Transient Advantage," Rita Gunther McGrath describes how "fast and roughly right decision making will replace deliberations that are precise and slow." While most leaders couldn't agree more, the challenge is how? How do you know the difference between "roughly right" and "not at all right"? And just how much time can elapse before "fast and roughly right" becomes "precise and slow?" Hours? Days? Months?

A simple, flexible Know-Think-Do framework can enable leaders and their teams to immediately start making these fast and roughly right decisions. To paraphrase Einstein, this framework is "as simple as possible, but not simpler."

### 1. Know the ultimate strategic objective.

The biggest hurdle to fast and roughly right decisions is criteria overload. Trying to weigh every possible objective and consideration from every possible stakeholder shoots the decision process in the foot before you even get off the starting line. Of the seven or eight possible objectives you would love to meet with this single decision, which one or two will make the biggest positive impact? Of all the possible stakeholders which one do you least want to disappoint, and what is the objective they care most about?

### 2. Think rationally about how your options align the ultimate objective.

The vast majority of judgment errors can be eliminated simply by broadening our frame of reference. The quickest, easiest, most effective way to do this is by "consulting an Anti-You"



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# WHY LEADERS MUST 'GET REAL'

## 5 Ways To Unlock Authentic Leadership

Engaging authentically with the people around you is the first task of genuine leadership. In today's culture, where so much emphasis is placed on the superficial, people crave authenticity. Employees today are hungry for real what-you-see-is-what-you-get leadership. The most inspiring and influential leaders therefore don't lead because of what they do (though they do plenty), but because of *who* they are. Too often leaders and those who aspire to be, forget that.

When you're able to connect authentically with those you seek to lead, you become more approachable, more trusted and more influential. Below is summary of the five ways leaders can unlock the power of authenticity. When you commit to embracing and practicing each of them, you will grow into a leader others will connect to more easily, follow more readily and be willing to put themselves on the line for again and again. In the end, there is not greater test of leadership than to inspire greater authenticity and courage in those you lead.

### 1. Share Authentically—Unlock The Power of Vulnerability

Sharing ourselves authentically often goes against our instincts for self-preservation. It explains why, when we anticipate

finding ourselves in a vulnerable predicament, our automatic reaction is to protect ourselves: pull out of the launch, cancel the meeting, step back from the relationship, or retreat from centre stage. Yet it's through becoming vulnerable that we can connect most deeply.

When people can relate to you as a fellow human being—rather than as someone with the power to cut your budget or outsource your job—you can build engagement and lift performance beyond anything 'unreal' leaders ever can. As Harvard Researcher Shawn Achor wrote in *The Happiness Advantage*, 'The more genuinely expressive someone is, the more their mindset and feelings spread.'

### 2. Express Authentically—Unlock The Power of Individuality

Margaret Thatcher once said, 'You cannot lead from the crowd.' While sometimes leadership entails confronting powerful forces of opposition, as Thatcher did with single-minded determination, more often it requires standing firm against the powerful inner forces that drive us to conform and vanilla down that which makes us different.

When all we do is try to fit in, we negate the difference our difference makes. It's important



to be mindful about how others perceive you, but when you allow what you think that they might think determine who you will be, you sell out to conformity and deprive those around you of the unique contribution you have to make.

### 3. Listen Authentically—Unlock The Power of Presence

Listening is the most powerful yet poorly practiced of all leadership skills. Authentic listening is done with the intention to see the world through another's eyes, not to have them see it through yours. Listening authentically not only enables you to break down the barriers that cause people to withhold trust, but it fosters collaboration. Unlocking the profound power of presence takes not more than putting your agenda aside and allowing yourself to be fully present to the person you are being with—opening yourself to see what they see and feel what they feel. If you haven't tried it for a while, do yourself a favor and do so today. The impact you can make both on yourself and the person

you are being present to can be profound.

### 4. Acknowledge Authentically—Unlock The Power of Appreciation

It's easy to criticise. Many people are exceptionally good at it. But while constructive criticism—delivered in the *right* way at the *right* time—is crucial to strong leadership, its effectiveness increases when balanced with praise, appreciation and acknowledgement.

A recent Gallup survey estimated that two-thirds of employees worldwide feel that their efforts aren't fully recognized, and only one-third are engaged in their jobs. It would seem that one of the most significant and tangible ways a leader can boost engagement is to help employees know their strengths—and that starts by acknowledging them.

Don't be limited to a result that someone has achieved. Focus on the virtues they have brought to the task at hand: perseverance, collaboration, humour, tenacity,

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## MAKE GOOD DECISIONS FASTER

CONTINUED FROM PAGE 1

before you make every decision. As one banking executive explained, "It's amazing how many poor decisions can be avoided simply by asking one other person for their opinion." An impressive amount of empirical research backs up his observation.


Consulting an anti-you works in two ways. The act of explaining your situation to another person often gives you new insights about the decision before the other person even responds. And the fresh perspective they offer in response is the second bonus.

**3. Do something with that knowledge and those thoughts.** After you've clearly defined the primary strategic objectives and laid out your research and thinking with one or two key Anti-You's, it's time to call it quits on all of the planning, strategizing, number-crunching, and critical thinking. You simply must select one option while letting go of all the other "good" options. It is helpful to remember here that in the real world, "perfect" options are a myth. Decision-making will always be an exercise in coping with an unknowable future.

No amount of deliberation can ever guarantee that you have identified the "right" option. The purpose of a decision is not to find the perfect option. The purpose of a decision is to get you to the next decision.

What makes the Know-Think-Do framework particularly powerful for organizations ranging from tiny startups to behemoth banks and software makers is its scalability across every level of an organizational hierarchy. For example, a "fast and roughly right decision" might mean two weeks for the division heads at a Fortune 500 bank to decide how to

remain competitive while also being compliant with a new government regulation. Or "fast and roughly right" might mean no more than 20-30 minutes for sales managers at the same bank's commercial lending team in Chicago trying to make a customer account decision.

Regardless of where you are or how big you are, this framework enables all corners of an org chart can share a common language and approach for making sound, timely decisions. So get started. 

## Peoplelink Processes.

Better sourcing. Better screening. Better planning. By implementing better operating procedures, Peoplelink can give you access to a deeper pool of talent, reduce the risk of hiring mistakes, and make sure you get the people you need – where and when you need them.

Our patented, 6-step, candidate evaluation process, Assurelink®, allows Peoplelink to deliver all this and more by digging deeper to obtain more information about each candidate.

We also go the extra mile to combine successful placements with extensive assignment tracking, reporting, and follow-up processes – all customized to meet your unique staffing needs.

By taking a more thorough approach to hiring, we can consistently deliver the right people – and the best results, every time.

*For more information, call Jeannine Victor at 574.232.5400 x 261.*



# Meet **KARESSA FERGUSON** »

## Staffing Specialist, Thomson, GA

### » How long have you been in the staffing business?

I have been in the staffing business for almost 8 years.

### » What was your first job? What do you remember most about it?

My first job was as a secretary at my Dad's business, Scott's Transmissions. I answered the phones and learned the value of customer service.

### » Who was the worst boss you ever had and why?

The worst boss I had was a couple years back. His training methods and work relations were not positive. He led more by fear than by positive encouragement.

### » What motivates you each day to sell and service your clients?

My family. My family motivates me to be a better person and to strive to improve and do well in my career.

### » What are some of your long-term goals?

My goal is to become a Regional Manager. I

want to learn more about sales.

### » What makes Peoplelink unique, from your perspective?

Peoplelink is unique by the positive atmosphere!! I love how Peoplelink is a team. We are a large team covering several states but we are all part of one team! We strive to improve ourselves together!

### » What makes you successful as an Assistant Staff Coordinator?

I think to be successful in the staffing business you have to love people! You have to love meeting new people! You need to be detailed oriented and a problem solver. You also need to be willing to get outside of your comfort zone.

### » What is the best advice you could give to other Peoplelink staff members?

Get uncomfortable to get comfortable. What I mean by that is, do not be afraid to grow. Challenge yourself.

### » What is your favorite movie?

My favorite movie is Tin Man and A Knight's Tale.

**Book?** My favorite book is Harder. I love books!! The books I have read the most are the Lord of Rings series.

**Drink?** My favorite drink is a tie - Coca Cola and Mountain Dew

### » If you could have any car you want, what would it be?

A 1970s VW Beetle.

### » What is the greatest feature about Thomson, GA?

I lived here my whole life. The greatest feature in town is the locally owned movie theater!

### » How do you unwind when you're not at the office?

I love crocheting and creating. I am very artistic person.

Also, I love going to the Savannah Rapids Pavilion. It is a local park is in Augusta, GA. There is beautiful pathway to walk with the Savannah River on one side and the Augusta Canal on the other side. It is very relaxing there. My family and I go often!

### » What do people like most (least) about you?

For this one, I will be honest I quizzed a few of my family and friends. Most people like my bubbly personality and my dependability and honesty. Most people would say I do better with people around me. I am a people person! That is a downfall and a plus!

### » Anything else you can think of???

My favorite TV show is Big Bang Theory. I collect fairies! I love anything that has fairies on it! 

## From the President's Desk »

## WHY Leaders

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resilience, creativity, assertiveness, flexibility, a strong work ethic. Often we assume that others don't need our affirmation in order to know they've done a good job, but I've yet to see a word of gratitude go unappreciated. I doubt very much I ever will.

### 5. Serve Authentically—Unlock The Power of Other-Centeredness


Ultimately a leader is not judged

so much by how well he or she leads, but by how well he or she serves. No carrot or stick of any size will ever trump the effect you have on those around you when you engage with them from a place of genuine service.

As Bill Treasurer points out in his insightful new book *Leaders Open Doors*, people will move mountains for you if they know that you genuinely care about them, not just the results you want

them to achieve. Leadership isn't about the leader; it's about those being led. Treasurer writes, "When you care about people, you take an interest in their career aspirations. You seek and value their opinion and treat people as more important than results."

Indeed, serving authentically is about focusing on what you can contribute to the longer-term prosperity of many versus what you can gain in the short-term for

yourself. The more you engage with those around you from a place of service, the more effective you will be at harnessing their talents, and the stronger the results you will achieve through them. 

# Bright Ideas

## Don't Let Your Best-Connected People Become Bottlenecks

by Rob Cross (Harvard Business Review)

Well-connected people have enormous power to drive change. But, when a company has only a few network-central players, they can become significant points of weakness.

Consider the situation faced by a leading provider of outsourcing and information technology consulting services with approximately \$1.5 billion in revenues and 10,000 employees spread across more than 70 offices globally. The company wanted to move to a matrixed structure, with globally integrated business lines and vertical practices working in conjunction with regional sales groups. The idea was to increase the focus on clients, improve flexibility and scalability, eliminate redundancy and excess costs, accelerate growth and profitability, and improve career opportunities.

But network analysis revealed that the company had a long way to go. Information flowed through hierarchies; geographies and functions operated in silos; most people weren't aware of expertise elsewhere in the company; and few were collaborating to transfer best practices and help clients. The 5% most central people — despite working to their limits — had in various ways become bottlenecks, unable to fully participate in projects, sales efforts and decisions. And if you took them out of the network, the number of relationships in the company would drop by 29%!

Management responded by launching a number of connectivity-improving initiatives. First, they developed an expertise locator to help people find resources across the organization instead of passing requests up the hierarchy. Second, they offered educational sessions on topics such as service offerings, delivery

experience, and rules of engagement between regions and business units. Third, they established global teams of subject matter experts. Finally, they emphasized a new culture of responsiveness by encouraging employees to return calls and e-mails within 24 hours regardless of the information-seeker's title or position. Rather than further overloading the small set of people in the center of their network, leaders worked to lessen their load. They pushed decision-making responsibilities down to other levels and prompted other employees to become more central.

That freed up those who were already highly networked to help steer change. For example, the head of client services began to draw on the people that network analysis showed to be central in each region, which helped her understand who knew what much more effectively than meetings with those higher in the formal hierarchy could.

Six months later, the results were impressive.

Network connectivity was much more evenly distributed and the most central people were much more responsive. There was 17% increase in ties to and from people in the periphery, many of them client-facing, which improved service and account penetration. And the ratio of employee ties external to their functions to all connections increased by 13%. Sales collaborations up to \$500,000 increased by 27%; those between \$500,000 and \$2 million were up 15%; and those in the \$2 million to \$10 million range got a 9% boost.

The lesson? People central to your organization's network can help you. But you need to make sure they're not hurting you first. 🧩



# Staffing “Recruitment Metrics” Data Analysis\*: Fill Ratios and Time-to-Fill Statistics

Source: Staffing Industry Analysts

## Key Findings:

- In this report, the averages of the two key metrics (Fill Ratios and Time-to-Fill) are reported, broken down by:
  - **Two Placement Categories:** “Contract” and “Permanent”
  - **Four Different Staffing Segments:** “IT,” “Healthcare & Life Science,” “Marketing & Advertising & Creative,” and “Other”
- Across all segments, the average **Fill Ratio** (% of job orders successfully completed) was 34% (for Contract placements) and 22% (for Permanent placements). The staffing segment with the highest average Fill Ratio was again Healthcare & Life Science (with 63% for Contract placements and 27% for Permanent placements).
- Across all segments, the average **Time-to-Fill** (number of days required to fill a job order) was 46 days (for Contract placement hires) and 75 days (for Permanent placement). The staffing segment with the highest average Time-to-Fill (in number of days) was again Healthcare & Life Science (with 66 days for Contract placements and 158 days for Permanent placements).
- The averages in the Healthcare & Life Science staffing segment were clearly outliers relative to others segments. This is probably because the majority of the cases in this segment sample were likely high value, professional placements (i.e., MDs) which may entail unique staffing processes/requirements relative to other segments (like, IT, etc.).

*This insight report was prepared by Staffing Industry Analysts in collaboration with InsightSquared. The report offers a very valuable statistical snap-shot of two crucial staffing firm “recruitment metrics” derived from a large set of data representing a cross-section of many typical staffing firms.*

\* InsightSquared collected and analyzed data of placements made by approximately 200 staffing/recruiting firms served by InsightSquared. In all about, 30,000 individual placement records were analyzed. No staffing segment sample had less than 300 observations/data points. See APPENDIX (pg. 9)

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## Staffing “Recruitment Metrics” Data Analysis:

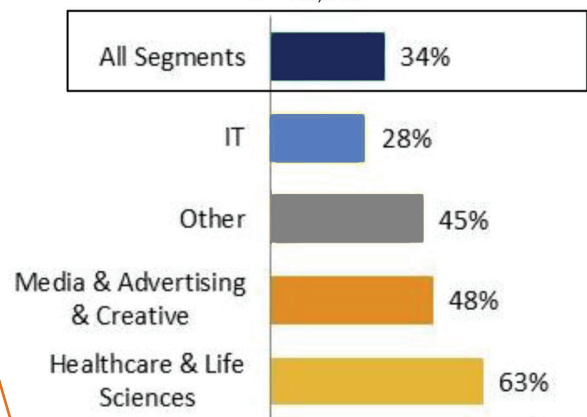
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**The average “fill ratios” varied across “contract” and “permanent” categories and, in the “contract” category, also varied considerably across segments.**

- While average “fill ratios” were very consistent across staffing segments within the PERMANENT placement category (i.e., 22% across the board, except 27% in Healthcare & Life Sciences), they varied much more and were significantly higher in the CONTRACT placement category.
- Within the CONTRACT placement category, the average “fill ratio” was 34% across all segments (well above the corresponding 22% average benchmark in the PERMANENT placement category). Whether or not the difference across these two categories is typical or systemic cannot be inferred from this snapshot of data (but it might be if we were able to show the difference to be consistent across a time series).
- The various segment average “fill ratios” within the CONTRACT placement category ranged from 28% for IT to a high of 63% for Healthcare and Life Sciences. *Note: the All Segment average is 34%, because of the preponderance of IT vs. other placements in the sample (about 78% of all the CONTRACT placements analyzed were IT (see Appendix)).*
- While it is (given current IT labor market conditions) easy to understand why the IT segment would have a low average “fill ratio,” it is more difficult to speculate on why the “fill ratio” for Healthcare and Life Sciences would be so high (63%). This observation definitely warrants further analysis.

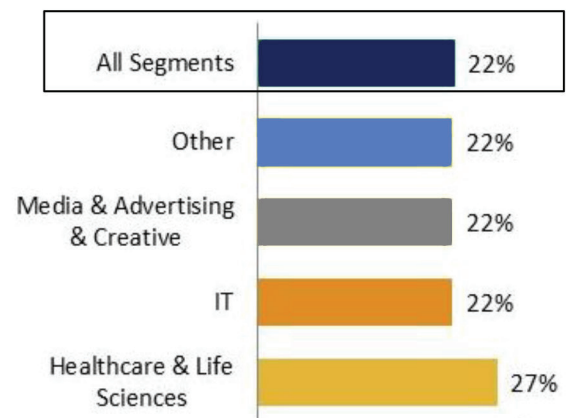
### **CONTRACT: Average Fill Ratio (%)**

n = 23,943



### **PERMANENT: Average Fill Ratio (%)**

n = 24,980



*Data and calculations provided by InsightSquared*

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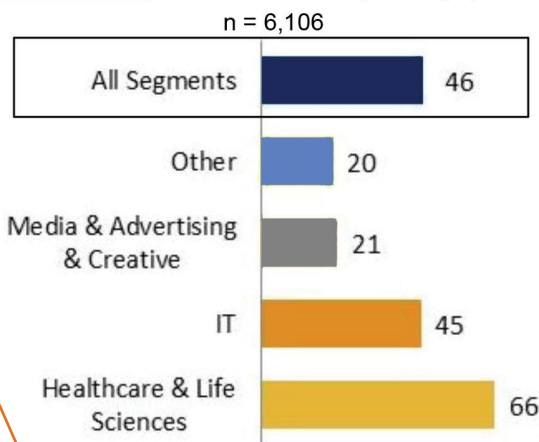
## Staffing “Recruitment Metrics” Data Analysis:

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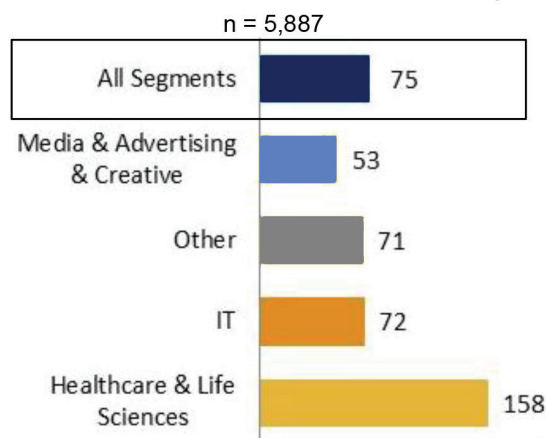
**The average number of “time (days)-to-fill” varied considerably across “contract” and “permanent” categories as well as across the different segments.**

- Perhaps not surprising, the average “time-to-fill” for the CONTRACT placement category (46 days) was considerably less than the average “time-to-fill” for the PERMANENT placement category of 75 days (presumably, more contingent work arrangements would take less time to put in place).
- Also not surprising (considering IT labor shortages), the IT segment average “time-to-fill” (45 days “Contract,” 72 days PERMANENT) is relatively high.
- Correspondingly, the very high Healthcare & Life Sciences segment average “time-to-fill” (66 days CONTRACT and 158 days PERMANENT) might also not surprise us:
  - The process of finding, recruiting, qualifying, and hiring very high value – sometimes very specialized – medical professionals must be, for a variety of reasons, a time consuming process.
  - But we also must try to reconcile this data with the higher average “fill ratios” we observed for the Healthcare & Life Sciences segment (see prior page).
  - One theory might be that the staffing/recruiting firm relationships (with both the hiring clients and the sought-after talent) may be more stable, committed, and “relationship-based” etc. than other segments—such as in IT or Media & Advertising & Creative—where the business relationships may be more transactional and fluid. In other words, more stable relationships for Healthcare & Life Sciences staffing might be necessary, given the more serious and complex nature of these placements.

### **CONTRACT: Time-to-Fill (# Days)**



### **PERMANENT: Time-to-Fill (# Days)**



*Data and calculations provided by InsightSquared*

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## Staffing “Recruitment Metrics” Data Analysis:

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### APPENDIX: Description of Underlying Data Set From Insight Squared

- InsightSquared, a business analytics company that specializes in providing meaningful metrics, analysis, and dashboards to several hundred staffing firms in and outside the US, drew together placement data from about 200 firms (in all, on the order of 30,000 placement cases were analyzed)
- The data represented approximately one year of placements for the 200 or so staffing/recruiting firms in the sample (date range: 5/1/2012 to 4/30/2013)
- Two variables (Fill Ratio and Time-to-Fill) were looked at across CONTRACT vs. PERMANENT hires and across the staffing segments of IT, Healthcare and Life Science, Media & Advertising & Creative, and Other.

#### Number of Placements (Sample Sizes) By Placement Type and By Staffing Industry Segment

Industry	Contract		Permanent	
	Fill Ratio	Time-to-Fill (in days)	Fill Ratio	Time-to-Fill (in days)
IT	18,862	18,862	3,862	3,642
Healthcare & Life Sciences	2,504	3,627	327	328
Media & Advertising & Creative	1,479	1,393	425	425
Other	1,098	1,098	1,492	1,492
All Segments	23,943	24,980	6,106	5,887

*Additional notes:*

- Data set also typically excluded clients who had <10 placements unless sample size was too low for the industry

## PERSPECTIVE

“You can complain because roses have thorns, or you can rejoice because thorns have roses.”

-Ziggy





Scott Gosky and Chandra Risner

Peoplelink is pleased to announce that Chandra Risner has been chosen as one of our July *Shining Star* employees. Chandra is a Customer Service Representative for 3M. She reports to the Plymouth, Indiana Peoplelink branch.

Chandra started work with Peoplelink and 3M in June of 2012. Her main job responsibility is to handle incoming customer service calls. Chandra also manages prescription safety eye wear orders placed for specific territories and accounts. From the beginning, she has been an outstanding Customer Service Representative, demonstrating strong communication skills and an ability to learn quickly. According to Chandra's Supervisor, Scott Gosky,

"Chandra works well with co-workers and management. She is one of the best contract employees I have had in my 4 years managing the Plymouth office."

While on the job, Sandra enjoys the variety of customer calls she receives and she takes pride in being a reliable resource for vendors. Outside of work, she is pursuing a post-secondary education.

Congratulations to Chandra for being one of Peoplelink's July *Shining Star* employees!

Find your shining star! Contact Peoplelink at 574.232.5400.





Amanda Rink (South Bend Branch Manager), Melody Towle (South Bend Sr. Staffing Specialist), James McNamara (South Bend branch employee), Arin Pursch (VP of HR, McCormick), Josh Burnett (HR, McCormick), Michael Calhoun (Plant Manager, McCormick)

Peoplelink is pleased to announce that James E. McNamara has been chosen as one of our July *Shining Star* employees. James is a Forklift Drive for McCormick & Company. He reports to the South Bend, Indiana Peoplelink branch.

James began working at McCormick in July of last year. As a Forklift Driver, his responsibilities include keeping production areas supplied with necessary materials, loading trucks, picking shipping orders, and putting finished goods away in the appropriate place. According to Josh Burnett of McCormick's HR Department, James is one of the best temporary employees McCormick has had in a long time.

He is very reliable, productive, and a team player. He is eager to learn and helps out in whatever work area he is at.

James is a resident of South Bend and has two sons who are currently attending Hope College. While at work, James favorite aspect of the job is his coworkers. In his spare time, he enjoys fishing.

Congratulations to James for being one of Peoplelink's July *Shining Star* employees!

Find your shining star! Contact Peoplelink at 574.232.5400.

## Congress Seeks Increase in Health Care Law's 30-Hour Threshold

By Allen Smith (SHRM)

One of the least popular definitions in the Patient Protection and Affordable Care Act should be amended, according to Sen. Susan Collins, R-Maine. On June 19, 2013, Sen. Joe Donnelly, D-Ind., and she introduced the 40 Hours Is Full Time Act of 2013 (S. 1188), which would change the law's definition of a full-time worker from one who works 30 hours to one who puts in 40 hours.

"The new health care law creates a perverse incentive for businesses to cut their employees' hours so they are no longer considered 'full time,'" Collins said. "If its definition of a full-time worker as someone who works only 30 hours a week is allowed to go into effect, millions of American workers could find their hours and their earnings, reduced. This simply doesn't make sense."

Beginning in 2015, employers with more than 50 full-time employees must provide a basic level of health insurance or face a penalty. The law defines a full-time employee as someone who works an average of at least 30 hours per week. By setting a low threshold of hours, the law was intended to cover more employers than it otherwise would and to make it harder for employers to evade the law.

But, as Collins pointed out, "Employers are baffled by this definition." They are used to overtime work kicking in once an employee has worked 40 hours in a week.



The 30-hour definition, however, is "completely contrary to our laws and the experiences employers have."

In a June 19, 2013, letter to President Obama, Collins said: "Already we have heard from employers, including small businesses, public school systems and nonprofit organizations, who are cutting employee hours and forgoing additional hiring in an effort to ensure compliance with the law. At a time when our national economy is showing modest signs of recovery, we should be working with employers to encourage additional job growth."

Collins said she knew of one company in Maine that has 47 employees and wants to hire more but won't do so because of the play-or-pay penalty. Another employer has informed her it has reduced hours from 35 to 29 a week per employee. "If more and more businesses follow suit, we'll find hours and wages reduced."

The 30-hour definition is likeliest to hurt people in occupations that do not pay much, she added.

Some want to see the law implemented before changes are made to it. But Collins doesn't think this is the appropriate response "when there is such a glaring mistake in the law."

### House Bill

And her proposal has supporters in the House, including Rep. Todd Young, R-Ind., who introduced the Save American Workers Act,

H.R. 2575 on June 28, 2013.

That bill also proposes scrapping the 30-hour workweek definition and restoring the traditional definition of a full-time employee to 40 hours a week.

"Restoring the traditional definition of a full-time employee for health coverage to 40 hours

a week will assist both employees and employers as businesses, large and small, rearrange their business models to conform to the Affordable Care Act.

The House bill has 113 co-sponsors.

## OSHA: Exit Routes Are Mandatory

By Roy Maurer

Is there a clear way out of your building in case of an emergency? Do you know where all the exits are in case your first choice is blocked or too crowded?

The U.S. Occupational Safety and Health Administration (OSHA) has issued a national memorandum on exit routes, directing inspectors to carefully examine whether employers have provided and maintained an adequate means of exit from work areas, the agency announced on June 17, 2013.

This comes after the massive fire and explosion at a Chinese poultry-processing plant in early June, in which an estimated 119 employees died. Survivors described workers struggling to reach doors that turned out to be locked or blocked.

The memo directs inspectors to determine whether an adequate number of exit routes are provided and whether those routes are unobstructed, as well as to ensure that exit doors are not locked.

OSHA described an exit route as a "continuous and unobstructed path of exit travel from any point within a workplace to a place of safety."

### Know the Number of Exits Needed

Usually, a workplace must have at least two exit routes to permit employees and visitors to promptly evacuate the building during an emergency, according to OSHA. More than two may be required, depending on the number of employees, the size of the building and the arrangement of the site. In some cases, if all employees and other occupants can exit safely during an emergency, one



exit route is acceptable. Exit routes must be located as far from each other as possible, in case one is blocked by fire or smoke.

### Free and Unobstructed

Ensure that exit routes are not obstructed by:

- Materials, equipment, locked doors or dead-end corridors.
- Decorations or signs that obscure the visibility of exit-route doors.
- Objects that could impede access to the exit route during construction, repair or alterations to a workplace.
- Explosive or highly flammable furnishings.

It cannot be stressed enough that exit doors must be unlocked from the inside. They must also be free of devices or alarms

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that could restrict their use if the device or alarm fails.

### Properly Labeled and Maintained

Exit routes and doors must be properly labeled and maintained. This includes:

- Providing adequate lighting.
- Posting signs along the exit route indicating the direction of travel to the nearest exit and exit discharge if that direction is not immediately apparent.
- Marking doors or passages along an exit route with signs, such as "Not an exit" or "Break Room," to prevent confusion as to their purpose.
- Using "Exit" signs that have large legible letters.

Additionally, OSHA strongly recommends that all employers keep a written emergency action plan in the workplace and make it available for employees to review.

## Business hiring may anticipate better economy

By Paul Davidson

The better-than-expected June job gains raise a pointed question: Why are businesses hiring so many workers in a weakening economy?

Employers added 195,000 jobs in June and a monthly average of about 200,000 so far this year, according to a Labor Department survey of establishments. That's up from 183,000 in 2012 and on pace for the strongest annual payroll increases in the four-year-old recovery.

Meanwhile, the government recently cut its estimate of the economy's first-

quarter growth to a tepid 1.8% annual rate from 2.4%. Measures of manufacturing and service-sector activity have dipped in recent months amid federal budget cuts and economic troubles overseas. Corporate sales and profits have risen only modestly this year.

Many economists expect even more anemic growth in the second quarter — 1% to 1.5%. Typically, economic growth of more than 3% is needed to generate 200,000 jobs each month.

One explanation is that the employment picture isn't as rosy as it seems. Many of the jobs created recently have been low-wage, part-time slots in industries such as retail, restaurants and hotels. Since April, payrolls have risen at a 3.1% annual rate in low-wage sectors, but at a 1.3% rate in high-wage industries, a UBS analysis shows.

Also, the number of Americans who usually work part time increased by 360,000 last month to a record 28 million, according to Labor's survey of households. The ranks of those who usually work full-time fell by 240,000. That may partly be due to businesses reducing the hours of employees and hiring more part-timers so they won't have to offer them health insurance under the Affordable Care Act.

"There are some jobs being created, but they're not high value-added jobs," says Brian Bethune, chief economist of Alpha Economic Foresights.

Yet Dean Maki, chief U.S. economist at Barclays Capital, says a preponderance of new low-wage, part-time jobs doesn't tell the whole story. He notes that average hourly wages are up 2.2% the past year — the biggest jump in the recovery.

Businesses have to hire because they can't squeeze more out of existing workers, he says. One reason is that they've been reluctant to invest in new technologies that would increase worker productivity, largely because

they're still worried about federal spending cuts and overseas economic turmoil.

Also, some companies are still making up for having laid off too many workers in the



recession and hiring too slowly early in the recovery. Thus, even a small increase in sales is forcing them to hire to catch up. Both trends — low investment in technology and catch-up

hiring — are reflected in a tepid 0.9% increase in productivity, or output per labor hour, in the year ending March 31.

JPMorgan Chief Economist Bruce Kasman has a more bullish explanation for this year's surprising job gains. He says companies are preparing for more robust economic growth late this year and in 2014 by expanding their staffs when average wages are still low.

Job gains could slow later this year as catch-up hiring peters out and productivity growth picks up, Maki says. The good news is the effects of the federal spending cuts should fade by then even as the housing rebound provides a further boost to the recovery. That should pave the way for job growth next year that rests on a more solid economic foundation.

All the money in the world doesn't lay one foot of highway, without the worker.

-Unknown

