# absenteeism in the workplace:

how you can address this critical issue.

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human forward.

# the growing impact of absenteeism.

There are many factors that need to come together for your business to succeed. One of the most important of all is a healthy, reliable and productive workforce. You need employees with the right skills, experience and character traits to do their jobs well, but you must also be able to rely on your staff for the basics, like maintaining a good level of attendance.

Absenteeism is easy to dismiss as an unavoidable cost of running a business, but failing to properly track and manage this issue can have serious consequences (financial and otherwise) for your company. The direct cost of absenteeism is \$16.6 billion in Canada, according to a <u>report by Sunlife</u>. That's not accounting for mommonetary side effects, such as poor employee morale or engagement. Despite this massive impact, only 46% of employers in Canada actively track absenteeism.

In this guide, we'll explore the impact absenteeism has in your workplace, why you need to take it seriously, and how you can stop it becoming a major problem.



# what is absenteeism in the workplace?

This might seem like an easy question to answer, but your definition of absenteeism needs to go further than something as simple as 'employees taking unscheduled time off work'. It's important to have a clear absence policy that goes into detail on this subject and outlines things like:

- acceptable reasons for absence
- how absences should be reported and tracked
- who the employee needs to contact and when if reporting an absence
- when an employee is required to present a sick note
- · how you track absences and when you will conduct attendance reviews
- if absent employees will be paid and for how long

You should also think carefully about what you consider to be an acceptable level of absence across the workforce as a whole. Absenteeism becomes a problem when employees' failure to attend work goes beyond the scope of what you see as normal or acceptable.

Excessive or habitual absenteeism - when individuals regularly and intentionally fail to attend work without a valid reason - can pose a serious threat to your business.



# common causes of absenteeism.

One of the most valuable steps you can take to understand absenteeism and devise a strategy to manage it is studying the most common reasons for people to take unscheduled time off. Your HR department should be collecting data on the biggest causes of absence in your workforce and tracking trends to gain insights that are relevant to your business. You're likely to find there are a wide range of reasons for people to be absent from work.

### illness

For many organizations, the most commonly reported reasons for employees to be absent are illness, injuries and related commitments like medical appointments.

### mental health challenges

Issues like stress, depression and anxiety can pose just as big a threat to employee wellbeing as physical illness, so need to be properly recognized and managed by employers.

#### workplace harassment and bullying

Workers who are being harassed or unfairly treated at work may resort to taking time off to avoid the situation

#### caring responsibilities

Employees with children or elderly relatives to look after may need to take time out of work if their usual caring arrangements are disrupted.

### job hunting

A worker who is looking for a job elsewhere might be prepared to call in sick if it means they can attend an interview or assessment day.



# how absenteeism affects your business.

# unexpected costs

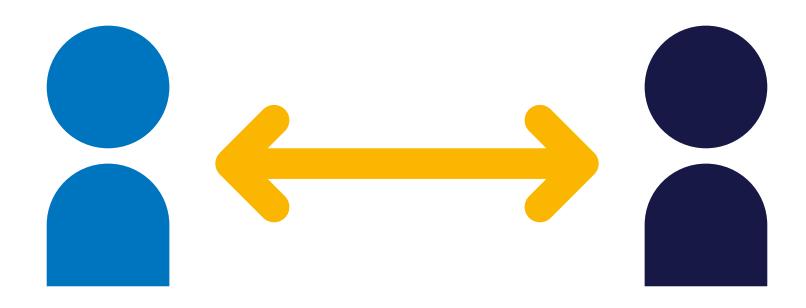
From a financial perspective, there are various costs you'll need to take into account when employees have to take time off, such as paying for replacement workers and covering overtime expenses when other staff have to do extra work.

# lost productivity

There are also indirect costs to consider, like reductions in employee productivity resulting from understaffing and workers being asked to do jobs they're not familiar with. Managers, meanwhile, will have to spend time dealing with administrative tasks relating to staff absence and plugging gaps in the workforce.

# low employee engagement

Looking at broader issues like employee wellbeing and engagement, you could find that high rates of absenteeism have a negative impact on morale, especially among staff who have to manage a heavier or more complex workload when their co-workers are off.



# managing absenteeism in your workplace.

Given how big an impact this issue can have, what can and should you do to manage it? Here are some steps to consider:

### unexpected costs

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## develop clear policies

Develop a clear and detailed absence policy that outlines your position on this issue and gives employees easy access to relevant information. Regularly update absence policies and make them easily accessible for all staff. This will ensure all employees know what you consider an acceptable reason for absence and what they need to do when they're off work.

#### focus on employee wellness

Actively encourage employees to lead a healthier lifestyle. This could involve providing fresh, healthy snacks in the workplace or creating an incentive scheme for people to walk or cycle to work. Introduce workplace provisions that help people stay fit and well, such as ergonomic office equipment to help workers avoid musculoskeletal problems.

## provide tools and resources

Point employees towards external resources and services that could help them deal with mental health challenges. You can also create dedicated channels or forums for staff to engage with managers and discuss sensitive issues that might be impacting their attendance, such as workplace harassment or stress.

## engage with employees frequently

Connect with your workforce to gauge opinions on career development, which relates to staff retention, satisfaction and absenteeism. Happy employees are less likely to take unscheduled time off.



# partnering with randstad to manage absenteeism.

If you're concerned that absenteeism is becoming a problem for your organization, it's vital to think about how your HR practices and overall strategy can be tailored to address this issue.

Whether you need to optimize your flexible staffing to fill workforce gaps with maximum speed and efficiency, or rethink your permanent recruitment methods to ensure you're hiring reliable people who are committed to your organization, teaming up with a specialist HR partner can help.

connect with our team to discuss how we can support your HR needs.

reach out today



# about randstad

Randstad is the global leader in the HR services industry. We support people and organizations in realizing their true potential by combining the power of today's technology with our passion for people. We call it Human Forward.



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