

An Analysis of the Industry Outlook for the Human Resources Field

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### Framework

In a recent article in the Utah Business Journal, multiple human resources professionals are interviewed concerning their opinions on the current trends in the human resource industry. The individuals, many of whom have spent many years in the human resources profession, share many valuable insights on a broad range of topics relating to this field. These topics include everything from the new healthcare law, legal compliance issues, and how the global debt crisis is affecting their organizations (Human Resources, 2012).

### Major Points

The first major issue that is addressed is that of the current global debt crisis and how that affects work done in human resource management. The interviewees universally condemned the deleterious effects the debt crisis has on many levels of the business. The first issue brought up with regards to the debt crisis is that of retirement. Pensions are largely becoming a relic of the past. 401K plans are increasing being scaled back, specifically concerning the employer's matching contribution (Human Resources, 2012).

Continuing with the debt crisis, it is causing older employees to be more wary of retirement, and causing them to retire at later ages. This restricts the hiring of newer employees negatively impacting younger employees, particularly those just graduating from college. This prevents new ideas from entering the marketplace, and means that new college graduates are accepting ten dollar an hour jobs just to have some kind of employment (Human Resources, 2012).

Another area that the interviewer focuses on is healthcare, the new healthcare law, and how companies are adapting and managing costs. Universally, the interviewees agree that healthcare costs are rising. An increased focus on employee wellness- programs that advocate healthy habits and preventative exams- are also something being increasingly implemented. The new healthcare law is a

major question mark for many of these firms. Brian Lee, from the company Performance Progression, talks about what a firm that he is currently working with plans on doing. This firm has calculated the penalty tax for not providing healthcare to its workers, and has decided they can save hundreds of thousands a year by paying the tax instead of offering healthcare (Human Resources, 2012).

Concerning legal compliance, the interviewees mention a shift from compliance enforcement of proper overtime pay to an increased focus on ensuring unemployment benefits are being handled correctly. There is a sad irony to this new focus, and reflective of the still high unemployment figures in this country (Human Resources, 2012).

With regards to legal compliance, the E-Verify program, a software program designed to check if an employee has the correct legal documents to work in the United States, must legally be utilized by every company. The interviewees speak about experiencing difficulty in some fields to hire enough workers with the more scrutinizing methods. In addition, with a bleaker jobs market in the United States, foreigners did not apply for H1B visas as quickly this past year. These visas allow an individual with specialized skills in areas like engineering or mathematics to work in the United States. This slowdown in applications affects engineering firms particularly hard (Human Resources, 2012).

Finally, the interviewees discuss whether the human resources role is becoming more or less significant in the organization. One professional states the HR department is often the first to go and the last to be hired when it comes to a recession. The majority of the interviewees, however, spoke of the increased need for human resources, especially with regard to compliance issues. In addition, they speak of a role broader than ever before for the human resources professional (Human Resources, 2012).

#### Methodology and Epistemology

The article asks several questions of the participants, and gives them all a chance to answer. The interviewees range from being part of large, multinational firms to smaller firms with as few as 180 employees.

### Quality and Utility

The information in the article is very timely and pertinent. It is personally useful, as it reflects some of the challenges that I will face when I attempt to move on to a new position after Verizon Wireless. The many baby boomers who are staying in the workplace rather than retiring will certainly affect my generation and I in our quest to find fulfilling, lifestyle-supporting careers. In addition, the new healthcare law may make it more difficult for all of us to find affordable, quality healthcare in the future.

### Conclusion

Overall I really enjoyed the article and felt like I took away a lot. While our textbook is informative, oftentimes it is more theoretical in nature. It was nice to hear from real human resources professionals, including their concerns and perceived opportunities in the future.

I think the implementation of wellness programs is certainly a good initiative to control costs. As Hardy points out, "Employees with four lifestyle risk factors- obesity, physical inactivity, lousy diets, smoking and high alcohol intake- report 50 per cent more absences from work than those without these risk factors" (2013, p.44).

Interesting too is the shift of the legal compliance aspect of human resources. As the interviewees stated, more attention is now being turned to unemployment fraud enforcement and away from other issues such as overtime pay. Unemployment fraud includes things like paying individuals under the table to avoid unemployment taxes, paying employees who are submitting unemployment claims, and purposely categorizing employees as independent contractors (Depriest, 2012). This is another example of the constantly shifting landscape of the human resource industry.

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