



# Monthly Strategies

HR Strategies, LLC

Volume 20, Issue 5  
May 1, 2023

## ***Delaware is the 22nd State to Legalize Recreational Marijuana***

House Bill 1 and House Bill 2 are two pieces of legislation which remove all state-level civil and criminal penalties from simple marijuana possession and create a highly regulated industry to conduct recreational marijuana sales in Delaware. This does not mean that employees can show up to work under the influence of marijuana just as they cannot show up under the influence of alcohol, which is also legal.

### **What makes a good drug policy?**

Studies show drug testing works; employees are three times less likely to produce a positive test result if they know they will be tested. An expanded testing panel that also includes the most commonly misused prescription drugs may better protect your workforce. An employer policy also should include:

- Proper management training to make managers more likely to enforce the policy
- Access to support for employees with drug problems, which can range from a formal assistance program to a referral to local resources
- Clearly defined use and possession parameters for employees
- Established rules for post-accident testing
- Rules on how you will handle an employee's conviction or arrest

A drug policy must be very specific and supported by workplace procedures to reduce the chance of litigation. Drug policy and workplace procedures should be reviewed by a lawyer to ensure they comply with state laws. Policies must be updated frequently to keep up with changing laws and attitudes. ***The health and safety of your workforce depends on it.***

## ***Workers Want to Talk About Salary—Here's Why Employers Should, Too***

Maybe you've seen #ShareYourSalary trending. What started out as a hashtag will continue to become the law in yet other U.S. states.

Last November, New York employers became required to post the maximum and minimum salary for roles. Advocates say the benefits are multifold: applicants know what's on the table, employers save resources by interviewing only the candidates within their budget and

salary transparency can help combat disparities in how people are paid.

But for employers, coming to terms with pay transparency isn't always so easy. Here are some key obstacles and insights on how to overcome them.

**Overcoming A Cultural Taboo** - In American culture, talking about money has long been considered poor etiquette. Some employers have outlawed the topic completely in the workplace: Over half of U.S. workers are subject to pay secrecy.

The reasons for this taboo are complex, ranging from concerns around privacy to fears of sowing discord among coworkers. Nonetheless, new research shows that among employees themselves, pay transparency right now isn't just a perk but a workplace essential.

A human resources analytics company surveyed 1,000 workers and found that the majority of employees want some form of pay transparency, and 68% said they'd switch to a more transparent employer—even for the same wage.

For employers, it may well pay to start listening. The "Great Resignation" has made attracting and retaining top talent harder than ever. DEI efforts have rightly focused attention on pay disparities due to gender, race and other factors. Meanwhile, rising inflation has sparked the greatest wage increase in the U.S. since 2008, and remote work has brought questions of geographic-based pay to the fore.

Like it or not, the compensation conversation is changing, and companies unable to open up may well be left behind.

**Transparency Isn't One-Size-Fits-All** - For companies exploring greater pay transparency, it's worth bearing several key factors in mind. The first is that "transparency" isn't a one-size-fits-all solution. It can mean different things in different contexts, and it should be tailored to the needs of your workforce.

For instance, research shows that while it's clear employees want some form of transparency, only 32% of workers said they wanted to see total transparency. Meanwhile, 89% of Gen-Zers say they're at ease talking about pay, compared to just 53% of baby boomers.

In other words, finding the right degree of transparency around compensation is a balancing act. Too little transparency can mean losing top talent, whereas too

much disclosure can alienate certain segments of your personnel. Above all, getting this right requires gauging your workforce's expectations and what motivates them.

For some companies, it may be enough to post a salary range for each role that candidates and employees can view online. Some businesses may choose to go even further and outline their policies for determining compensation and raises. Social media management platform Buffer has made headlines for its radical transparency (paywall): The company publishes employee salaries online, including the CEO's earnings.

Though Buffer's approach may not work for everyone, transparency around pay is increasingly imperative across sectors and age groups. Yet there's one critical step that must come before transparency: education.

### **Creating A Compensation Education System -**

Education in the context of pay transparency comes in two stages. First, businesses and their leaders need to educate themselves. It's critical for companies to root their pay scales in concrete, actionable data. This is where far too many employers fall short, largely because the equation is complex. How much to weigh experience and education? What about pay for comparable roles at other companies? To what extent should geography factor in? How do you prioritize management versus individual contributors? Should roles be paid equally even though they solve different problems? Where do questions about DEI come into play?

This is something a simple spreadsheet can't capture. Fortunately, increasingly sophisticated algorithms, powered by AI and machine learning, now offer a nuanced comparison between external sources and internal data to create a fair assessment of pay equity within the organization.

Once an equitable framework or model is developed, the next step is ensuring that employees themselves are educated. The greatest misstep that I see companies make is sharing salary information without providing adequate context—a surefire way to spread animosity and second-guessing. It's important that employees have insight into the underlying thought process. Dedicated training sessions on how compensation decisions are made can give employees insight and give them a frame of reference.

These sessions also serve double duty—they bring the discussion of pay into the light and help shed lingering taboos. Data has revealed one in every 10 respondents had had a negative experience discussing pay with their employer. Women and younger workers, in particular, feel less knowledgeable about how compensation decisions are made and who makes them.

This can have a chilling effect that can backfire on employers: For example, research shows women are less likely to negotiate salary and are less successful when they do negotiate.

There is a critical caveat to this entire discussion: Pay isn't everything. It's just one of several levers, including a sense of purpose and day-to-day employee experience, that employers can move to attract and retain great teams.

Nonetheless, employers must remember how transparency (or lack thereof) impacts their workforce. Research suggests that more clarity around pay decisions and practices positively impacts retention, attraction and equity within an organization. The benefits ultimately flow in both directions—empowering employees while putting employers in a better position to succeed.

### ***Annual Drug and Alcohol Awareness and Reasonable Suspicion Testing Training Requirements***

In 2019 the Alcohol and Drug Testing of Employees of General Contractors and Subcontractors working on County Public Works Projects and Worksites became effective. The New Castle County ordinance specifically addresses the requirements for General Contractors and Subcontractors to maintain a mandatory alcohol and drug testing program to include Initial Drug Testing, Random Drug Testing, Reasonable Suspicion Testing, Owner-Initiated Testing, Accident-Triggered Testing, Return-to-Duty Testing and Additional Testing Protocol. The ordinance mandates procedures for alcohol and drug testing documentation; consequences of a positive test result; contractor and subcontractor certification of compliance; penalties; confidential records; and **annual training requirements for employees and reasonable suspicion training for supervisors.**

### ***Delaware Anti-Sexual Harassment Law Training Requirements***

The Delaware law that specifically addresses prohibition against sexual harassment under the Delaware Discrimination in Employment Act (DDEA), requires anti-sexual harassment training requirements for employers, with 50 or more employees in the state, every two years.

Contact HR Strategies to schedule your organization's required training or schedule individual employees for a live upcoming online interactive class.

**Contact HR Strategies staff at 302.376.8595 or [info@hrstrategies.org](mailto:info@hrstrategies.org) if you would like support or would like to learn more about the items in this newsletter.**