

Absence Makes HR's Job Harder

The latest software tools can help reduce costs and bring scheduling under control.

By Drew Robb

Everyone needs a break now and then—but if you don't have the right scheduling tools in place, absence can become a large presence on your company's bottom line.

"When someone is absent, whether scheduled or unscheduled, it affects productivity, deadlines and work morale by doubling up workloads, requiring qualified replacements and causing overtime," says Cheryl O'Connor, operations manager at DynamicHR in Auburn Hills, Mich.

Fortunately, HR professionals can obtain tools to help reduce absenteeism—or at least lessen its impact. Attendance and scheduling software can track not only when employees clock in but also when they should have clocked in. And built-in analytics allow managers and HR staff to identify frequent offenders and measure the costs of absenteeism.

Smarter Scheduling

These tools can be particularly useful for organizations with employees who work varying shifts. For example, the HR department at the Cooperative for Human Services Inc., a nonprofit in Lexington, Mass., that supports adults with developmental disabilities, partnered with vendor Acumen Data Systems to develop a hosted system for its dispersed workforce of 400.

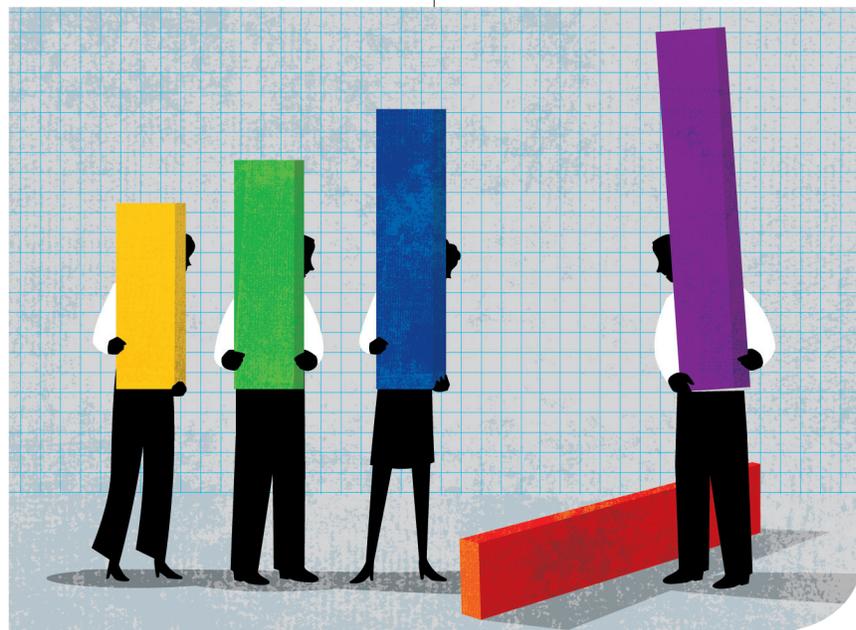
"We operate 24 hours per day and provide services in hundreds of locations throughout the state," says Rebecca Sarvela, SPHR, the organization's director of HR and quality assurance. "We needed a system that could assist in managing a remote workforce with

flexible and frequently changing work schedules."

The system matches employee preferences (days, hours, locations, etc.) and credentials with available shifts and allows workers to set their own schedules online. An internal messaging system automatically sends employees e-mails or texts regarding schedules and open shifts. On the employer side, the system flags late or missing time

helps workers achieve better work/life balance while reducing unnecessary absenteeism.

DynamicHR, a payroll and HR outsourcing firm, uses software from Attendance on Demand to track the time of several thousand workers—its own employees and those of its clients. Time-off requests can be processed via a smartphone app. When an employee makes a request, HR can quickly see



punches, letting supervisors know when employees are chronically late, leaving early or altogether absent.

"Employees can electronically request open positions and shifts based on their availability, or they can choose to be 'auto-scheduled' each month," Sarvela says. She adds that the system

who else has asked for the same time off before sending an approval or denial. Conversely, when someone calls in with an unscheduled absence, O'Connor can go to her dashboard, find out who else in that department is scheduled and see which employees are approaching overtime.

“This allows me to call in a replacement within minutes, saving the company lost production time,” she says. Her team can also project future costs since it knows who has already scheduled time off and who the replacements will be.

Retaining Talent

By providing early warnings about employee absences, these systems can also be helpful talent management tools. That was a key reason Living Alternatives for the Developmentally Disabled Inc. turned to Attendance on Demand.

The agency has 600 staff members providing round-the-clock services at homes and apartment complexes throughout Michigan. It is funded by a wide variety of sources, and its book-keeping is further complicated by the fact that employees might pick up shifts at other facilities.

The agency uses the software to assign shifts at least three weeks in advance, but workers can also log in to make schedule changes. When an employee calls to say he or she will be absent, the system acknowledges the notification and lets the manager add notes and run reports. Often, managers are able to counsel employees about absenteeism before it leads to dismissal.

“Where a lot of our programs are located—very remote areas of Michigan—there is a very limited talent pool,” says HR director Doris J. Miller. “The whole point for us is to attract and retain talent.”

Compliance and Control

Gordon Food Service, North America’s largest independent food distributor, uses Mitrefinch Ltd.’s time management system to ensure that its 12,000 employees are paid only for the amount of sick leave they are entitled to, says operations analyst Corey Cullihall. HR enters each employee’s available sick time into the system. When an employee is out sick, the time is logged against his or her entitlement and any balance is counted as unpaid sick leave. HR can access

The total cost of paid time off as a percentage of payroll, accounting for direct and indirect costs, is estimated to be at least **20.9%** in the United States, **32.8%** in Australia and **36.3%** in Europe.

Source: *Total Financial Impact of Employee Absences in the U.S.*, 2014, Society for Human Resource Management and Kronos Inc.

individual profiles to see an employee’s attendance history.

“Instead of having to manually go through records, we can run a report and have up-to-date data in seconds,” Cullihall says.

The system also supports legal compliance measures. The Canadian province of Ontario, where the company is located, requires that employees work scheduled shifts before and after a public holiday in order to qualify for holiday pay. Gordon’s system lets HR see if an employee had an unexcused sick day prior to a holiday before issuing pay.

Deafblind UK, a charity located in the United Kingdom and Northern Ireland with about 175 employees, uses Isys Group’s Intelligent Time software to track absences. HR can run reports at several levels, from a companywide look to individual employee data. HR sends monthly reports to managers covering their subordinates and runs reports showing the total number of absences and the overall cost.

“Sometimes it is hard to know these things when you are dealing with the day-to-day all the time; you need to be able to step back and view things from a distance,” says HR advisor Natasha Newitt.

Increasing Transparency

The Arkansas State Highway and Transportation Department deployed a time management solution from Kronos Inc. to track attendance for its 3,600 employees, who range from legal staff and

engineers to road maintenance crews and state police.

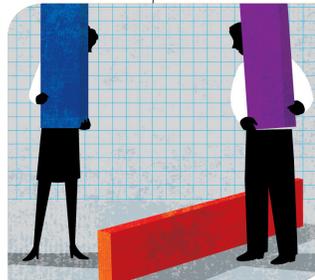
“Some areas of the agency have done a great job with cross-training so that an employee’s peers can take up the slack during absences,” says Crystal Woods, who heads the department’s HR division, “but other areas have very limited staffing levels or very specialized positions where a prolonged absence or frequent intermittent absences can have more-serious impact.”

She says the time management system has increased transparency, both for the department and its employees.

“This system has given us the ability to see at a glance patterns, trends, costs and historical data,” Woods says. It has also given employees more insight into their own timecards, accrual balances and the status of their requests for time off, she notes.

While a return-on-investment assessment hasn’t been conducted yet, Woods feels confident that the system has reduced the time required to manage attendance and Family and Medical Leave Act leave, increased the accuracy of data entry into the organization’s back-end systems, and enhanced real-time access to labor expenditure data.

Those are results that would make life easier for any HR professional. After all, everyone needs a break now and then. **HR**



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