

# Attendance & Absenteeism Quiz



## QUESTION

Why must employees who flout attendance protocol and absenteeism of a business organization experience consequences?

## ANSWER

The answer lies in “Trickle-down” theory. Other employees are not stupid and know what is going on in the workplace. These other employees who have good attendance, work hard can find their morale and motivation affected by employees who have poor attendance and portray absenteeism. In these latter situations, progressive discipline is critical. It starts with coaching and feedback, and performing steps in attendance management.

## WHY IS IT RIGHT

Attendance is critical in many customer-facing jobs. Poor attendance saps the morale of employees, costs employers overtime expenses and reduces employee engagement. Poor attendance takes supervisory time and attention and often results in disciplinary action.

You can manage employee attendance to reduce attendance problems. You do need to take it on as an important component of any management or supervisory job.

**Here's how to manage and encourage attendance. Use these five steps to encourage employee attendance at work.**

## STEPS TO ENCOURAGE EMPLOYEE ATTENDANCE AT WORK

### 1. Encourage Employee Attendance

First, you must have a way to track the time people take off from work so that the integrity of your Paid Time Off (PTO) policy, your sick leave policy, and/or your paid vacation policy is ensured. This also ensures that the time-off-rules are the same for every employee which is important for the sense of workplace fairness and justice.

When employees are managed across departments, you need to ensure that what John experiences in the warehouse is the same policy that Mary experiences in the office. Employees notice when employees are treated differently and this disparate treatment creates problems with motivation and engagement.

This is especially important to manage unscheduled absences for which many workplaces have trouble with work coverage. Encouraging employee attendance is important for any customer-facing workstation. Attendance is also critical when one employee's work is dependent on the work of the prior employee in jobs such as manufacturing or assembling products.

Teachers, customer support specialists, technical support providers, health care professionals, and other direct service employees are examples of employees who have workstations that employees must staff on a daily basis. Otherwise, employers are at a loss to schedule and find staff replacements to do their work.

This attendance includes timely arrival at their workstation as well. For example, if a nurse is late for work in the intensive care unit, the nurse from the prior shift cannot leave to go home for a well-deserved rest. If an employee is expected to staff a middle station on an assembly line, either one employee has to work at two stations which is inconvenient and can even endanger the employee or the employer has to find a replacement.

## **2. Commit to Managing Absenteeism**

Second, and probably most importantly, you need to manage absenteeism and encourage employee attendance. This means that the employee needs to call in directly to the supervisor who is trained to manage absenteeism. This starts with the personal call and the supervisor telling the employee that he or she will be missed and describing the impact of their absence on the workplace.

Each absence ends with the supervisor personally welcoming the employee back to work, encouraging employee attendance in the future, and once again, emphasizing the impact of the employee's absence on the workplace and their coworkers.

You are not holding this conversation in a blaming tone of voice—after all, many employee absences are legitimate and necessary—you are genuinely welcoming the employee back to work and reinforcing the impact of unscheduled absence. Your conversation should, once again, describe the impact that the absence had on the employees and the workplace.

## **3. Enable Workplace Flexibility**

Third, if possible, allow flexibility with schedules in your workplace so that an employee with an early doctor's appointment or a sick child, as examples, can work later or come earlier to make up the time.

Women, unfortunately, according to the U.S. Department of Labor figures, experience more attendance problems related to family matters. Especially single moms, who have no safety net of family or a partner to help with child-care related issues, struggle with attendance, in my experience.

So, this workplace flexibility might also include the ability to share jobs, schedule flexible days or hours, and work from home, or telecommute, under

guidelines. Some think that compensatory or comp time encourages a clock-watching attitude. This may not be in keeping with the mindset of accomplishing the whole job and goals that you look for in an exempt or salaried employee. But, exempt jobs are also the jobs that will most frequently allow flexibility for the employee and the employer.

#### **4. Rewards and Recognition for Employees**

Fourth, rewards and recognition for positive employee attendance can make a difference. While you don't want people feeling as if their employer must pay them extra for doing their job, you do want them to know that you appreciate and respect their positive attendance.

In some cases, especially with non-exempt employees, and to reduce unscheduled absences, you may want to build actual monetary rewards into your employee attendance policy. These policies emphasize rewarding attendance over a certain number of days. You do, with the employee recognition portion of your attendance policy, want to emphasize the days of attendance, not the act of lowering absences.

Too many attendance policies focus on the punishment side of the equation. More emphasis on rewards for positive attendance might give you more bang for your bucks. Nevertheless, a successful, motivational attendance policy must focus on both.

#### **5. Consequences**

As with any employment responsibility, an employee must experience consequences if the employee is failing in his or her work attendance. To whom are the consequences the most important? To all of the employees who have good attendance, work hard, and find their personal morale and motivation affected by people who have poor attendance. Progressive discipline is critical, starting with coaching and feedback, and performing the steps in attendance management listed above. Your attending employees will thank you.

#### **ASK THESE QUESTIONS BEFORE YOU BEGIN**

**1. The numbers of employees you need to track.** Do you need to track all of your employees? Only one location? Just hourly workers? Most time and attendance systems have a way to track a blend of hourly and salaried staff and multiple locations. Do you have an organizational chart of your company that can help us understand your workplace? Are you ready to talk about roles and employee responsibilities-time tracking expectations of your staff?

**2. What payroll service are you using? In house? Outsourced to a payroll company? Are you making a system wide change or implementing an ERP software system?** A good time and attendance solution provider will be familiar with payroll processing, outsourced processing companies and ERP software systems. Make sure to make note of the version of any of this software you are currently using.

**3. How are your employees clocking in now?** Using old fashioned clocks? Hand written time cards? This is a great one to get you thinking about how many physical clocks or kiosks you might need and where you would position them in your facility. Do you have issues with buddy punching? Biometric time clock

hardware options are a very effective and popular option for deterring buddy punching. Mobile options are becoming more and more popular. We have a great time and attendance app that allows you to clock in, log in and out of jobs etc. all as a self-service feature on your mobile phone. Have hourly workers at remote job site, roaming or out of range? Having them use the mobile app on their phone or tablet is a great option.

Do you need your hardware devices to be able to allow staff to clock in and out of jobs or tasks? Sierra has a bi-directional interface that allows you to bring job and task information down from your accounting system and, in turn, send transaction information back to your ERP software. Knowing how granular you need to get with job tracking software will help us determine how sophisticated a device you might need for time entry.

**4. What information do you need to capture?** Over and above basic clocking in and out of work, overtime documentation, real-time “who’s in” and accruals tracking are the top requests we receive for an automated time and attendance solution. Our time and attendance solutions come pre-built with a wide array of configurable reports. Think about the value of the information you will be securely gathering. Who should be included in the reports training portion of the implementation? Plan to implement running reports-business intelligence as part of your time and attendance implementation. Imagine how nice it will be to run approaching overtime reports or ACA reporting with a click of a mouse!

**5. Administrators-supervisors-managers – How many will need access to the time cards?** Think about your process now and how it could be. How many levels of sign off and approval do you want on time cards? Do you have a plan for who will have authority to authorize overtime and vacation requests?

## **Manage Workplace Absenteeism**

Casual absences account for 80% of lost days for most businesses, and in most cases, these absences are not supported by any sort of medical note or certificate.

Absenteeism drives significant cost for the economy. In addition to lost productivity, companies may have to bring in a temporary worker or pay other workers overtime in order to attempt to recoup lost output. Product or project delivery may be delayed, customer satisfaction may lag, sales may be lost, employee morale may flag, key employees may get frustrated and leave...the indirect costs of absenteeism can be significant and long lasting.

Although some progress is being made in absence management, there is still significant opportunity in this area. Fifty-two percent of employers responding to the 2013 *Sanofi Canada Healthcare Survey* indicated that they have programs in place to formally track absences, an increase from 38% in the previous year’s survey results. However, only 32% of those respondents with absence tracking programs work with their insurance carrier or consultant to analyze their absenteeism drivers, and only one third of those use the results of this analysis to develop targeted improvements to better assist employees.

## **6 THINGS ORGANIZATIONS CAN DO TO BETTER ADDRESS ABSENTEEISM IN THE WORKPLACE**

**1. Have a clearly defined attendance policy**—Ensure that employees have a clear understanding of the expectation of attendance and understand what is expected

from them when they have to be away from work. Who do they need to call in to and how soon? When do they need to supply a doctor's note? What happens if they don't comply with the policy?

**2. Identify roles and responsibilities**—Absence management strategies work best when there are designated champions who own the process. When an employee is away, who's responsible for letting human resources or payroll know, and at what point do they need to be informed? If an employee is absent several days in a row, who is responsible for contacting them? If the absence progresses to a short-term disability claim, what's the process?

**3. Track absences and look for trends**—Take a look at absence data for your organization in aggregate and in subsets, for example, by location, or by business unit or department. Examine whether there are specific days of the week like Mondays or Fridays or during particular times of the year where absences are a particular issue.

**4. Have a plan**—If and when the times comes that you must take steps to address excessive absenteeism, have a plan and a process for doing so that is applied consistently at a pre-determined threshold. Make sure that the employee is aware of resources available to them to assist them in improving their attendance, like counselling or work-life services through your organization's EAP, or the availability of a flextime program. Make a plan of action and a time frame for improvement, and follow up on the employee's progress.

Similarly, have a plan in place for how your organization will deal with non-compliance to the absence policy, with the associated disciplinary action. Include information about the consequences of non-compliance in your attendance policy, so that everyone's expectations are managed.

**5. Integrate your absence management with disability management**—Review your sick leave and absence policies against your short-term disability contract and your organization's disability management policy to ensure that there are no gaps or duplication.

**6. Use your data to build a strategy**—If trends have been identified in your absenteeism data, like spikes on specific days or in specific departments for example, dig deeper for the drivers behind these absences and develop a strategy for improvement. Collaborate with your insurance carrier, EAP provider and/or advisor for solutions and support.

Your organization should also consider having strategies in place to support employees that require accommodation or flexibility while they are in treatment for a chronic or acute health condition through which they are trying to continue to work as best they can. Absences in situations like these may meet the thresholds for action set out in your absence policy, but are explainable, medically supportable, and may stop a progression to disability.

## **WHY IS EVERYTHING ELSE WRONG**

### **HOW TO MANAGE INNOCENT ABSENTEEISM**

To effectively manage innocent absenteeism in the workplace, employers must have a consistent plan in place or, ideally, a formal attendance management policy. While the legal tests applicable to union and non-union employees differ, the

following key steps should be part of any attendance management plan:

### ***1. Communicate Attendance Expectations***

While it may seem obvious, a clear, consistent message that regular attendance and starting on time are key job requirements can go a long way to prevent and manage absenteeism.

### ***2. Just the Right Questions Please***

All employees should be asked for information which justifies their absences from work. If the absence is due to an illness or injury, employees should be required to provide evidence from their physician to support their need for time off. The scope of medical information that an employer can request is limited under personal information protection legislation but should, at a minimum:

- support that the employee is unable to work for medical reasons;
- provide a likely return to work date (and, if applicable, any accommodation required for the employee's return to work).

### ***3. To Ignore the Problem does not solve the Problem***

In a busy workplace, it can be easy to let attendance issues slide. However, it is important to request information from all employees to support their absences. Such requests not only reinforce the message that good attendance is expected and important, but also provide the employer with the information it needs to choose the appropriate courses of action.

### ***4. Accommodate any Disability***

Under human rights law, an employer must accommodate an employee's disability, including disability-related absences, up to the point of undue hardship. Accommodation will be based on the information provided by the employee's physician, and may include temporarily or permanently waiving or modifying attendance expectations, altering job duties or functions or scheduling part-time work.

### ***5. Excessive Absenteeism***

If an employee appears to have excessive absenteeism, compare her attendance to a reasonable attendance standard. What is reasonable will depend on the employee's position and the workplace. For example, it may be the average attendance of others in the same or similar positions. However, keep in mind that the standard may need to be modified to accommodate an employee's disability. In addition, employers should not include vacations, absences covered by employment standards legislation or other contractual or statutory rights to time off when determining an employee's level of absenteeism.

### ***6. Meet with the Employee***

If the employee's absenteeism is excessive compared to the reasonable standard, the employer should meet with her, communicate the expected attendance standard, and warn her about the consequences of failing to meet the standard in the future, including possible termination of employment.

### ***7. When Termination is appropriate***

If an employee's attendance continues to be excessive, despite warnings and accommodation, the employer may reach the point where it considers termination for excessive non-culpable absenteeism. However, given the significant liability of a wrongful dismissal claim and/or discrimination complaint, employers should undertake such a decision carefully. Termination for excessive non-culpable absenteeism should only be made on the basis of clear medical information showing that the employee has no reasonable prospect of regular attendance in the future and after the employer determines that any disability-related absences cannot be accommodated short of undue hardship.

In short, effectively managing absenteeism and improving attendance in the workplace requires consistency, patience and a careful consideration of the applicable legal framework. However, the benefits of meeting the challenge – in improved productivity, morale and minimizing legal risks – are undoubtedly worthwhile.

### **True Picture of Workplace Absenteeism**

Employers can reduce absenteeism, lost productivity and significant cost when they understand the causes of absenteeism at their organization and adopt targeted strategies to address them. The challenge is that many organizations are not tracking absence accurately and believe that simply requiring a physician's note to verify absence is a sufficient measure to manage it.

52% of incidental absence is not due to illness

Analysis of data from a representative respondent group of employees, employers and physicians determined that causes of absence are as likely to be non-illness related as they are to be illness related, particularly where certain work factors exist. Moreover, the absence is sometimes prolonged because employees feel their condition will not be accommodated in the workplace or have fears about returning. In order to address absenteeism more effectively, employers should implement an attendance reporting and tracking system, address specific work factors that affect both illness related and non-illness related absence, and ensure that expert resources are available to support the resolution of return to work barriers for employees on disability leave.

### **Executive Summary**

Despite reports of the multi-billion-dollar impact of employee absenteeism on the Canadian economy, as well as evidence of the mitigating effect of integrated absence management strategies, employers may be unaware of the extent and causes of absence issues within their own organization.

- More than half (52%) of incidental absence is not due to illness.
- Work-related factors were found to play a role in predicting whether the type of incidental absence is related to illness or non-illness reasons.
- Non-illness related absence (absence that is not related to either a mental or physical health issue) is more likely where workplace stress was reported by the employee, and where the employer did not support mental wellness.

**When considering prevailing solutions, the current use of medical notes was called into question by physicians themselves.**

- Several physicians indicated that there is no medical value to these notes and this use of the physician's time is not appropriate. Only 5% of those who commented indicated that medical notes had any value in managing absenteeism.
- For both incidental and disability absence, physician responses pointed to a need for greater workplace ownership and problem-solving regarding employee absence. Employee responses regarding incidental absence suggested the same, but more from a preventative than problem-solving perspective.

**Presenteeism is also noted as an issue.**

- A higher proportion of employees indicated that presenteeism is a serious issue in their workplace than did employers.
- A lack of organizational support for mental wellness was found to predict presenteeism, in addition to non-illness related absence.
- Absence is not random. The predictors of both illness and non-illness related absence can be influenced by an employer.

**Three foundational recommendations**

- Implement an attendance reporting and tracking system;
- Ensure that expert problem-solving resources are available to resolve the return to work barriers for employees on disability leave, as well as those with chronic health issues that impact work; and,
- Assess and address the specific work factors in the organization that predict illness related and non-illness related absence.