More than Reasonably Priced Furniture: The Ikea Effect

You may shudder recalling the last time you ordered something online, and it arrived in individual boxes with a lengthy set of instructions and an Allen wrench. Believe it or not, a team of Harvard researchers conducted a study on products that involve a do-it-yourself component. You may wonder why a top university would spend time investigating a chain retailer known for selling cabinets, throw pillows and meatballs at a reasonable price. The research team led by Michael Norton tested the hypothesis that individuals would rate the value of a product higher if they were involved in creating it. The study confirmed that individuals valued their self-made creations more than similar products they did not assemble. This behavior has been dubbed the "Ikea effect" and applies to more than just furniture. How can managers apply this information to maximize employee engagement?

Some managers hesitate to delegate because they can do the task faster on their own; a decision that hurts both the manager and employee. The data suggest a product is valued more when you play a role in building it. Using this same thought process, managers should look for more opportunities to get employees involved. Instead of passing over a polished project plan for your employee to execute, ask for their help earlier in the planning process. For example, can you ask an employee to take a stab at putting the project plan together? Employees' buy-in will increase since they are involved in determining the appropriate activities and goals. Additionally, these stretch assignments will prepare them to take on increasingly more difficult responsibilities with a strong sense of ownership. And don't we all want employees who are proud of their contributions?

You can apply this same framework to an employee development plan. Some managers identify activities or learning opportunities without including their direct report in the conversation. Although your staff may appreciate this straightforward approach, it may backfire. Your employees may assume their development is entirely in your hands as their manager. It encourages a "wait and see" mentality. Instead, ask your employees to be active participants in the development planning process. For example, ask them to create a first draft of their development plan and reconvene to discuss the results. This has the added benefit of giving employees the chance to insert areas of interest you may not be aware of and provides you with a starting point. Remember, you can still provide guidance and support while empowering employees to own their development.

The "Ikea effect" suggests that adding a little bit of "elbow grease" to a project leads to an increased sense of pride in the outcome. While the goal of this exercise may be to inspire ownership in your employees, it is an opportunity for both of you. After all, no one likes to work for a "micro-manager" who looks over your shoulder and tells you exactly what to do. And while your employees are challenged to get more involved in the projects they are working on, their competency and pride will grow as well.

Employee Assistance Program Myths Debunked

Does this sound familiar? You receive an email from your HR department reminding you of access to the Employee Assistance Program (EAP) and without thinking twice, you hit delete. It sounds confusing, and heck, you have medical benefits so why bother?

While Employee Assistance Programs have been around since the '40s, they are often misunderstood. As a result, employees miss out on free benefits and guidance. Think of the modern EAP as free, short-term intervention services aimed at addressing personal or work-related problems. EAPs offer services such as assessments, short-term counseling, referrals, and follow-up services. The premise behind the EAP model is that employees are healthier and happier when they have support to manage issues both in and out of the office.

Let's break down some common EAP myths so you know why this benefit is something to remember.

1. **"EAPs only offer counseling services."** Yes, the original EAP model was structured around supporting employees with alcohol or drug addiction. But today's EAPs offer so much more! Approximately one-third of the calls EAPs receive are about legal or financial matters. And while services vary, EAPs offer support ranging from buying a house to marriage counseling to finding elder care. So, don't think of EAPs as a one-trick pony. There are plenty of options for support outside of addiction or mental health counseling.
2. **"EAPs are not confidential."** Some employees think they need to be referred by their company to use the EAP. This may hold them back from using services because they don't want to share personal information with their manager or colleague. Truth be told,

you can reach out to your EAP without any prior approval and expect confidential services. EAPs are most often outsourced to a third party to ensure this confidentiality. Furthermore, the EAP does not report back on individual employee usage so you can speak openly without fear of retribution. The only case where confidentiality cannot be maintained is when there is an immediate threat to you or another person.

3. **"EAPs are unnecessary if you have healthcare benefits."** Wrong! This is where bargain shoppers' ears should perk up. Some of the services offered through an EAP come with a lower price tag than your medical insurance, which means more money back in your pocket. For example, most EAP services come with a pre-determined number of counseling sessions free of charge. These services are not filed through your medical insurance (read: no co-pay).

It is worth your while to consider using your company's EAP next time you need help. To get details on your EAP options, reach out to your Human Resources representative for more details.

At the Corner of Diversity and Talent

When thinking of increasing diversity at work, recruiters may target applicants from a specific group or "candidate pool." For example, a financial services firm may create a "Women in Finance" program for high school students to attract female candidates to their private wealth practice. This approach has shown to be successful in addressing one group of underrepresented candidates. That being said, future-thinking employers will need to address gaps that overlap multiple variables. Modern organizations should expand their diversity efforts to include intersectionality in order to build truly diverse teams that encourage employees to bring their full selves to work.

Intersection-what? Intersectionality is defined as the complex way in which the effects of different forms of discrimination (such as racism, sexism, and classism) combine or overlap, especially in the experiences of marginalized people or groups. While diversity seeks representation of different groups of people, intersectionality looks at the unique challenges and experiences of individuals who are impacted by multiple elements. For example, 50-year-old women may experience unique challenges by being both female (sexism) and over the age of 40 (ageism). If you are a visual learner, imagine the unique challenges that result when two (or more) streets meet at an intersection – a driver needs to juggle the potential threats coming from multiple directions and the rules of the road may be different.

We are all complex humans whose lives are influenced by more than one identifying factor (think: gender, race, age, class, sexual orientation, etc.). Take a few minutes to think through the attributes that have influenced your identity to date. How would you describe yourself to others to give them a full picture? With what groups of people do you identify? Likely your list will include several characteristics. For example, you may define yourself as being both a mother (gender) and the youngest among your siblings (age). You may associate yourself with a religion or a particular city. How many times have you heard someone describe themselves as a “true (fill in the city) person?”

Why is it important to understand intersectionality? The first step in solving any problem is to recognize there is one. In this case, certain individuals are double-challenged – fighting an uphill battle based on multiple identifying factors which may put them at a disadvantage in the workplace. The second step in problem solving is to give the issue a name so it can be described in a way others understand. Then, you can jump into the fun part—solving for your organization!

A few ideas to get started:

1. Dig harder into your employee/candidate data! If you are only looking at one characteristic at a time in your employee data, you may be overlooking an even bigger gap in employees who overlap two disadvantaged groups.
2. Design your recruitment process for the most underrepresented party. This technique will continue to draw from the larger pool while also encouraging individuals from the underrepresented group.
3. Bring your [whole self](#) to work. Statistics show that individuals from minority groups hide parts of their identity at work more than others. Your example makes a huge impact as a leader and colleague.

Now that you have added intersectionality to your lexicon, you will likely notice it more – in the news and as a topic among your talent community. And you can now be the person who explains it to friends, family, and colleagues.

SMART Goal Revamp

January brings chilly winds from the north and often marks the beginning of a new fiscal year for many in corporate America. Some use this month to prepare annual employee goals. The business climate caused by the COVID-19 pandemic in 2020 forced many companies to decide overnight how to proceed with evaluating goals in the middle of a crisis. Companies addressed this issue on the fly but have time this year to consider how to handle future goal setting with grace. It is worthwhile to evaluate your current goal setting process for 2021 to ensure your company has the flexibility to make rapid changes if the situation arises.

SMART goals have commonly been used to set thoughtful goals. The acronym helps an employee prepare thorough objectives by making sure they meet these criteria: specific, measurable, achievable, relevant and time bound. What the tool does not account for are the massive fluctuations seen in many industries in a year like 2020. It may be more meaningful to alter this formula, so that "A" stands for "Adaptable."

An employee does not lose any meaningful content by using this new and improved SMART format. In theory, a SMART goal that meets the relevant condition would also be achievable. The goal writer is just including a little wiggle room to reevaluate goals throughout the year without an adverse effect on their performance. This can be best achieved by employees and managers meeting quarterly to review and address any relevant changes to goals. As additional food for thought, this may also be an opportunity for companies to evaluate whether they want to tie goal metrics to specific compensation or bonus structures – a practice that may be adversely affecting business development or sales teams.

Adaptable goals allow for changes outside of the business realm as well. Employee mental health has been called into the spotlight this year as companies strive to keep employees engaged. Companies are looking for ways to build virtual cultures and getting more involved in supporting an employee's multifaceted life – one that may include family or parental care, teaching duties, or increased isolation. Would your company be open to allowing goal adjustments for an individual who was dealing with a sick child? Or a parent who adjusted their schedule so they could double up as a teacher in the morning? Adaptable goals are built to experience the ups and downs of an employee's life.

A company commitment to adaptable goals tells employees that you value them as a whole person – not just the part that provides benefit to the business. This tells employees you want to involve them in this conversation moving forward and stay connected. Being transparent says a lot at a time when many are feeling job insecure with the U.S. unemployment rate rising.

Employer Webinar

COVID-19 Compliance Considerations for Group Health Plans in 2021

Tuesday, January 12, 2021 • 2:00 p.m. ET / 11:00 a.m. PT

Due to the COVID-19 pandemic, Congress has issued legislation affecting group health plan requirements and the Department of Labor (DOL), Department of Health and Human Services (HHS), and Internal Revenue Service (IRS) have issued guidance on requirements for group health plans as well as permissive changes group health plans may implement.

This webinar will help employers understand their group health plan compliance obligations regarding COVID-19 as well as permissive changes and relief that employers may implement going forward.

- Describe the group health plan coverage requirements under the Families First Coronavirus Response Act (FFCRA) as amended by the Coronavirus Aid, Relief, and

Economic Security (CARES) Act and the prohibition on cost sharing for COVID diagnostic testing and qualifying coronavirus preventive services

- Describe how long group health plans must comply with the FFCRA coverage requirements for COVID diagnostic testing and qualifying coronavirus preventive services
- Describe how health savings account (HSA)-eligible high deductible health plans (HDHPs) may cover telehealth services without meeting the deductible and the status of telehealth services as non-disqualifying coverage for HSAs
- Describe the ability of account-based plans to reimburse over-the-counter medicines and drugs and female sanitary products as qualified medical expenses
- Provide an overview of the deadline extensions under the DOL and IRS final rule applicable to COBRA, HIPAA special enrollment, and ERISA claims and appeals
- Describe the relief that is available under the Employee Benefits Security Administration (EBSA) Disaster Relief Notice from the deadlines to provide certain ERISA notices and disclosures
- Describe how employers may handle wellness program rewards when participants are having difficulty meeting the standards due to COVID
- Provide an overview of document amendments employers should consider making due to COVID, including amendments to the plan document/SPD, SBC, cafeteria plans, and COBRA notices

This 60-minute intermediate level webinar will provide employers with an overview of the compliance requirements for group health plans regarding COVID-19 as well as permissive changes and relief available to employers in 2021.

Register here for the webinar. The presentation will be posted on the UBA Website the afternoon before the webinar.

PRESENTER

Lorie Maring is a partner in the Atlanta office and a member of the Employee Benefits Practice Group. She has extensive experience in all areas of employee benefits, including health and welfare programs, qualified and non-qualified retirement plans and executive compensation. She routinely advises employers, including non-profit and government employers, trade associations and employee benefit insurance and risk management consultants on the complex compliance and day-to-day issues arising under ERISA and other state and federal laws governing employee benefit plans and programs.

Certification

This webinar has been submitted to the Human Resource Certification Institute and the Society for Human Resource Management to qualify for 1 recertification credit hour.