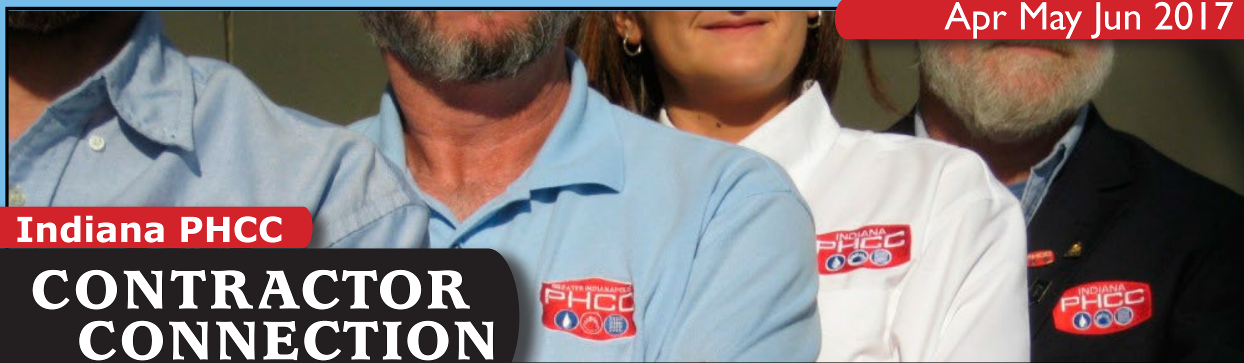
Apr May Jun 2017

Indiana PHCC

CONTRACTOR CONNECTION

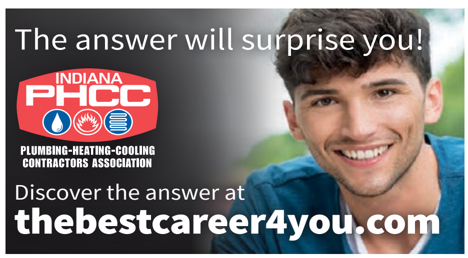


Workforce Development: Tell Your Story

As Indiana PHCC continues to strategically tackle workforce development and enhancing the public image of the plumbing-heating-cooling industry, we need your help.

In the first quarter of 2017 we have participated at Career and Employment Fairs to promote the plumbing industry and our www.thebestcareer4you.com program. During this time we have talked to over 3500 high school students.

We have noticed the competition for these student's attention is fierce. Indiana PHCC has developed solid marketing materials that are eye catching and creative. Students are indeed "surprised' to find out that plumbing is a great career. Our website stats increase after each of these events as they want to learn more. But what they really want is to hear from you, a professional in the field.



When we are able to have PHCC volunteers at our booth we get more traffic. These students, for the most part, have no idea what happens on the job on a daily basis. A contractor in the booth sharing how every day he is a diagnostician. Plumbing problems rarely present themselves easily, so you have to be in possession of critical thinking skills to go and determine the root cause of a problem.

A young apprentice in the booth is even better! Peer-to-peer

conversation nets an engaged and intrigued student.

Indiana PHCC has worked with several school guidance counselors and they are willing to help their students understand the value of the p-h-c industry. This is a new phenomena from a few short years ago where the push was definitely college bound for everyone. Again, the counselors want to hear from you.

We know that you probably have never thought of yourself as a professional speaker. That is fine! What you might see as a mundane task or tool is brand new to these students. Hold up a pair of channel locks and ask how many know what they are. You will be surprised at how few do! Do you have video on your IPad of your sewer camera at work? They love that.

If you want to share your story please let us know by calling the association office at (317) 575-9292.

in this issue

THE PRESIDENT'S PERSPECTIVE

John Bain is President of the Indiana PHCC. John is Division President for R.T. Moore, Inc., Indianapolis

John Bain
Indiana PHCC President

I hear it in almost every conversation I have with builders and contractors… we need more qualified people. How many of us have thought to ourselves that if we just had that one key employee how much it would change our business? We lament about not being able to find people and millennial work ethic; but, all too often, we do very little to change our businesses to win in the current environment. It's much easier to blame the market than to accept the fact that we might need to make some tough changes in our businesses and with ourselves.

The ADP Research Institute reported that turnover in the construction industry averages above 20%; but, when you look at workers under 25 years old, it jumps to 38%. Dale Carnegie and MSW did a study on over 1500 employees, to dig further into what creates engaged employees, and what key attributes are present within these engaged employees. Some startling employee engagement statistics revealed in this study showed that 29% of the workforce is engaged, 45% are not engaged, and 26% are actively disengaged.

We not only face a workforce development challenge in attracting younger generations into the skilled trades, but we face an epidemic problem of not creating companies that cultivate engaged employees.

Todd Richardson, author of Agile Engagement, defines an engaged employee as one with an emotional and intellectual connection with their employer as demonstrated by his or her motivation and commitment to positively impact the company's vision and goals. What if our companies were comprised of fully engaged employees? Just imagine the impact that would have and the attraction it would create for new talent to join in. As the Chinese proverb says, the journey of a thousand miles begins with a single step. What step will you take to move your company forward towards having a more engaged workforce?

"What if our companies were comprised of fully engaged employees?"

Here are a few simple ideas that could get you started.

- First things first, gain understanding on what your current employees think about the company and its leadership. Conduct an employee survey. Partner with an outside firm to do this so that it maintains confidentiality and they can help you disseminate the data.

- Figure out your WHY. Understanding your purpose and motivation for business is critical if you are going to get others to follow you. Pick up a copy of Simon Sineck's "Start with Why" book.

- Write out or revisit your company values. Make sure this isn't your wish list of what you want them to be or a copy of some other company's that you admire but what your actual company values are. Think about what basis you use to hire, promote and fire as those might speak to your values. Another place to look is where do you invest your most critical resources – time, talent and money. Once you've written them out, determine if there is something that should change and put an action plan in place to move the dial.

The key here is to be intentional and develop a strategy to build a strong culture that is attracting people to stay and to join. Todd Richardson will be sharing more on this at our Indiana PHCC convention on September 14th and 15th at French Lick Springs Resort. You won't want to miss the chance to learn more on building a company with highly engaged employees.

Keep moving forward,

John C. Bain

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[1] According to the Department of Energy's "Advantages of Tankless or Demand-Type Water Heaters," tankless water heaters can provide energy savings of up to 50% on water heating costs when installed at each hot water outlet. When used as a single tankless model to supply hot water to a residence with up to 2 bathrooms in some climates, it a can provide up to 34% energy savings. [2] See the Warranty Guide on Rheem.com for addition information.

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LEGALLY SPEAKING/

Beneficiary Designations -- Common Pitfalls and Best Practices

BINGHAM GREENEBAUM DOLL LLP

Author:
Kate E. Beatty
Associate

According to a recent report, baby boomer parents in North America will transfer some $30 trillion to the next generation over the next 30 to 40 years. A significant portion of this wealth is held as non-probate assets and as such not transferred under a traditional estate plan (e.g., Last Will and Testament). In anticipation of this great asset transfer, educate yourself on the common pitfalls and best practices of beneficiary designations on your non-probate assets.

Probate v. Non-probate assets

Probate is a process that occurs after your death in which the court will determine who receives your property. These assets can consist of probate and non-probate assets. Probate assets are distributed to heirs by the court and non-probate assets bypass the court system and go directly to your beneficiaries. Examples of non-probate assets include bank or brokerage accounts held in joint tenancy, retirement accounts (e.g., IRAs, Roth IRAs, 401(k)s, 403(b)s, 457(b)s, pensions, etc.), life insurance death benefits, and residual value of annuities.

Primary v. Contingent Beneficiaries

On non-probate accounts the owner can name both primary and contingent beneficiaries. Upon your passing, the non-probate asset will be transferred to your primary beneficiary who will become the new owner. If the primary beneficiary predeceases you, the asset will instead be transferred to your contingent beneficiary. If you have not listed a contingent beneficiary and the primary beneficiary has predeceased you or you have failed to list a beneficiary at all, the non-probate asset will go into your general estate for distribution. In order to avoid the asset going into your general estate, it is recommended you name both a primary and contingent beneficiary on your non-probate assets.

Pitfalls to Avoid v. Best Practices

Pitfall: Naming your estate as a beneficiary or only naming a primary beneficiary.

As mentioned above, it is recommended that you name both a primary and contingent beneficiary. Typically, on non-probate assets the spouse is listed as primary beneficiary. However, consider how the asset would transfer if something happened to both you and your spouse at the same time. If a contingent beneficiary was not named, the asset would be moved into your estate which could lead to some complications on the transfer of the asset. If the estate is the primary beneficiary or in the previously mentioned example, a contingent beneficiary was not named, and the asset moves into your estate, the asset will no longer be protected from creditors and could be used to pay off your creditors. Additionally, your heirs could wait a long time before they would receive the money. Using your estate as a primary beneficiary may also result in negative income tax treatment for retirement accounts.

BEST PRACTICE: Name a primary and contingent beneficiary and confirm that your estate is not listed as either.

Pitfall: Forgetting to update beneficiary designations.

Too often we list the beneficiaries at the time we initially open a bank account or obtain life insurance and then shortly thereafter forget either who we named or when we last reviewed the designations. However, considering and naming your beneficiary designations should not be a one-time occurrence. If you fail to update your beneficiary designations on your non-probate assets you run the risk that you will inadvertently leave the assets to someone you did not intend (e.g., ex-spouse).

BEST PRACTICE: Review beneficiary designations often and also upon life changes (e.g., divorce, death of beneficiary, birth of child/grandchild, etc.).

Pitfall: Making a dependent ineligible for government benefits.

If a dependent relies on government benefits such as Medicaid or Supplemental Social Security, such as a child with special needs, naming them as a primary beneficiary for a non-probate asset, even a nominal asset, could put the dependent at risk of losing eligibility for the government benefits.

BEST PRACTICE: Rather than leaving the asset directly to the dependent, talk with an estate attorney or financial planner about the benefits of creating a special needs trust to be named as the beneficiary. A trustee, appointed by you, would have control over the assets to be used for the benefit of the dependent.

Pitfall: Not comparing beneficiary designations to estate planning documents and goals.

While preparing your estate planning documents, if you fail to consider your beneficiary designations you may undo your previous estate plans or overlook certain wealth transfer goals. For example, naming a spouse as primary beneficiary, then later divorcing. If you update your Will to remove your ex-spouse but fail to also update your beneficiary designations, regardless of what is in your Will, the non-probate assets will still transfer according to the listed beneficiaries.

BEST PRACTICE: Simultaneously review your current estate plan alongside your beneficiary designations to verify your estate plan goals are met.

Summary

Take time this spring to review and "spruce up" your beneficiary designations and estate plan documents. If you have questions about how to properly name or review beneficiary designations, contact an estate attorney or financial planner for assistance. Do not wait until it is too late (after death) to realize that a few minutes now may have avoided hours of complications for your family in the future.

Kate can be reached at (317) 968-5375 or email kbeatty@bgdlegal.com.

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