



GRAHAM ADVISOR

VOLUME X, ISSUE 1: Q1, 2018

INSURANCE BROKERS & CONSULTANTS
PHILADELPHIA • NEW YORK • WASHINGTON, DC

EXECUTIVE ANNOUNCEMENTS

Graham Company has again made the annual list of the *Best Places to Work in Pennsylvania*! Ranked #3 on the list of medium-sized companies, organizations are selected based on a review of workplace policies, practices and philosophies, as well as an employee survey measuring satisfaction. We are proud of our dedicated employees for this outstanding recognition.

Bill Graham was recently honored by the *Philadelphia Business Journal* as one of the region's Most Admired CEOs at an event at the Ritz-Carlton. Bill, along with 19 other outstanding leaders, was selected based on his professional accomplishments and commitment to his family, colleagues and friends. Bill works tirelessly to position the Graham Company for future growth and success while also taking the time to develop the next set of great leaders. While accepting the award, Bill noted that success is never a solo endeavor, crediting all the talent professionals at Graham for their daily contributions to upholding the company's standard of excellence.

ACTIONS MATTER.®





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NOTES FROM THE PLAYBOOK

2017 WAS AN EXCITING YEAR FOR GRAHAM COMPANY.

We became 100% employee-owned in order to create a structure that will allow us to remain private for the foreseeable future and therefore help us retain and attract top talent. In July, we announced a series of promotions that further strengthen our leadership ranks and sets a path to sustained excellence.

We also refreshed our brand in order to continue to grow and keep pace with the ever-evolving business world around us. While many familiar elements remain

untouched, we're excited about the new energy that has been infused into our brand. Notably, our updated website (grahamco.com) is more user-friendly and better reflects who we are and what we stand for. We hope the site can serve as a destination for you to find expert advice on the topics most important to your business.

At Graham, we are always looking for ways to improve and strengthen our growing business. Although this brand

refresh is one of the more noticeable changes, we will always remain the same company, committed to serving the needs of our clients and putting their interests above our own.



MIKE MITCHELL
Vice Chairman

GRAHAM SIGHTINGS

Experts in the News



Mike Mitchell
on creating sustainable growth with surety bonds.



Bill Graham
was named one of the region's Most Admired CEOs



Ian Mitchell
and **Christa Solfanelli**
discuss indemnity statutes.



Ryan Scannell
on the importance of Contractor's Equipment Insurance.

CONSTRUCTION

Jim Marquet
on the benefits of BIM-driven prefabrication.

RISK MATTERS BLOG

From new employee safety on construction sites to understanding rental income loss coverage, our experts discuss managing risk and industry trends affecting your business on our Risk Matters Blog.

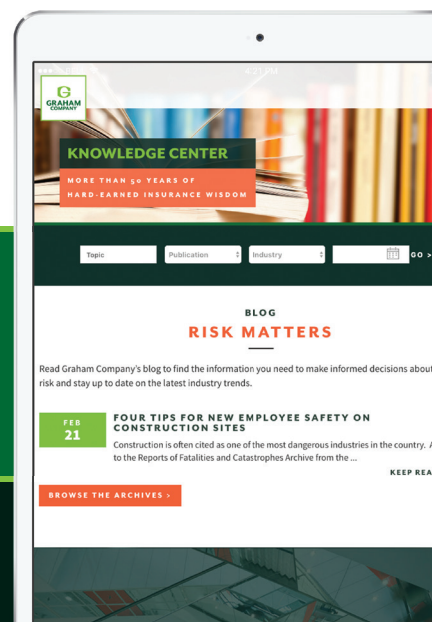
To read more, visit grahamco.com/knowledge-center.

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HEALTHCARE RISK FORUM

CANNABIZ: THE EFFECTS OF MARIJUANA ON YOUR BUSINESS

The Forum's group of experts will help steer your company through the uncertainty and confusion of how medical cannabis will affect your business.



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TREND REPORT

THE IMPORTANT DIFFERENCE BETWEEN EMPLOYEE SATISFACTION AND EMPLOYEE ENGAGEMENT



CARL BLOOMFIELD
AAI, Managing Director



BETTE McNEE
*RN, NHA,
Clinical Risk Management Consultant*

For years, healthcare organizations have dedicated time and resources to improve employee satisfaction. And, for good reason – according to a recent report by The Conference Board, less than half of people in the U.S. workforce are satisfied with their jobs. Poor employee satisfaction can cause low workplace morale – and, it can result in decreased employee engagement.

There is much debate about the difference between employee satisfaction and employee engagement. Employee engagement is a newer term that has been adopted by human resources professionals over the last several years – but how does it differ from employee satisfaction? How are they linked? Is one more important than another?

According to an ADP white paper, employee satisfaction is defined as, “a measurement of an employee’s “happiness” with current job and conditions; it does not measure how much effort the employee is willing to expend.” Satisfaction could pertain to an employee’s feelings about their specific role, organizational management, compensation, benefits and more.

The same white paper defines employee engagement as, “a measurement of an employee’s emotional commitment to an organization; it takes into account the amount of discretionary effort an employee expends on behalf of the organization.” Engaged employees are willing to go above and beyond to improve productivity and exceed business objectives.

ADP notes that satisfaction and engagement are different but related measurements – which is important to keep in mind, especially for healthcare organizations. Both low satisfaction and low engagement can impact morale and result in costly high turnover. But, it is low engagement that can most severely impact a healthcare organization’s bottom line and the safety of its staff and patients.

Strategies to Improve Satisfaction

A deflated workplace culture as a result of poor employee satisfaction will almost always end in turnover. A high turnover

rate in any organization is not only inconvenient, but can be a significant expenditure. The Center for American Progress estimates that replacing a single employee costs approximately 20 percent of their annual salary. In addition, organizations

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will need to bear the costs associated with the recruitment and training of their replacement and will face a loss in knowledge and expertise that will take time to remedy.

To help ensure that satisfaction remains high, human resources professionals must look beyond standard compensation increases. Consider reviewing benefits packages – do the benefits offered make sense for the workforce? Perhaps additional benefits such as retirement savings plans or student loan repayment options will make employees feel more valued. Planned offsite events can also help to improve employee relations and create a positive work environment. Further, organizations can implement company-wide professional development initiatives or offer leadership training opportunities to prove to employees that they are investing in their future and want to see them grow within the organization.

Engagement and the Bottom Line

When it comes to engagement, the potential negative impact is even greater. The Queen’s School of Business and the Gallup Organization estimate that disengaged workers have 37 percent higher absenteeism and 18 percent lower productivity. Disengagement can also put a business at risk for a higher rate of workplace incidents. Organizations that reported low employee engagement experienced 49 percent more accidents and 60 percent more errors. Disengaged workforces contributed to their companies experiencing 16 percent lower profitability and 65 percent lower share price over time.

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BENEFITS BRIEF



DREW MILLER
Employee Benefits Consultant

For most organizations, attracting and retaining top talent is a top priority – after all, a successful company starts with assembling a team of smart, dedicated employees. Because health and human service organizations are also dealing with the effects of a reduced labor market, designing a benefits package that successfully meets the needs of their target workforce is paramount.

Traditionally, healthcare companies have not had a hard time attracting full-time employees by offering standard benefits such as health insurance, paid time off and 401(k) retirement plans. However, as the workforce skews younger, these organizations will need to reevaluate their benefits strategy to design a package that appeals to millennials. Last year alone, the Society of Human Resource Management found that one-third of employers expanded their benefit package to attract talent.

How can health and human service organizations design a benefits package that aligns with their desired workforce?

To start, healthcare organizations and HR professionals should administer a comprehensive audit of the existing benefits program. Having face-to-face meetings or even distributing an anonymous survey to current employees can help shed light on what type of benefits your target audience actually values. For instance, recent college graduates often prefer an increased salary over enrolling in the company healthcare plan since they are able to stay on a parent's plan until they are 26 years old. In addition, companies can consider providing leadership training opportunities. Not only does this equip staff to better perform their job, but continued professional development shows that the company is invested in the personal growth of its employees. Finally, don't be afraid to think about your benefits package with a fresh perspective. Pet insurance, student loan assistance and paid volunteer time are just a few of the perks businesses are adopting today.

As younger generations begin to enter the workforce, organizations will need to abandon traditional notions of employee benefits and work to meet the evolving expectations of future applicants. By designing a benefits plan that adequately fits the needs of employees, healthcare organizations will not only attract and retain top talent – but also improve their bottom line.

Continued from pg. 2

To help increase the level of employee engagement, human resources professionals should work directly with company leadership to implement strategies that help to create a positive atmosphere and an environment conducive to retaining employees. For example, morale tends to be lower when employees feel like their work isn't recognized or appreciated. Praising employees for their hard work, providing constructive feedback and appropriately compensating people for their efforts can go a long way.

In addition, ensuring that healthcare industry workers receive the right training can positively impact engagement. Employees who take training seriously and prioritize safety are the ones who are most invested in the future success of the organization. For example, a Gallup study found that employees who understand their role and what is expected of them experience 10 to 20 percent fewer safety incidents.

It is clear that in order to be successful, healthcare companies need to not only prioritize employee satisfaction, but employee engagement, as well. In the end, a satisfied and engaged workforce can help to improve clinical outcomes by lowering the risk of expensive complications and reducing the cost of insurance premiums.

ASK THE EXPERT



MARC D. LEONE
Esquire, Producer

Why are cyber risks heightened during mergers & acquisitions (M&A)?

There will always be heightened risk when two organizations' information security programs merge, because the likelihood of a breach increases as the total cyber footprint expands. An August 2017 data breach at a Philadelphia-based health group gave hackers access to the files of 300,000 patients, exposing private data including names, addresses and even social security numbers. The breached health group had recently completed a merger – and while the exact type of system failure that allowed this cyberattack to occur cannot be identified, this incident does shed light on cybersecurity, a potential liability that is often overlooked during M&A.

To read the full interview, visit grahamco.com/knowledge-center.