

## Human Resources

Committee Salt Lake City, UT July 2011



# Current News

Update



## Lets Talk About Overtime "Exempt" Status for

Estimators...



## Remember this slide?

### Compare with a <u>Dealership</u> <u>Mechanical Service Writer</u>

#### The current Federal Regulations say:

"Employees variously described as service manager, service writer, service advisor, or service salesman who are not themselves primarily engaged in the work of a salesman ... are not exempt under section 13(b)(10)."

29 C.F.R. Sec. 779.372(c)(4)



## Remember this slide?

### Compare with a <u>Dealership</u> <u>Mechanical Service Writer</u>

However, four different federal courts have held that they are exempt and as a result, the U.S DOL now says:

"... [the Wage and Hour Division] will no longer deny the [overtime] exemption for such employees."

F.O.H. 24L04(k)



#### **News Flash** U.S. Dept. of Labor recently announced that they **will not** consider service advisors (and presumably estimators) exempt from overtin under the salesperson exemption

- Don't Panic! This *probably* is not a big deal for your shop...
- Make sure you are using the <u>commission exemption</u> This is a <u>different exemption</u> under federal law (FLSA).

#### RULE:

- 1. More than  $\frac{1}{2}$  of earnings from commissions.
- 2. At least 1.5 times minimum wage for every hour actually worked (are you keeping accurate time records?)
- 3. Primarily involved in <u>sales</u> Pay Plan Updates?



## Back to Basics!!!

## Pros and Cons of Fighting Unemployment Claims





Hiring Step 1

**DEFINE HIRING** 

## **CRITERIA**

Who are you looking for?







**Completes** 

an Application!





Rules for accepting Applications

The "15-Second Screening"

- Is it complete?
  - No blanks
  - All questions answered
- Is it **signed**?

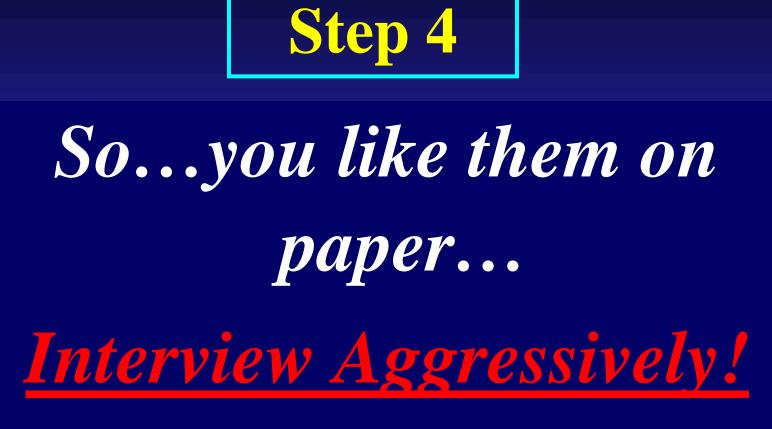




#### The "20-Minute Screening"

- Do they have the qualifications for the job?
- Look for "trouble signs" on the application.





Hiring

San Francisco Bay Area • Long Beach • San Diego



## Interview "Dos" and "Don'ts": DO follow the

#### **Interview Guidelines**

• **DO** interview with a Purpose!

- **DO NOT** ask about "protected" classifications
- **DO** ask who, what, when, and where questions
- **DO NOT** write on the Application
- **DO** use 80/20 rule
- **DO NOT** hire "on the spot"
- **DO** look for signs of drug or alcohol abuse





*OK*...

they sold you...

What do others have to say

about them?

Check those references!!!



**Types of Background Checks** Drug testing Credit checks Criminal background checks DMV checks



But all that takes a lot of time...!

- Do you have the time to replace a "bad hire"?
- How much time do you spend dealing with problem employees?

"Bad hires" are MUCH more likely to sue you – do you have the time (and \$\$\$) to deal with a lawsuit? Thank You! Human Resources Committee

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