

Remote Work's Widespread Impact, Passwords are the Past for Information Security



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Gene Marks:

Hey, everybody. Welcome to another episode of "On the Mark." I am your host Gene Marks and I'm going to share with you some news items that are going to impact your business. By the way, before I get started, we'd also like to hear from you on any topics that you'd like more information about or advice that would help you with your business.

You can visit us at payx.me/thrivetopics. That's P-A-Y-X dot M-E/thrivetopics. Leave us a message to suggest some guests, any type of advice that you would like. That's the kind of stuff that we are looking for.

And hey, let's get into this week's episode. I have four news items from this week that impacts you. One of them has to do with remote work. One of them has to do about security for your computers and what your customers are looking for. And I've got two items about fraud, both at the state and the federal level that you need to be aware of as we head forward into the year.

Remote work first. There was a study done by an HR firm Topia that was quite revealing. It found that 94 percent of employees agree that they should be able to work from anywhere — 94% from anywhere — so long as they get their work done. They believe that failure to provide that flexibility makes hiring and retention more difficult.

In addition, employees say when choosing an employee and a sorry, an employer, they're looking at flexibility as a top priority. And for most organizations, flexible work remains an unsolved compliance challenge.

So, just a few things I want you to take away here now as we are getting back to the office work. The hybrid office, flexible work weeks — this is a major, major request from employees, and it is something that you've got to be offering. Now, of course, some jobs don't really speak into a flexible workweek type of dynamic, and I get that, but if you are able to offer remote work, flexible work, more flexibility in your schedule for your employees, then you will be able to attract that many more good employees to your business.

In fact, employers with flexibility, in my opinion, for providing any of these types of options, that's what's really been driving a lot of the great resignation issues that we have been seeing here. When employers aren't doing this and you've got employees that want it, employees are moving from their jobs and going somewhere else.

The other thing you want to be aware of when it comes to having a remote workforce or allowing people to have flexibility is just the compliance issues that need to be resolved. Even in the Topia study, it found that most organizations really aren't getting their arms around the compliance issues. There are a lot of, you know, concerns regarding tax laws, particularly state and local tax laws, and it's a blind spot that HR professionals need to be aware of.

So, talk to your payroll compliance company or talk to your accountant as well as, or your attorney, because if you do offer these remote working arrangements and have people working all different places around the country, you want to make sure that you are on top of the compliance issues around it.

Story number two has to do with security. Did you know, and this is according to another study that was recently done, that 57% of consumers prefer Advanced ID verification. What does that mean? Well, it means this; Most consumers out there, and I think you and I would agree with this as well, we're not really trusting usernames and passwords anymore. We don't think that they're really as effective as they should be.

Well, it's turning out that a large part of people that are using online services, in particular, say that when they're having to keep track of their credentials, like a password or a username, that kind of stuff is getting on their nerves and it's starting to drive them away from making purchases.

That's where Advanced ID comes in. So, when we talk about Advanced ID, we're talking about voice recognition, certain keyboard phrases, a fingerprint scan for example, even facial recognition. The bottom line is this, if you're running an online business and you are requiring your visitors to put in a username and password to get access to your site, be aware that trend is going to be reversing in the years to come.

Your visitors, your consumers, your customers they're going to want another way to get access to it that's a lot easier. Be aware of that, and as those security changes start coming, you want to be able to take advantage of them as well.

I have two stories about fraud among small businesses that I think needs to be brought to your attention. The first is a story out of California. The California Labor Commission cited an employer with a \$3.3 million fine after it failed to offer and secure jobs to the employees that it laid off during the COVID pandemic, as California law mandates.

It turns out that this company, which is a resort, laid off a bunch of house persons, banquet servers, bartenders, chefs, massage therapists. Under California law, the Right to Recall Law, employers that did that during the pandemic have to offer the jobs back to those employees based on their seniority.

And by the way, this covers workers and employees at hotels, private clubs with 50 or more guest rooms, airports, airport service providers, and events center. It also includes employees that are involved in building services like janitorial, maintenance or security services.

So, what's the bottom line? Well, if you're a California business and you're in one of those industries, you're in the leisure industry, the tourism industry, a hotel, restaurant, and you have let go of employees because

of the pandemic, you are required by law as you start rehiring to give those employees the chance to get their jobs back. You can do it in order of seniority, but you've got to do that, and if you don't follow that law, if you don't comply, you could be facing the kind of fines of that other business that I just mentioned in California is facing. That's number one.

The second fraudulent law that, you know, a story that I wanted to mention here is a federal one. Just last week, the U.S. Department of Justice, they reported that there was approximately \$8 billion in fraud that were tied to the federal coronavirus aid programs. That's like the Paycheck Protection Program, the various EID loans from the Small Business Administration, the Restaurant Revitalization Fund. This is like a vast scope of criminal activity, and it even got President Biden's attention. Because of that, he has instructed the Department of Justice to go after these offenders to try and get, you know, get the money back to the federal government.

So listen, I'm not saying that you committed fraud when you applied for your PPP loan or your economic injury disaster loan or anything like that from the federal government, but be aware that the federal government is scrutinizing those coronavirus relief funds that are given out, and they are picking some specific ones, particularly the larger ones, to go after if they think that fraud was involved.

They are aware and they are on it, and we must make sure that we are in compliance and aware of that as well.

So to recap the news from this week: Remote work, you've got to make sure you're offering those capabilities, those sort of benefits to your employees because it's the employers that are not offering remote work benefits that are losing the most employees during the great resignation.

Number two, when it comes to security for your online site, username and passwords aren't going to last. People want other forms that are easier, like fingerprints and voice and facial recognition. So, be aware that those security are going to be changing to get access to your website.

Number three has to do with fraud. If you're a California business and you're in the leisure industry, hotels, resorts, restaurants, you've got to be aware that the law states you need to hire back or at least make an offer to hire back those employees that you laid off during the pandemic — by seniority — otherwise, you could face fines.

And from a federal standpoint, just to make sure you're aware the federal government is going after the \$8 billion in fraud they say was committed related to all the coronavirus relief funds given out. So hopefully you're not part of that, but just be aware of that. The government is taking this fraud very, very seriously.

Hey, guys, thank you for listening. My name is Gene Marks and you have been listening to "On the Mark." If you're interested again in gaining other insights, check out our other Paychex podcast series, including Thrive for Business and Pulse for HR. I hope this news is important to you and helps you run your business because it does impact you in one way or another.

We'll be back next week with more news that impacts your business. I look forward to speaking to you then. Take care.

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