

## The 'Sick' Prove A Huge Overhead



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**They say that recognising you have a problem is half the battle won, but that doesn't seem to be true when you look at businesses' attitude to absence. Let's face it; we're all aware that absence carries a cost. The problem is, a lot of organisations don't know exactly how much - and they don't seem too concerned about doing something to tackle it.**

A recent survey by the Chartered Institute of Personnel and Development revealed that less than half of the respondents actually measure the cost of absence. Yet according to the CIPD's research, sickness absence costs employers, on average, £659 per employee every year - which equates to 8.4 working days for every member of staff annually and represents a huge 3.7% of total working time.

And cost is not the only issue. Absence can have a big impact across the business, affecting everything from the quality of customer service to speed of product development - not to mention the impact on the morale of other employees, who are often expected to shoulder the burden of their colleagues' days off. These points bring into sharp focus the need for systems to measure and monitor absence. If implementing a system could reduce absence by just one day per year per employee, a company of 500 staff would save in the region of £40,000.

The problem in many organisations is that absence is recorded haphazardly (or in some cases, not at all). It tends to be left to line managers, and it's often paper-based - as a result, data goes missing and it's hard to see the overall picture. But by recording absence electronically and monitoring it centrally, organisations immediately get better insight into what's happening and better control.

This means, for example, that you can identify extended absence much earlier and act accordingly. Software systems also make it easier to spot persistent abusers - like the people who regularly take a Friday off after going out on Thursday night. It's also easier to reduce the impact of each absence. Using workflows built into the absence management system, organisations can ensure that the right people are informed at the right time about someone falling ill so that measures can be taken to provide cover - something that often falls down when you rely on people calling the office and one of their colleagues taking a message.

Automating the collection of absence information also generates a central pool of data that you can start to analyse to identify longer-term trends, which is hard to do when the information is scattered about the company on paper forms or different spreadsheets. You might find, for example, that one department has a higher rate of absence than comparable departments, or that absence has shot up compared to the previous year. By digging a little deeper, you could uncover some important issues - it may be, for example, that you have a problem with a line manager that's affecting team morale. Tackling this kind of problem won't just reduce absence - it can also reduce employee turnover.

There are also some subtler benefits. Once they've started capturing data, organisations often display absence statistics through their employee self-service set-up or employee portal. That's quite a powerful incentive: when people can see that details of their time off are being captured and scrutinised, the level of absence tends to decline. It's important to bear in mind that this isn't just about the employer - there are benefits for employees too. Whenever they need support - be it financial, medical, mental or spiritual - it can be initiated at a much earlier stage if absence is being effectively monitored.

The latest solutions provide employers with a central voice recognition system that allows their employees to log absence at any time of the day or night. You can set the system up so that it alerts appropriate managers automatically, by e-mail or SMS - and you can immediately trigger all the appropriate actions to manage the absence. From an employer's point of view, the systems are also very cost-effective because they can be provided as a 'hosted service'.

This means that the company manages the software for you - instead of paying a licence fee, installing the software and maintaining it on your own systems, you simply pay a monthly usage fee. It keeps the cost of entry and the ongoing cost per employee low and it means that you can get up and running with the system very quickly. For the 50% of companies that aren't yet paying close attention to absence, this kind of service gives them the opportunity to introduce better absence management procedures right now. Half the battle's already been won - now it's time to tackle the other half.

Christopher Berry, [Computers in Personnel](#)

posted on Jun 23, 08