



A Message from the President...

Lou R. Bologna RHU, CLU
The American Group

A Promise is a Promise

“Most important thing to a client is, did you do what you promised? Keeping your word is worth more than all the empathy, smiles, and chocolates on your pillow in the world.”

- Carl Seawell

How do you build a top team that follows this simple, yet difficult practice throughout your organization? You as the leader set the example. You must train your team how to lead, coach, and manage. This is your largest challenge, as most small-to-medium-sized businesses do not have the time or the resources to do so. We have now started a new program targeted to help your organization grow by providing the training and tools for your team to meet your objectives.

The program's highlights are:

- Management Style
- Communication & Feedback
- Personnel Selection
- Motivation
- Improving Employee Performance & Development
- Discipline as a Way of Thinking
- Dispute Resolution

Who should attend this program? Your first time supervisors, managers, and team leaders. We can also customize a program specifically to your needs. Small-to-medium-sized businesses do not fail by effort. It is by a lack of training talented individuals to greatness. Call us! You'll be very pleased with the results. ■

The American Group



We Build America's Best Places to Work
The New Standard of Freedom

All Inclusive Employee Administration: Full Human Resource Services, Payroll, Workers' Compensation, "Fortune 500" Employee Benefits (life, medical, vision, disability, voluntary benefits 'AFLAC'), Federal and State Compliance, Pension Plans, Employee Retention, and Financial Banking Services.

American Employer News

We Build America's Best Places to Work
The New Standard of Freedom

Saving Our Clients Thousands with Health Insurance Increases of 5%!

We were very pleased to announce to all of our clients that our medical premium increases this year were no more than 5%. This is 20%-25% below the current trends for companies in Northeastern Ohio. Some of the reasons why we've been able to stabilize and maintain our health care costs well below the current market trends are as follows:

- 1. Plan Design That Allows Employees To Have Choices.**
 - The employee may choose from one of three different programs regardless of the size of the company.
 - This process encourages all employees to participate within the program reducing adverse selection.
 - This allows all of our clients to budget since most elect to determine a fixed dollar amount they are willing to pay for employee benefits.
- 2. A Managed Care Program That Works!**
 - This process ensures we are receiving the discounts that have been agreed upon by the physicians, hospitals, and providers.
 - We manage this process through our favorable and long-term relationship with Medical Mutual of Ohio.
- 3. Large Numbers.**
 - Our clients range from 10 employees to 800 employees, with the average client being approximately 53 employees.
 - All of our clients, through our co-employment arrangement, are under our master policy. Thus, the 10-person company and the 50-person company are viewed as if they were a company of thousands.
- 4. Selection Process That Insures Eligibility.**

As with any business, it is very important to select the customers with whom you want to conduct business, particularly in a service business such as ours. Through an in depth screening process, we obtain the highest quality of clients within our overall pools. This helps us to maintain our costs resulting in our low health care trend for over 6 years, while maintaining a 98% retention rate with our clients. ■

Spring Summit Symposium A Success!

Addressing Industry Concerns



From left to right: Tim Guspodin, Rubber Associates, one of the award winners of a round of golf at Fairlawn Country Club with Lou Bologna, and Michele Morris, JD.

The many business owners and CEOs that filled The American Group's 2002 Spring Summit Symposium in Fairlawn, Ohio, on May 9th received ample amounts of important information from Lou Bologna, RHU, CLU, President of The American Group, and Michele Morris, Attorney at Law with Brennan, Manna & Diamond. The points of interest during this first-class event included:

- New American Business Challenges
- Health Care Economics
- Employers' Increasingly Complex Liabilities

During the Symposium, the participants also had the excellent opportunity to network with other business professionals in the area while enjoying delicious cocktails, hors d'oeuvres, and gourmet desserts.

Lou Bologna's strong presentation informed the attendees on reasons for the double-digit health insurance premium increases. He helped many to put this overwhelming industry concern into a more manageable perspective while providing alternative solutions to help employers better handle this dilemma. The amount of positive response Mr. Bologna received from his information-rich speech, especially concerning the Defined Money Purchase Plan, was more than anticipated. Once this cost containment and efficient budgeting plan is understood, the many benefits are undeniable and very appealing.

The attendees actively listened to Michele Morris, who has professional expertise in the areas of Civil Litigations with emphasis on Employment Law, Administrative Law, and Business Litigation, as she revealed many complex employers' liabilities that typically go undetected and unanticipated. She utilized real life case studies to determine the audience's knowledge levels of such situations. Many were astonished in that they did not foresee such employee situations as a real threat. The court rulings and final judgments, both financial and punitive, had the attendees' full attention and with many questions for Ms. Morris.

Immediately following the speakers, business owners took the opportunity to express their comments and concerns. Such positive feedback was received by The American Group that they are currently preparing for a symposium this fall where they will address overwhelming industry concerns at that time and provide business owners with unique alternative solutions and tools to support their continual success and growth. ■



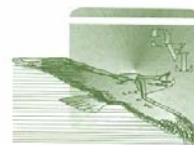
Attendees actively listened during the presentations, which turned into probing questions and rich discussions immediately following the speakers.

Inside This Issue

- Page 1 Health Care
- Page 1 Spring Summit Symposium
- Page 2 The Human Resource Initiative
- Page 2 The Financial Corner
- Page 2 The Safety Zone
- Page 3 The Client Spotlight
- Page 4 A Message from the President



To place an order for a free CD of TAG's Spring Summit Symposium you may call (330) 668-1845, e-mail Hilarie at hbologna@theamericangroup.net, or send in your request to 127 N. Cleveland-Massillon Rd., Akron, OH 44333. There is shipping and handling costs of \$3.95.



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By Judi Timberlake
Professional Employer
Administrator



The American
Group

Exit Interviews: A Key Ingredient for Successful Growth

Employees, who leave their workplace, either voluntarily or involuntarily, have vast amounts of valuable information that is usually left unveiled. One way of obtaining such information is through the proper use of Exit Interviews. Today, many companies view exit interviews as a waste of time. However, when performed correctly, these assessments provide invaluable information that could be critical to both the organization's short and long term successful growth. Companies that do not conduct Exit Interviews miss out on a great opportunity to gather this rich information. The feedback provides employers with a solid foundation to help them in determining areas that need improvements, aspects that are working positively, and other areas of interest. In addition to demonstrating trends in employee satisfaction levels and allowing employees to provide reasons for leaving, this type of assessment becomes a preventative measure to save employers the time, money, and hassles associated with employee management.

Exit Interviews are simply a conversation between a departing employee and a genuinely interested company representative or by a third party that is not affiliated with the organization. This allows the employee

to feel more comfortable and to be completely honest. The interview may be in a structured format or more informal, depending upon the company's culture and the situation at hand. Prior to conducting the interview, the interviewer should speak without direct supervision to gather information. The employee file should also be reviewed. This allows the interviewer to be prepared in the event an issue is brought up by the departing employee. The interviewer should feel in control of the interview at all times, however, not appear to be too controlling.

Clearly, in interviewing exiting employees the real value is to the employer. The employer will gain insight into problem areas that they may have been unaware of. It can

Benefits of Exit Interview Assessments

- ✓ Improved employee retention
- ✓ Increased understanding of company policies & procedures
- ✓ Saves employer time, money, & hassles in long run
- ✓ Increased organizational efficiencies & effectiveness

also be a reality check, and a means of gathering information about that particular job, information that may be helpful to the next candidate or the

organization. It may also be a means of determining if management and/or supervision communicate properly with the support team and manage their employees efficiently.

For more information on how our experienced human resource team can assist you in implementing a successful Exit Interview program that will meet your organization's specific informational needs, contact Judi at (330) 668-1845. ■

The Safety Zone...

By Gregory Newsome
Risk & Safety Director
The American Group



Is Safety Truly Achievable?

It is basically not feasible to completely elude accidents; they simply cannot be evaded. Accidents involve the unknown and

unforeseen, where no certainty exists. Even if you use the National Safety Council (NSC) definition of "safety" (the control of recognized hazards to attain an acceptable level of risk), it is still a nearly unachievable goal to accomplish safety. However, with the support and direction of our Safety and Risk Management Programs, many of our client companies have achieved zero accidents and hazards. In addition, many of our clients have experienced a reduction in lost time due to accidents.

In reality, safety is a result, an outcome of actions based on cause and effect. Safety is what you get if procedures and systems are carried out accordingly and events go as planned. Accidents happen because circumstances occur that prevents the task from proceeding as intended. At The American Group, we work to ensure that this does not happen.

Compliance with the Occupational Safety and Health Act (OSHA) guarantees one thing: compliance with OSHA. If no accidents result, count your good fortune. OSHA has developed an extensive series of rules for situations, which are supposed to be linked to the prevention of accidents. However, no rulebook can ever cover every situation. This is a reality that even OSHA recognizes. Through the catchall clause known as the "General Duty," OSHA essentially states that if a situation arises with hazards you recognize, but which is not covered by a rule, you have the obligation to fix the problem as though a rule existed.

Achieving zero accidents is the result of a well-planned and coordinated effort. The problem is that none of these things are easy to implement. It takes a commitment to make change, financial capacity, and a redistribution of power to those with responsibility to perform the task. The process often takes some time to implement correctly. This is mainly because instilling a Safety and Risk Management Program correctly often involves removing or redistributing the authority and the privileges from management to an outside expert.

Through years of experience and carefully followed action plans, TAG knows what causes accidents and what needs to be done to create positive and safe change within a company's work environment. We have both the personnel and knowledge to solve problems effectively and efficiently. Dealing with complex and multi-faceted situations is a common occurrence for TAG. We view these challenges as opportunities to bring about positive change and reduce the chance of unforeseen Workers' Compensation claims. Moreover, we

Safety Zone...(continued)

develop controls and systems to better manage dynamic situations and to reduce overall costs in the long run. At TAG, we have access to advanced technology, enhanced information, and combined intellectual capacities and expertise that when combined with your team of experts benefits everyone involved.

TAG knows what causes accidents and what needs to be done to create positive and safe change within a company's work environment.

There is no instant fix to create a safe work place. But with TAG's assistance you can point your company in the right direction. We will work with you to create a safe and completely compliant work environment for you and your employees. Our efficiency producing programs will help you to keep your costs down, attract and retain quality

employees, while growing more successfully without safety hazards. For more information call Gregory at (330) 668-1845. ■

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The Spot Light A Review of a Growing American Group Client



Terminal Warehouse, Inc.

Hilarie M. Bologna, Sales & Marketing Coordinator
The American Group

For nearly 2 decades, Terminal Warehouse has been an integral part of their customers' "logistics network by providing quality, cost-efficient public and contract storage and distribution related services." Being that they are distribution and warehousing specialists, they are continually focused on adding value to their customers' supply chain management and processes (www.terminalwhse.com). In addition, they are ISO 9002 Certified and are able to store industrial products and hazardous materials within their facilities. Another unique advantage Terminal has amongst the competition is that their 1779 Marvo Drive location is in a foreign trade zone; hence, the benefits of international territory.

Harold Shantz founded Terminal Warehouse in 1968 as a trucking company that also warehoused product. In 1983 Ron Goson purchased the company. In that time, Terminal has become one of the leaders within the industry. This is greatly due to the successful management and direction of Bill Hanlon, President, Ron Goson, Owner, and Ira Hamman, Controller.

By visiting one of Terminal Warehouse's locations, the reality of their success becomes very evident. For one, their impressive expansion of storage capacity. Terminal has grown from 100,000 square feet of storage space to over 660,000 square feet since 1983. There are now 3 Akron, Ohio locations that are all climate controlled.



Arial view of Terminal Warehouse's Marvo location.

Terminal has approximately 60 hard-working and dedicated employees that work to ensure the company's vision becomes reality. "The critical part of our business's short and long-term success, quite honestly, is the asset of the people, the employee. The economy has a lot to do with it, but basically the way we compete effectively with our competitors is by doing things better. And we can only do things better if we have good people," says Ron Goson.

Not All PEO's are the Same

Before contracting with The American Group (TAG), Terminal utilized a different PEO that was self-funded. After investigating this further, they found they were sitting out there completely exposed and at very high risk with them. In addition, the services were not satisfying their needs. They were sick and tired of having to continuously worry about what they were going to do next to budget for their health care costs. A change needed to be made, and fast.

A Breath of Fresh Air

Between Bill, Ron, and Ira, they agreed to partner with TAG, which became the solution to relieve them of their dissatisfaction with their previous PEO. Since then, TAG's fully insured, integrated human resource services and plush "Fortune 500" benefit packages have helped Terminal to attract and retain their most valuable asset, quality employees, while giving them more time and peace of mind to focus on other important aspects of their business.

The American Group Advantage

Ira Hamman, who "spearheaded" joining teams with TAG, said the following: "Partnering with TAG has improved our operations and the way we manage employee-related matters number one in that we can now manage our health care costs and control what our expenses will be. It also helped to put everything under one roof as



The dynamic forces behind Terminal's success. From left to right: Ira Hamman, Controller, Ron Goson, Owner, and Bill Hanlon, President.

far as the Workers' Compensation and the health benefit packages, providing the opportunity to expand the health care offerings to our employees. **Previously we only offered them health insurance. Now we offer multiple health care plans, vision, short-term and long-term disability, AFLAC products, and dental. Because of our partnering with TAG, we are able to offer our employees a Cadillac benefit program.**"

According to Ron Goson, "The most useful tool TAG has provided us with is that we are not taking a lot of time out of our days to discuss what we are doing with our insurance. And I see that as a plus because normally we are discussing the topic because changes have been made or there are severe problems taking place. We know it is in good hands now. **Now we have a health care plan that is budgetable and our employees are happy. It has saved us a lot of time and it is not a topic of discussion anymore.**"

Ira states that "...the ability to call TAG's human resource team 24/7 and have them handle all of the paperwork for new hires is such a benefit to us. Also, issues that could have become huge financial and otherwise liabilities to our company, Lou Bologna has helped us to protect ourselves even further. I would not hesitate to recommend TAG to a lot of small-and-mid sized companies. They can offer a wide range of benefits and services that would be beneficial to companies that cannot afford a Cadillac program on their own." ■

FINANCIAL CORNER

Through our relationship with FirstMerit, we provide our clients and their employees with:

- Free checking & first 50 checks free
- Free ATM / Debit cards
- Discounts: 1st & 2nd mortgages, car loans
- Direct deposit (checking & savings)
- Preferred banking status, and more...

The advanced banking connection to increase employee retention and simplify your life. Brought to you by The American Group.