



Insights

DECEMBER | 2022 Newsletter



Start the New Year with Management Academy

In a recent Forbes article, titled “Authenticity is Overrated: Building A More Effective Leadership Style,” it stated, “Great leaders demonstrate a keen awareness of who they are leading, where they are leading them, and what’s needed to reach that goal. That means that effective leadership depends on actions and behaviors that will help your team move in a specific direction.”

Leaders impact the work of their employees. Because of this, it’s critical they continue to re-examine their way of doing things regardless of how many years they’ve been in a leadership role.

The Management Academy is a cohort-style course designed for experienced managers who are ready to learn from and grow with colleagues who come from a diverse range of industries and professional roles. Throughout this course, participants will discuss emotional intelligence, delivering feedback, developing a highly engaged team, building a business case, and more.

The first session of the year starts on January 19. Reserve your seat today at [Archbright.com](https://www.archbright.com)!

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CEO Corner



**Shannon
Kavanaugh**

President and CEO at Archbright

The time has come to close on another terrific year serving each of you and your teams. It truly is our honor, and we appreciate getting the opportunity to do so each and every day. Thank you!

I want to take this opportunity to share some exciting Archbright news. As we studied the future workplace, we came to realize that our 29,000 square feet of physical office space was no longer the workplace of our future. As is true for many companies during the COVID-19 pandemic, Archbright had essentially transitioned our operations to be completely virtual. While we still serve our members onsite when necessary, we now can support even more of our members across the region with services that are delivered virtually and at the same excellent standard.

And so it is with this understanding, and nearly two years of testing it out, that we have launched a new workplace strategy we call Virtual +. This strategy combines the best of both worlds and offers many benefits to employees, Archbright, and members.

- It allows our teams to avoid long commutes and better blend their work/home lives with the flexibility they need. This ultimately allows us to acquire and retain the great talent you have come to expect!
- It has increased our ability to hire great talent from anywhere (literally anywhere) in the US. This has expanded the prospective talent pool available to us while allowing us to maintain full coverage in this time zone.
- We can transition some of our real estate costs to cover inflation we've been experiencing across all parts of our operation. This allows us to mitigate the extent of any price increases passed on to you.

We will still have a smaller footprint in our Georgetown location, and will hold public enrollment classes there, but we have sublet the rest of our space. And, lucky us...it will be to Archbright Member AeroTEC who takes residency at the end of this year. We are so happy to welcome them to the space we've called home for 5 years. Our mailing address will remain the same, so NO change is needed on your end.

Navigating Our Future Workplace—Virtual +

This virtual model has its nuances that all business owners should be prepared to manage through:

1. Each state, county, city comes with its own employment laws and tax implications...and it gets complicated very quickly;
2. You must have the infrastructure in place to manage performance, productivity, and expectations outside of the traditional 'walk the room' methods; and
3. Managers have to be stronger than ever and new skills may need to be developed to keep the culture alive and thriving.

We have worked through all three of these nuances and would be happy to share our learning lessons. Just reach out and let me know if you'd like to schedule some time!

In the meantime, we continue to be here in even more ways and look forward to continuing to be your go-to resource in the many years ahead. Have a wonderful end to your 2022 and hoping 2023 starts you out with a joyous bang!

Archbright Claims Team Hits Major Milestone, Achieves Over \$7 Million in Stay-At-Work Reimbursements

Stay-At-Work (SAW) is a financial incentive program offered by the Department of Labor of Industries that encourages employers to bring their injured workers quickly and safely back to light duty or transitional work by reimbursing them for some of their costs.

For members that participate in our Retrospective Rating and Archbright ReClaim programs, our claims team takes on managing their SAW submissions for them.

We are pleased to announce our claims team has reached a major milestone:

To date, we have earned \$7,019,081 in reimbursements on 2,921 claims for our members. We celebrate this accomplishment with our participating members!

In addition to this valuable service, our team also provides claims management and safety support to each of our retro and Archbright ReClaim participants. Contact us at info@archbright.com for more information.

Training for a Strong Virtual Workforce

In 2020, the world stood still, waiting for COVID-19 to pass. In 2021, workers, weary from the pandemic, slowly started to emerge, assessing the fallout and determining their next moves. With those moves came a mindset shift in how and where employees want to work. In direct response to that shift, companies have spent much of 2022 making innovative decisions to meet the demands of a post-pandemic workforce. One of the biggest decisions is when to allow virtual work over the traditional in-person routine.

Before the pandemic, only [6% of employees](#) primarily worked remotely. By the end of 2025, an estimated [22% of professional workers](#) in the United States will be working fully remotely. Companies are moving quickly and making unprecedented decisions to address this culture shift, including reducing office space and investing in technology to support virtual work. These tangible decisions are essential, but employers should consider the intangible needs of employees to ensure morale stays strong.

In a [Deloitte survey](#), corporate executives named “improving employee well-being” as one of the most important goals they hope to achieve in the short-term future. Employees are still reeling from the effects of the pandemic, experiencing an increased feeling of loneliness and a desire to do more meaningful work.

Managers are also struggling with new situations, such as holding employees accountable in a hybrid work environment. Strong communication skills are more important than ever, and empathy tops the list of skills for leaders.

Archbright University offers classes to address these key employee needs:

- [Stay Connected: Managing Virtual Teams](#)
- [Emotional Intelligence at Work](#)
- [Holding Others Accountable for Great Performance](#)

Each of these classes can be held onsite at a member location or virtually as a private team training. Registration is also open for our 2023 classes; check out the [Archbright University public training calendar](#). For more information about these or other training options, please contact your Archbright Account Executive.



Amy Bachmann | Director of Sales and Training

Upcoming Classes

For the complete course schedule, please go to [Archbright.com](https://www.archbright.com).

- December 12 - [Presentation Skills 101 \(Virtual\)](#)
- December 12 - [Conducting Effective Internal Investigations \(Virtual\)](#)
- December 19 - [Understanding Legal Issues for Supervisors and Managers \(Virtual\)](#)
- December 19 - [Managing Leaves and the Law \(Virtual\)](#)
- December 20 - [Fundamentals of Project Management \(Virtual\)](#)
- December 28 - [Leadworker Effectiveness \(Virtual\)](#)
- December 29 - [Crucial Conversations® Focused: 1-Day \(Virtual\)](#)
- December 29 - [Delegating and Setting Expectations \(Virtual\)](#)
- January 5 - [Holding Others Accountable for Great Performance \(Virtual\)](#)
- January 9 - [Writing and Delivering Performance Reviews \(Virtual\)](#)
- January 10 - [Leadworker Effectiveness \(Virtual\)](#)
- January 11, 12, & 13 - [Supervisory Skills \(Virtual\)](#)
- January 17, 18, & 19 - [Management Fundamentals \(Seattle\)](#)

Visit [Archbright.com](https://www.archbright.com) to see the rest of our Q1 2023 class schedule, all classes are open for registration!

How to Register:

Register online anytime at [Archbright.com](https://www.archbright.com).

If you are an Archbright member, you will see the pricing for your membership level once you sign in and view the class details.

Visit our website to setup an account if you need one.

If you have any questions, please contact us at **206.329.1120, 509.381.1635, or info@archbright.com.**

HR ADVICE & COUNSEL

Oregon Workplace Fairness Act

The Oregon Workplace Fairness Act (OWFA), in effect since October 1, 2020, was recently updated, and those updates will be effective on January 1, 2023. The OWFA prohibits employers from requiring language in employment agreements that forbid employees from discussing or disclosing information about discrimination and sexual assault in the workplace. The Act also requires employers to adopt a policy that contains specific harassment/discrimination provisions.

Employment Agreements | Currently, the OWFA prohibits employers from entering into an agreement with an employee or prospective employee as a condition of employment, continued employment, promotion, compensation, or the receipt of benefits, that contains a non-disclosure provision, a non-disparagement provision, or any other provision (such as a no-rehire) that prevents the employee from disclosing or discussing conduct such as unlawful discrimination or sexual assault. Conduct is covered if it occurs between employees in the workplace, at a work-related event, or off the employer's premises. However, the law allows those provisions to be in such agreements if requested by the employee, and the agreement contains a seven-day revocation period.

Required Policies | Oregon employers must adopt and provide employees with a written policy containing procedures that prevent unlawful harassment and sexual assault. Specifically, the policy must include a complaint/reporting process that identifies at least one alternate person to report complaints, a statement that advises employees to document any incidents involving discrimination, harassment, or sexual assault, an explanation of a five-year statute of limitation for pursuing legal actions, and notice that employers are prohibited from requiring or coercing an employee to enter into any agreement that includes the language described above.

Updates | The updates to OWFA expand the current statute to prohibit employers from including in agreements language that prevents the disclosure of the amount or fact of any settlement. And employers may not offer a settlement conditional upon a request to have such a provision. For example, if an employer plans to terminate an employee and provide a severance package, they cannot prohibit the employee from disclosing the amount. Additionally, the employer must provide a copy of their anti-harassment/discrimination policy with the agreement.

Good Faith Exception | These prohibitions do not apply to agreements between an employer and a former, current, or prospective employee if the employer makes a "good faith" determination that the employee has engaged in prohibited conduct. A good faith determination may be accomplished by conducting an investigation or thoroughly reviewing the circumstances surrounding the termination.

Penalties | Employers that violate this law may be required to pay a civil penalty of up to \$5,000, reinstate or hire the employee (with or without back pay), and pay attorney fees.

Mediation | Suppose an employer engages in mediation regarding unlawful discrimination or sexual assault with an employee not represented by an attorney. In that case, the mediator must provide the employee with a copy of the employer's written policy.

Next Steps | Due to these changes, Oregon employers should review their employment agreement templates, including severance agreements, to ensure they do not contain prohibited language. Employers should also ensure their harassment and discrimination policies include the provisions required by OWFA and provide those updated policies to employees.

Eligible Archbright members are encouraged to contact the HR Hotline to initiate a legal review of existing agreements. Sample templates are available in the mozzo Resource Library.



Ben Eckhart | Attorney

Washington's Salary Exemption Threshold Is Increasing: Is Your Organization Ready?

To be classified as exempt from overtime, positions must pass two tests—the “duties test,” where the job duties must meet a certain level of responsibility and autonomy, and the “salary basis test,” which is a minimum salary threshold defined by federal and state law. In Washington, that salary threshold is set to increase significantly every year until 2028, according to [an implementation schedule](#) established by Labor and Industries (L&I) in 2020.

Considering the 2023 changes to the salary basis threshold in Washington, this is an excellent time to reevaluate exempt positions and begin analyzing and planning for 2023 and beyond. Not all employers can afford to raise employee wages to stay above the threshold, so they may have to convert exempt employees to non-exempt.

Some aspects to consider when deciding whether to convert exempt employees to non-exempt include:

1. How many hours are your exempt employees working? Do they ever work after hours, even just taking a quick call or responding to emails? Remember, if they convert to non-exempt/hourly, they'll need to be paid for all this time, including overtime for hours over 40.
2. What will be the cost of increasing their exempt salary this year and in future years?
3. How will a change to exempt employees' status affect your culture and employee morale?

If you make the decision not to increase an employee's salary to meet the minimum threshold and instead convert them to non-exempt, there are recommended transitions steps, including:

1. **Select an effective date and announce it as early as possible to employees.**
2. **Inform/train employees and managers.**
 - For manager communication, explain what is changing, then train managers on how to engage with non-exempt employees and manage new practices. Managers will need to begin requiring meal and rest periods and refrain from sending emails, texts, or other means of communication after hours unless the organization is prepared to pay employees for those hours.

- Hold a meeting with the employee(s) impacted; explain what is changing and why, and answer questions. Explain that they are not owed retroactive overtime pay since they have been correctly classified but that the organization cannot raise their salary to retain the exemption status. In addition, it is the employer's responsibility to train employees on timekeeping processes and new expectations.

3. Convert the employee's salary to an hourly rate.

- Generally, this can be done by dividing the annual salary by 2080, as this represents 40 hours per week over the course of a year (40x52).
- Send the appropriate documentation to payroll, update personnel files, and/or the HR Information System (HRIS).
- Create a formal change letter, which contains the employee's new rate and position (if applicable), and provide it to the employee.

4. Check your handbook and modify it if needed. Policies should address the following topics if they do not already:

- Employment classifications definitions
- Workweek definition for purposes of calculating overtime
- Expectations for accurate timekeeping, time off, and the approval process
- When overtime is paid, and the overtime approval process
- Requirements for meal and rest breaks

5. Ensure that impacted employees receive sick time per state and local law. Washington State requires all non-exempt employees to receive one hour of sick leave for every 40 hours worked, and some cities, such as Seattle, have added requirements.

As always, the Archbright HR Advice Team and attorneys are here to assist eligible members! For help with transitioning exempt employees to non-exempt, including sample communication, contact the HR Hotline or mozzo Advisor Chat.

Katherine Kummerow | Sr. HR Advisor

The Woman, the Myth, the HR Legend: Katherine Kummerow is Retiring!

Congratulations to Senior HR Advisor Katherine Kummerow on her upcoming retirement. Over her illustrious career, Katherine has held high-level HR roles for employers in various industries, including retail, insurance, medicine, and even the Seattle Mariners! We are honored that Katherine chose to spend the last decade-plus of her career advising, teaching, and mentoring Archbright members through their most challenging HR situations. If you catch Katherine on the HR Hotline, in a mozzo chat, or teaching an Archbright University class over the next month, please join us in thanking her for her invaluable advice over the years. **Congratulations, Katherine! We wish you all the best on your new adventure!**



ARCHBRIGHT NEWS

Closing out 2022 | It's been an exciting year for Archbright! We are proud of how our teams supported our members throughout the year. Here are the highlights from each of our department leaders.

Carolyn Harvey, Vice President of Member Services:

- This year, we provided our first refund to our ReClaim members. ReClaim helps companies lower their workers' compensation premiums through proven and effective claims management and safety practices. Each year the best-performing participants receive a partial or full service fee refund (and potentially an additional bonus!) as a reward for reducing claim costs.
- The team reviewed over 175 employee handbooks for Silver and Gold members, with more in progress!

- Through the end of October, our HR Advisors responded to over 9,300 calls to the HR Hotline.
- The Archbright University Team grew the mozzo Video Training Library to over 147 microlearnings on topics such as DEI, Management, and HR.
- In response to increasing demand, our HR Consulting team grew to 14 full-time consultants this year.



Mac MacKellar-Hertan, Chief Financial Officer:

- In July, we distributed over 5.4 million to participants of our manufacturing retro group.
- With our inaugural Archbright ReClaim refund, we distributed over \$200,000 to qualifying members.
- And coming soon to members of our Wholesale, Retail, and Professional Services retro group, we will distribute over \$700,000 in refunds.



Colin Lyons, Vice President of Technology and Data:



- We developed and launched the Salary Survey feature in mozzo, which allows members to easily view the results of Archbright's Wage & Compensation Survey.
- The team is continuously improving mozzo and enhancing existing features to meet member needs. This year we added the New and Recently Updated Documents tab in the Resource Library and a Search feature in the Video Training Library.
- Partnering with the Marketing Team, we implemented a new store for Archbright.com to streamline class registration and other purchases made through the website.

Kellis Borek, General Counsel and Vice President of Labor and Legal Services:

- We reviewed and updated 250 resources for mozzo and created 30 new resources—which were downloaded over 8,000 times and viewed over 11,000 times!
- Our Content Team created and published over a dozen Compliance Alerts to keep members in the know about the latest safety and employment law updates.
- iHR completed, among other internal projects, a new employee handbook, updated policies, and Virtual + for remote multi-state work!



Natalie Roberts, Vice President of Marketing, Sales, & PMO:

- Our team reconnected with members in-person at events around the Pacific Northwest, sponsoring the WA State Employment Law and HR Conference, the NHRMA Conference, and the Governor's Industrial Safety & Health Conference.
- We were also proud to speak at or sponsor events with these organizations this year: Olympia SHRM, South Puget Sound SHRM, Greater Seattle Business Association (GSBA), Seattle SHRM, Tacoma-Pierce County Chamber, and the Seattle Metro Chamber of Commerce.
- We also partnered with our Member Services Team to successfully publish the Wage and Compensation Survey and the Benefits Plus Survey. Thank you to all members who participated this year!



Joe Marth, Director of IDEAL:

- This year, we completed our first three-year Inclusion, Diversity, Equity, Accessibility, and Leadership (IDEAL) Plan, accomplishing all the goals that were outlined for the organization.
- We continued with our successful internal meeting series "Let's Talk/We Are Listening." Held bi-weekly, these virtual sessions allow Archbright teammates to engage in meaningful conversations around important and timely DEI topics.



SAFETY & LOSS CONTROL

2023 Washington Workers' Comp Rate Adjustments

Employers in Washington have two options for workers' compensation insurance—they can either be self-insured or purchase their insurance from the Department of Labor and Industries (L&I). Most employers purchase their insurance from the state, paying their insurance premiums quarterly to L&I. Insurance rates are reviewed and set annually, with rates going into effect on January 1. While employers do have some ability to control their insurance premium costs, Washington's base insurance rates are determined each year by L&I.

For 2023, L&I has announced an average 4.8% increase to base insurance rates. On average, this increase represents an additional \$61 per year in insurance for each full-time employee. While wage inflation and ever-increasing medical costs are the biggest factors contributing to this increase, it is also important to note that rate adjustments differ by risk classification. Risk classification is a method used by L&I to group work with similar characteristics, setting insurance rates for an entire industry. Each risk class is assigned a base insurance rate determined by how hazardous the work is. For instance, office work has a lower rate than forestry work. L&I then adjusts the base rates up or down for each risk class annually after reviewing historical costs associated with each class in the state fund. For example, effective January 1, 2023, risk class 3405 (Precision Machined Parts and Products) will have a 1% rate reduction, while risk class 3404 (Metal Goods Manufacturing) will increase by 14%. The changes to all risk classes state-wide represent the overall 4.8% increase.

To read more about the rate change and what you can do now to prepare, read the full article on our [blog](#).



Eric Wood | Loss Control Analyst II

Staying Ahead of Cold Weather Injuries

Cold weather can be more than uncomfortable; prolonged exposure can lead to severe illness. As the darker, wet, and often chilly months approach in the Pacific Northwest, employers should be aware that employees working outside in cold temperatures for prolonged periods are at risk of cold stress. Employees and supervisors should receive training to recognize and respond to cold stress-related health emergencies.

Types of Cold-Related Illnesses

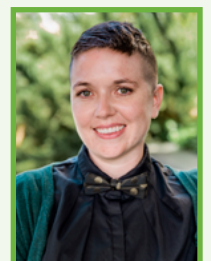
Chilblains are a rash-like condition resulting from exposure to cold and wet environments and can occur in as little as one hour. Symptoms include swelling, tenderness, and pain, as well as either redness or darkening of the skin.

Trench foot is an injury that can occur with extended exposure to wet and cool conditions. Because wet feet lose heat 25-times faster than dry feet, the body tries to constrict circulation to the feet to prevent heat loss. When this happens, skin tissue begins to die. Symptoms include redness and numb feet, leg cramps, swelling and painful tingling, blisters, and eventually gangrene which is tissue death. With extended exposure, trench foot can occur when temperatures are as high as 60°F.

Frostbite occurs when body tissue freezes. Symptoms include reduced blood flow, numbness and tingling, stinging sensations, and blue or pale waxy skin. If left untreated, frostbite can lead to amputation of the affected body part.

Hypothermia is an illness that occurs when the body loses heat faster than it can be produced, resulting in a dangerously low body temperature. It can also impact the brain, causing confusion and loss of coordination. Early symptoms include shivering and fatigue, while late symptoms include bluish skin, dilated pupils, slowed pulse, and unconsciousness.

For more tips on keeping your employees safe in cold weather and prevent cold-related illnesses, read the full article on our [blog](#).



Nichole May | Safety Consultant I

mozzo MONTHLY UPDATES

What's New in the Video Training Library

Safety Track

- [Hazardous Energy Control for Authorized Employees Part 3](#) (7:38): In the second video of this series, you learned about lockout/tagout, when to use it, what it involves, and the basic procedures for machine de-energization and re-energization. In this microlearning, we will dive a bit deeper into some guidelines to help you use lockout/tagout safely, including lockout/tagout handovers and some exceptions to the rules. Go to the Safety Track to access Parts 1 and 2.

HR Fundamentals Track

- [Employer's Guide to Discipline](#) (5:35): While it is never fun to issue discipline, the negative consequences of poor performance or bad behavior can eventually outweigh any short-term discomfort. In this microlearning, we'll review common steps in the discipline process, along with best practices for employers to follow.

Workers' Comp Claims Management Track

- [The Life of a Claim in Washington State](#) (5:25): What happens after a worker is injured and a workers' compensation claim is filed? This course walks through the sequence of events for workers' compensation claims in Washington State, helping ensure that employers and workers know what to expect.

Management Track

- [Virtual Meetings](#) (4:27): For many organizations, the transition to remote work has brought with it numerous benefits, such as reduced costs and larger talent pools. But many aspects of remote work, especially virtual meetings, require extra work and planning to be successful. This microlearning explores some helpful tips for making the most out of your own virtual meetings.

You can assign and share these trainings with learners in mozzo. If you need additional learner seats, contact your Account Executive or info@archbright.com.



Consumer Price Index

US Cities Average—October 2022

CPI-W: 293.003 + 0.394% (1 month change) + 7.899% (1 year change)
CPI-U: 298.012 + 0.406% (1 month change) + 7.708% (1 year change)

Seattle/Tacoma/Bellevue—September/October 2022

CPI-W: 325.897 + 1.002% (bimonthly change) + 9.408% (1 year change)
CPI-U: 330.173 + 1.033% (bimonthly change) + 8.932% (1 year change)

1982-84 Base; CPI-U = Urban Consumers; CPI-W = Wage Earners & Clerical Workers

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Email us at info@archbright.com.

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We welcome your comments and suggestions.

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