



By Michelle Kaminski

My Dog Ate My Car Keys: **Managing Absenteeism in Today's Workplace**

Emergencies happen. Sick children need tending to and weekday appointments cannot always be avoided. Sometimes these types of events occur daily and often concurrently.

In the eyes of the employee, acts that qualify as employee absenteeism are usually considered harmless or unavoidable. However, persistent workplace absenteeism is a worrisome behaviour that can be detrimental to an organization's goals. The key to managing absenteeism is to find a balance between what is right and fair to the employee while meeting the needs of the business.

What is Absenteeism?

Absenteeism is "absences that are avoidable, habitual and unscheduled [and] is a source of irritation to employers and co-workers."¹ This typically stems from lack of mental presence that gradually manifests into a pattern of physically missing work. It is not to be confused with excused absences, where an employer grants permission for an employee to take time off work.

When a pattern of absenteeism begins to develop, it is typically a red flag that there are situational factors affecting the employee (e.g., health, family, finance).

Their manager or employer should make a conscious effort to create a suitable resolution for the employee.

Why Does It Matter to Payroll?

Employee absenteeism creates a burden on payroll professionals and managers who have a direct or indirect responsibility for managing it. The most critical results are decreased productivity and the costs associated with hiring temporary staff. Some additional actual and intangible costs may include:

- ▶ increased employee training;
- ▶ increased overtime hours and pay;

- ▶ operational inefficiencies;
- ▶ safety issues (caused by substitute employees performing unfamiliar jobs);
- ▶ reduced customer satisfaction (due to increased employee turnover); and
- ▶ increased management and administrative time (managing the absence).

This issue spans across industries and can propagate once inside a company. When left unchecked, employees unofficially set a precedent that it becomes acceptable workplace behaviour.

Absenteeism impacts the entire team. Co-workers face increased workloads and pressure to ensure projects do not fall behind, and overall morale drops. This cycle is easily one of the most expensive issues when it comes to employee absenteeism and should be addressed immediately to avoid further costs and other forms of damage to the organization.²

Understanding Absenteeism

Before organizations can take action to combat absenteeism, they must understand what is causing it. This helps focus on the problem so a viable and sustainable solution can be found.

Based on our experience at MaxPeople, we have identified the most common causes.

- ▶ **Burnout:** Burnout is a form of chronic stress that leaves people emotionally exhausted and impedes their ability to perform basic tasks. It is often associated with low morale. Symptoms include lack of motivation, difficulty concentrating, feeling empty or an absence of emotion. It can occur for a variety of reasons, such as feeling too much pressure, working too many hours, or feeling undervalued or unheard.
- ▶ **Mental health:** Mental health affects productivity and happiness, and results in absenteeism. Supporting mental health is crucial for creating a positive and productive environment for employees. It should be a priority.
- ▶ **Bullying and harassment:** Employees who are bullied or harassed by co-workers and/or managers are more likely to call in sick to avoid the situation.
- ▶ **Disengagement:** Employees who become bored with or lose their commitment to the work they are doing lack the motivation to complete deliverables and

meet deadlines. This results in a loss of engagement and may lead to significant unplanned absences.

- ▶ **Childcare and eldercare:** At times, employees have no choice but to miss work to take care of a sick child or parent. When childcare or eldercare requirements increase, levels of productivity are negatively impacted.

What Can Employers Do?

Employers must take responsibility and use the proper tools to determine what absenteeism problems exist (if any), why they exist and what the solutions are. Once you have these questions answered, it will be easier to design effective policies for managing absenteeism.

Before we begin, remember that each employee is allotted a certain number of days off for personal, family and vacation reasons by legislation and/or organizational policies. Ensure absenteeism policies or procedures do not infringe upon these rights.

Organizations can significantly reduce the impact of employee absences by being proactive and addressing issues in real time. The key to minimizing absenteeism is to assess the nature of the organization and the extent of the problem so you can determine and implement the proper controls. Some proven solutions to address absenteeism include the following:

- ▶ Create an effective and detailed **employee attendance policy**, and enforce it consistently. Inconsistent practices can inadvertently set precedent within your organization.
- ▶ Keep track of employee absences using **attendance tracking software** such as an HRIS or even an Excel spreadsheet. Address unscheduled absences immediately.
- ▶ **Reward good behaviour.** In today's workforce, 66 per cent of all employees and 76 per cent of millennials say they would leave their job if they didn't feel appreciated.³ Therefore, recognizing those with good attendance and performance will ultimately have the highest impact with the lowest cost for you as an employer.
- ▶ Take steps to **reduce office stress.** Employers should make conscious efforts to create environments where employees feel comfortable talking to managers

about stressful situations and provide tools for decreasing them.

- ▶ Make employees **feel part of a team** by having them contribute to organizational goals. Promoting an inclusive environment, encouraging strong and meaningful relationships with employees, getting into a pattern of employee recognition, and providing employee perks enhance satisfaction and morale.
- ▶ **Be proactive.** Under human rights legislation, there is a legal duty to inquire if you believe an employee may be struggling with an illness, either physical or mental. Keep an open line of communication that makes employees feel comfortable discussing any issues impacting them in the workplace.
- ▶ Support **health and wellness.** Workplace wellness initiatives ranging from healthy snacks in the office to robust employee assistance programs support employees and a happier, more productive work experience.
- ▶ **Remember accommodation.** Ensure accommodations are made available to employees who need it. Not only is this a best practice, but it is also legally mandated.

There is no quick fix to eliminate employee absenteeism. However, with the right tools and a proper assessment of your unique work environment, absenteeism rates can be improved. And while you may still get an occasional "I have the flu" call on the Friday before the long weekend, organizations can limit the overall amount of workplace absenteeism by implementing fair policies, tracking attendance, opening safe lines of communication, and making efforts to create stress-free workplaces. With a clear strategy, absenteeism in your organization should drop and engagement should rise. ■

To learn more, register for the Canadian Payroll Association's archived webinar "Managing Absenteeism," at payroll.ca/learning.

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¹<https://www150.statcan.gc.ca/n1/pub/75-001-x/2012002/article/11650-eng.htm>.

²<https://www.forbes.com/sites/investopedia/2013/07/10/the-causes-and-costs-of-absenteeism-in-the-workplace>

³<https://www.forbes.com/sites/victorlipman/2017/04/15/66-of-employees-would-quit-if-they-feel-unappreciated>