

Absenteeism – A Planned Approach

HR management in many organisations are increasingly being called upon to oversee initiatives that improve levels of productivity in their workplace. Absenteeism remains a major cost to Australian business with an estimated cost of more than two billion dollars a year and that an average of 2.7% of the Australian workforce was absent on unapproved leave on an average day.

However, the cost is even higher in certain area such as the public sector which are typified by above average sick leave entitlements and high rates of union membership.

While absenteeism remains as one of the more difficult challenges for HR and operational managers, with some strategic planning and thoughtful implementation, significant improvements can be made that can result in sustained productivity gains for their organisation.

In addition to reducing the direct cost of leave taken for unnecessary reasons, absenteeism reduction initiatives have been found to reduce the cost of overtime and improve levels of service delivery to clients and customers.



Planning is Essential

A strategic plan is essential if the optimum results are to be achieved from your efforts. Keep in mind that your organisation will not see overnight results – in most cases, current levels of absenteeism are the result of many years of indifference to the problem and will take sustained action over 12 – 18 months to show sustainable improvements.

Planning should result in a staged approach to the issue, such as:

- Stage 1 – Dimension the problem at your workplace and ensure that reliable and accurate data on absenteeism – macro and micro levels – is available
- Stage 2 - Consultation with key stakeholders – including discussion groups with staff and meetings with any unions or staff associations
- Stage 3 – Development of customised strategies to reflect the particular needs/culture of different areas of the business
- Stage 4 – Pre-Implementation Issues – including ensuring existing HRIS data can support and monitor progress, training for managers and other front line implementation staff
- Stage 5 - Implementation

Of all the stages, we have found that Stage 1 is often overlooked or dealt with in a less than satisfactory manner. This places all other efforts and resources used to manage absenteeism throughout the rollout of the project at risk.

Unless your HRIS systems are at an advanced state of refinement, it is our experience that Stage 1 often has a protracted length due to the need to integrate multiple sources of information and to test these for reliability and accuracy.

However, this time always produces more than adequate dividends further down the implementation of the project as both managers and staff have confidence that the information being used to drive the project and monitor its effectiveness is sound. Of course, the opposite will be the case if your data is less than 100% accurate.

In later newsletters we will describe in more detail further stages of a planned absenteeism reduction project.

How we can assist

Corporate HR Solutions has extensive experience in planning and implementing effective absenteeism reduction programs into workplaces. Contact us for more information on how we could assist your workplace deal with this issue.

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