



## **Incidents & Points Module for Attendance on Demand: System Supports Absence Management Policies; Improves Bottom Line.**

### **Summary:**

According to analysts, the average annual cost to employers of unexcused absenteeism is measured in the millions of dollars. This paper outlines the direct and indirect costs organizations face as a result of unscheduled absenteeism. The paper also summarizes the benefits employers gain from the fully integrated “Incidents & Points” module for Attendance on Demand® time and attendance software from Attendance on Demand, Inc. The Incidents & Points module gives organizations real-time points calculations for fair and accurate enforcement of absence management policies, and is designed with the flexibility to support a virtually limitless number of management attendance policies.

## **Does Your Organization Have An Absenteeism Problem?**

Employee absenteeism is a significant cost facing today's businesses. According to the U.S. Bureau of Labor Statistics, unscheduled absenteeism has climbed to a five-year high. The average annual cost to employers of last-minute no shows is measured in the millions of dollars.

In fact, for many organizations, research shows that the total cost of employee absenteeism is greater than the direct payment of wages and benefits paid during an employee's absence. This is because organizations face indirect cost of staffing, scheduling, re-training, lost productivity, diminished moral, and turnover.

The true costs of absenteeism take into consideration a range of indirect costs including:

### **Decrease in Productivity**

- employees may carry extra workload or support new or replacement staff
- employees may train and orientate new or replacement workers
- staff morale and employee service may suffer

### **Financial Costs**

- overtime payment may result

### **Administrative Costs**

- administrative staff may need to secure replacement employees or reschedule remaining employees
- HR staff must manually track absenteeism and manually apply company policy

## **Taking Action**

Absenteeism and how it impacts finances and productivity are quite clear. What is not as clear is how to take action to monitor and control absenteeism in a fair and effective way.

Many companies have discovered that the answer is to put into place an absence management program that accurately identifies attendance trends, monitors employee absenteeism, and fairly applies an organization's HR policies regarding absenteeism.

A good system will track whether long term or short term absences are more common; monitor the percentage of employees with excessive absences; and let

employee attendance patterns trigger attention to individual employees when their absences become excessive.

Forward-looking organizations have taken such steps, establishing a company-specific policy that assign “points” to specific attendance “incidents” such as unexcused absence, tardy, early departure, unscheduled leave and others.

As a result, these companies have lowered unplanned absenteeism rates and reduced costs.

### **Attendance on Demand® “Incidents & Points” Module**

In response to the challenges facing today’s businesses, Attendance on Demand offers a fully integrated Incidents & Points module for Attendance on Demand time and attendance software. The module gives organizations real-time points calculations for fair and accurate enforcement of absence management policies, satisfying both managers and employees.

Incidents & Points is a powerful optional module available for use with the industry-leading Attendance on Demand system and data collection devices. Incidents & Points rewards and flags conscientious employees who need management intervention. Each company can decide how positive or negative an attendance event is for the organization.

Benefits provided by Attendance on Demand Incidents & Points module include:

#### **Full Customization, Flexibility**

Each company deals with absenteeism differently, so there are hundreds of different types of policies in use. The Incidents & Points module is designed with the flexibility to support a virtually limitless number of absence management policies.

When the module is installed, the system is customized to closely match a company’s policies. As an example, one company’s policy might issue an employee a point if he or she is late. If the same employee goes 30 days without being late or having an unexcused absence, he or she has a point deducted. If an employee misses a punch, a ½ is point added. Attendance on Demand Incidents can be configured to automatically tabulate these and many other conditions.

The intuitive design of the module reflects how a specific company is organized. It is easy to create unique incident folders that group employees in a way that is meaningful to each organization.

**Ease of Generating Corrective Actions and Employee Communications**

Once an employee's attendance behavior triggers a corrective event, supervisors are automatically emailed when employees incur infractions, and they can enter comments about each infraction.

**Ease of Record Keeping**

The module makes it virtually effortless to monitor and track employee attendance habits, removing the burden on administrative staff. Once an absentee incident is tracked by Attendance on Demand, it becomes part of an employee's attendance history. Incidents are easily edited and changed by supervisory personnel.

Incidents and trigger actions are also tracked within an employee's time card, and become part of an employee's historical attendance activity and archive time card report.

The employment history report can also contain employee Incidents in combination with many other historical data objects.

**Ease of Incident Calculation**

No matter the number of employees, detailed absentee habits are tracked effortlessly, in a customizable timeframe, with no user intervention. Incidents can be calculated, or re-calculated daily, weekly, monthly, quarterly, yearly or for multiple years.

The module calculates each employee's point balance according to the configuration of policies. Incidents are usually created automatically when the employee incurs an exception, uses a certain pay designation, or meets other predetermined criteria.

Points or hourly totals can be zeroed out on a specific day of the year, reflecting a company's unique set of absentee control policies.

**Useful, Detailed Reports**

Companies are no longer faced with the cumbersome process of manually assembling absentee reports. The module instantly generates reports that give supervisors quick access to absentee policy assignments, incidents employees have incurred, and penalties employees have received.

Other useful reports summarize a list of incidents and a running total of points on the time card and track employees who have a certain incident, corrective action, trigger action, or point balance in incident folders. Such detailed reporting is invaluable for union or federal employee records.

Detailed reports also show YTD history, including a list of incidents and a running point total in the Historical Events view of the employee's YTD History, depending on system setup.

## **Conclusion**

All told, the management of attendance is an important aspect of supervision in the workplace. An accurate and impartially-administered absence management policy can help businesses minimize the true costs of absenteeism including associated indirect costs.

Attendance on Demand fully integrated Incidents & Points module for Attendance on Demand time and attendance software offers companies fair enforcement and application of such policies, and is easily configured to support each company's attendance policies.

This approach promotes and rewards good attendance, thereby improving the overall bottom line of an organization.

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