actiPLANS

The Definitive Absence Management Guide for Big and Small Businesses

Absences are inevitable. Your employees may be off work for various reasons, be it pre-planned absences, such as vacation or unplanned, and even unauthorized emergencies.

Implementing an effective absence management policy will let you plan and monitor your employees' absences, address absenteeism, and ensure your company is adequately staffed at any moment.

In this guide, we define absence management, instruct you on creating an absence management policy, and consider the benefits of using an absence management system to ease your routine.

Absence Management: Definition and Key Elements

Historically, absence management included handling employee absences caused by various reasons such as sickness, injury, personal reasons, or other unforeseen circumstances.

It involved tracking and recording absences, analyzing the reasons for absence, and implementing strategies to reduce absenteeism.

Nowadays, absence management is a complex of policies and procedures that cover different types of absences and the routines required to deal with these.

- **Leave management.** It includes requesting vacation, approving or rejecting the requests, coordinating leaves, and calculating resulting accrual balances. Another aspect of leave management is ensuring employees take their earned leave and don't accumulate it.

- **Preventing absenteeism and reducing its costs.** This may include providing support and resources to employees to manage their health and well-being, offering flexible working arrangements, and promoting a positive workplace culture that promotes work-life balance and employee engagement.

- **Fighting presenteeism.** An efficient absence management policy should clearly define situations like being sick, having family issues, or high-stress levels when an employee is not supposed to return to work.

- **Managing tardiness and schedule changes.** Knowing when your coworkers are available is essential for an efficient work process. In many cases, absence regulations include requirements and procedures for informing coworkers when you're running late, leaving early, or being absent for longer than the lunch break.

Developing an Effective Absence Management Policy

As you can see, managing employee absences is no cakewalk. Without the right approach, you can quickly find yourself treading water when it comes to keeping track of attendance records, approving leaves accurately, and punctually following up with staff members on their job schedules.

Based on this, the main signs that you need to create an absence management policy or review your existing one are as follows:

1. **It takes you too long to manage employees' leave requests.** Making your staff members wait for leave request approval for an extended period is highly detrimental. Response delays may be perceived as a sign you don't value your workers. Moreover, when you keep employees dwelling in uncertainty, they may quickly become discontented and frustrated.

2. **Employees are insufficiently involved in the absence management process.** When workers can't access necessary time off information on their own and don't have a chance to schedule a leave period independently, they waste time, become dissatisfied with how things are managed in the company, and eventually turn more skeptical.

3. **You struggle with absenteeism.** If you fail to get a holistic picture of your staff's availability and absences, you won't ever be able to identify and diagnose absenteeism problems effectively.

Though absence management practices and approaches vary from region to region, country to country, and company to company, we have determined some key points you'll most likely need when developing your absence management policy and related procedures.

Absence Management Policy Pillars

How to Create an Absence Management Policy

1. **1.** Define your approach to absenteeism, presenteeism, and tardiness

2. **2.** Select the system to track employee absences

3. **3.** Describe how the absence management system works

4. **4.** Establish the absence management procedures

5. **5.** Introduce penalties and rewards

1. Step 1. Define your Approach to Absenteeism, Presenteeism, and Tardiness

Describe what actions should be qualified as absenteeism, presenteeism, tardiness, chronic tardiness, etc., depending on your company's requirements for the staff.

Be clear about what is acceptable and what is not: this is a common thing for unscheduled absences and tardiness but often gets overlooked regarding presenteeism.

Absenteeism	Presenteeism	Tardiness
Employees miss work by calling in sick or not showing up without notice.	Employees come to work despite being unwell or not functioning at their full capacity.	Employees arrive late to work or take longer breaks than allowed.
Consequences: decreased productivity, increased workload for other employees, and potential financial costs associated with hiring temporary staff or paying overtime.	Consequences: stress, increased risk of errors or accidents, and potential spread of illness to other employees.	Consequences: project delays, loss of morale and engagement for other employees, undermined work discipline.
The policy should clearly outline the consequences for absenteeism, such as disciplinary action or loss of pay, and provide guidance on how employees can report absences and provide documentation to support their absence.	The policy should outline the risks of presenteeism and provide guidance on how employees can prioritize their health and well-being, including taking sick leave or seeking medical attention when needed.	The policy should outline the consequences of tardiness, such as disciplinary action or loss of pay, and provide guidance on how employees can ensure they arrive on time and manage their workload effectively.

Step 2. Select the System to Track Employee Absences

- **Spreadsheets.** Used primarily on small businesses and startups, they are familiar to any employee and don't require additional investment.

  The drawback is that they need a special configuration, require a lot of manual work when filling out leave requests and calculating the balances, and are difficult to use in a multi-user environment.

- **Timesheet tools.** Many vendors offer timesheet software that allows recording both work time and absences. While keeping the information in one place is handy, these tools usually don't offer the request and approval or planning team availability functionalities.

- **HR software.** HR systems that allow logging time off are designed to record past absences and plan for the future.

  However, it's often a problem with them that a lot of miscellaneous information is kept in the system, and it's easy for employees to get confused. So, a more extended period is required to get started with this type of absence management system.

• **Dedicated absence management tools**. Special tools ensure the compliance of absence management procedures with current trends and best practices by saving time and preventing errors.

The drawback is the need to implement other tools, but many businesses still find it reasonable.

What to Look at when Selecting an Absence Management Solution for Your Team?

To be simple and powerful – these are the requirements for an absence management system in its most generalized form.

Absence Management System Checklist

✓ **Automation.** Make sure your tool allows to configure automatic rules ∅ for accruing and spending leave time. avoid manual work and related errors.

✓ **Simplicity.** Save your team's time when getting started with the ∅ software and prevent mistakes caused by too complicated procedures.

✓ **Flexibility.** Select the tool that can be adapted to your company's O requirements, so that you and your team members don't need to find out workarounds for their specific use cases.

✓ **Visualization.** If you intend to use the tool for data analysis andcapacity planning, make sure it provides visual schedules and charts.

✓ **Traceability.** Make sure the tool allows to keep a record of all time-off taken by the employees, changes in leave management policy, modifications in balance accrual rules, etc.

• **Functionality.** Automation of leave management includes calculation of leave balances, streamlined leave processing, and simple user management. Flexible and rich functionality helps configure the software to individual needs.

• **Simplicity.** Configuring and learning how to use the software properly shouldn't take too much effort.

• **Visualization.** Charts of employees' absence help assess the availability of resources for future dates and manage leave time more efficiently.

- **Notifications.** Employees need to stay informed on the status of their leave requests, so the solution should provide a way to update users on any changes in their requests.

- **Traceability.** The solution should allow users to review the history of their leave balances.

Step 3. Describe How the Absence Management System Works

After you've set up the system for tracking absences, ensure your employees understand how it works and how they are expected to use it. The best way is to describe this in the absence management policy document.

A comprehensive description of a leave management system should clearly explain its features, benefits, and capabilities and how it can help organizations streamline their leave management processes and improve employee productivity and satisfaction.

1. Features. The description should include a list of features the leave management system offers, such as requesting time off, tracking accruals, managing leave policies, and generating reports.

2. User interface. The description should explain how the system is accessed and navigated and how user-friendly it is for employees and managers.

3. Integration. The description should outline how the system integrates with other HR software solutions, such as payroll and time and attendance systems.

4. Security. The description should detail how the system protects employee data and ensures compliance with privacy regulations, such as GDPR or CCPA.

5. Customization. The description should explain how the system can be customized to fit the organization's needs, such as configuring leave policies or approval workflows.

6. Support. The description should outline the system provider's level of support, such as customer service and technical support.

7. Implementation. The description should explain how the system is implemented, how long the process takes, and any potential costs associated with implementation and ongoing maintenance.

Step 4. Establish the Absence Management Procedures

Defining absence management procedures involves describing the steps employees, and managers should follow when reporting, tracking, and addressing absences.

- Create a policy statement outlining the organization's approach to absence management, including maintaining good attendance. Describe the consequences for unexcused absences as mentioned in Step 1.

- Introduce straightforward procedures for how employees should plan and report absences, including who to notify, what information is required, and how far in advance notice should be given.

- The procedures should also include steps for how managers should respond to absence notifications and how leave requests should be approved.

- Identify the support and resources available to employees struggling with attendance issues, such as employee assistance programs, flexible work arrangements, or accommodations for health conditions.

Step 5. Introduce Penalties and Rewards

Specify what preventive, disciplinary, and rewarding measures are used in your company regarding employees' absence at the workplace.

You should establish a clear and consistent approach to addressing attendance issues, including consequences for absenteeism and rewards for good attendance.

1. Define penalties. These may include disciplinary actions such as verbal warnings, written warnings, suspension, or termination, depending on the severity and frequency of the absences.

2. Communicate penalties. Ensure that all employees know the consequences of absenteeism, including the penalties that may be imposed if they exceed the allowed absences. This can be communicated through the absence management policy, employee handbooks, or other forms of communication.

3. Establish rewards. Consider rewarding your staff for good attendance through bonus pay, additional vacation time, or other incentives. This can motivate employees to maintain good attendance and productivity.

4. Communicate rewards. Ensure that all employees know the rewards available for good attendance, including the criteria for eligibility and how the rewards will be distributed. This can be communicated through the absence management policy, employee handbooks, or other forms of communication.

5. Take care of consistency. Ensure that the penalties and rewards are applied consistently across all employees and departments to avoid any claims of discrimination or unfair treatment.

actiPLANS - the Secret Ingredient to Successful Absence Management

A good leave management system is one of the core elements of your absence management policy, and actiPLANS is an excellent example of such a solution.

What Is actiPLANS?

actiPLANS is an absence management system that helps managers stay aware of the employees planned and unplanned leaves and lets employees request and report their time off with ease.

Why Choose actiPLANS

actiPLANS meets all the criteria of an effective absence management system mentioned above and offers some more benefits, such as:

- **Error-free PTO accrual.** It dictates how much time off an employee can take at any particular point throughout their employment period and helps to ensure they don't overuse it.

actiPLANS allows you to accrue employees' PTO balances in line with your unique time off rules, do that as efficiently and accurately as possible and avoid manual calculations.

It also provides your team members with free access to their PTO balance data, so can refer to it whenever planning their days off.

PTO & Sick Days Balances

PTO balance calculation	ON

Show balance in
- ● days (d) ○ hours (h)
- ☐ Round balance to the whole number on User List interface

Default accrual rules
- ☐ Reset to [0] d yearly ▾ on Jan ▾ 01 ▾
- ☑ Accrue [2] d monthly ▾ on 1st ▾
- ☑ Limit maximum accrued balance (cap) to [80] d

> ℹ When the reset and accrual rules are configured for the same day, the reset rule applies first.

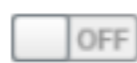👤 Currently **6 users** are configured to use the default PTO settings

Default control mode
- ☐ Automatically turn on PTO balance control for the new users

Balance limitation
- ☐ Do not allow users to create leave requests if the ending balance is less than [0] d

Sick Days balance calculation	OFF

More to read on the topic: Master PTO Accrual with actiPLANS

- **Custom leave types.** Understanding why employees can help you make more accurate project estimations and reduce absenteeism.

actiPLANS lets you create as many unique leave types as you want and use them to get a deeper insight into the causes of absence in your team.

Leave Types

Affected Balances: All ▾   **+ New Type**

↕	Leave Type Name 🔍	Leave Time Requests	Affected Balances		Actions
⠿	🔵⊘ Time Off	Requires Approval	PTO	PTO Coeff.: 1	•••
⠿	🟢🌴 Vacation	Requires Approval	PTO	PTO Coeff.: 1	•••
⠿	🔴➕ Sick Leave	--	--		•••
⠿	🟡👪 Family Leave	Requires Approval	--		•••

More to read on the topic: Employee Time Off: Most Common and Unusual Leave Types

- **Effortless vacation scheduling.** actiPLANS supports a visual approach to leave scheduling.

Your team members can submit and watch their leave requests in just a few clicks using a beautiful and easy-to-navigate timeline.

actiPLANS users can also check on their colleagues' scheduled vacations via the tool's web version or the mobile app. This way, it becomes easier to avoid overlaps when planning vacations, prevent staff shortages and maintain an optimal level of team productivity at all times.
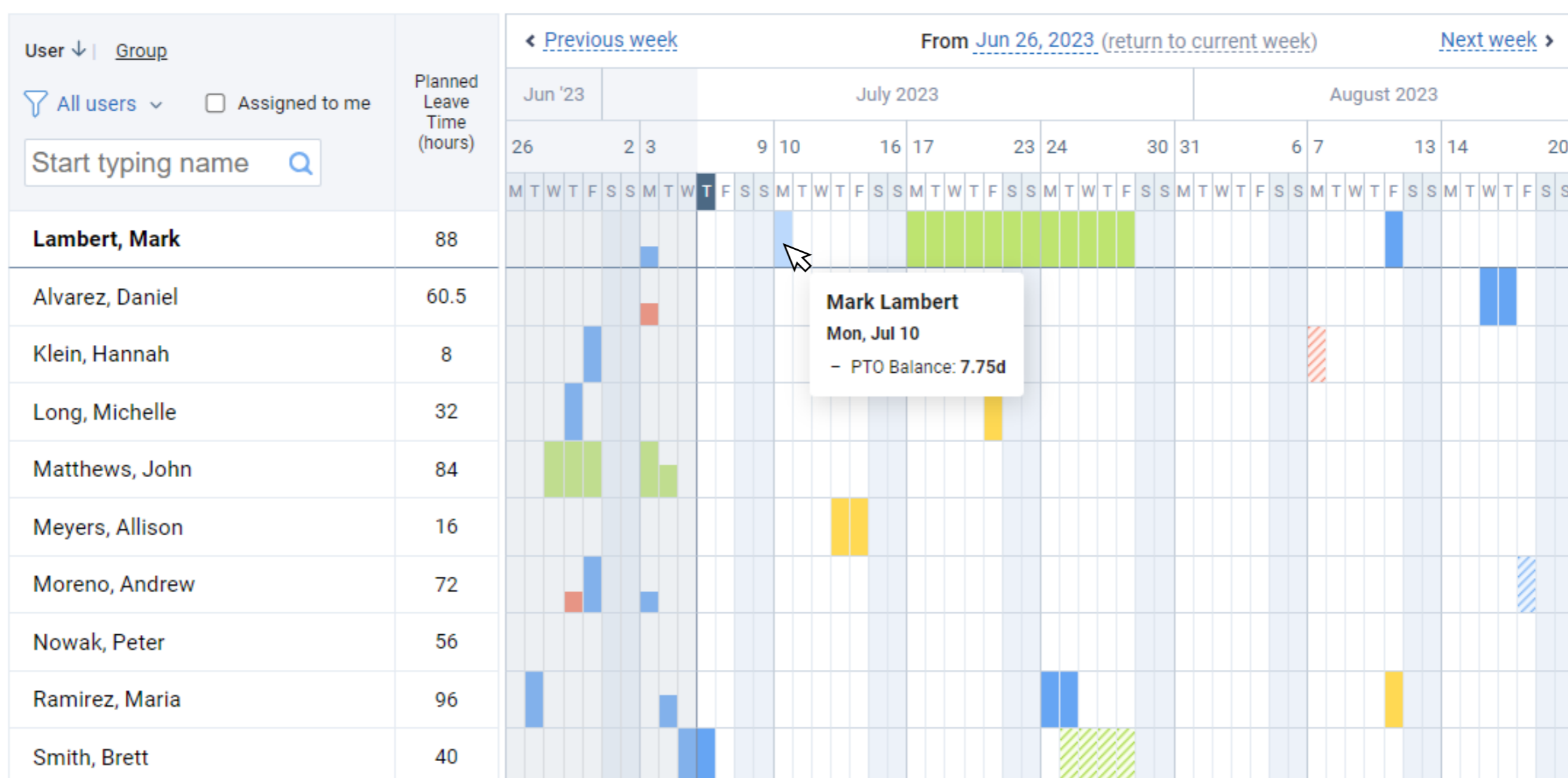
Leave Types

Affected Balances: All ▾   **＋ New Type**

↕	Leave Type Name 🔍	Leave Time Requests	Affected Balances		Actions
⋮⋮	🚫 Time Off	Requires Approval	PTO	PTO Coeff.: 1	•••
⋮⋮	🌴 Vacation	Requires Approval	PTO	PTO Coeff.: 1	•••
⋮⋮	➕ Sick Leave	--	--		•••
⋮⋮	👪 Family Leave	Requires Approval	--		•••

More to read on the topic: Employee Time Off: Most Common and Unusual Leave Types

Leave Scheduling chart showing Balance as of today, PTO: 7.75d, with Leave Time Planning Chart for users Lambert, Mark (88); Alvarez, Daniel (60.5); Klein, Hannah (8); Long, Michelle (32); Matthews, John (84); Meyers, Allison (16); Moreno, Andrew (72); Nowak, Peter (56); Ramirez, Maria (96); Smith, Brett (40). Tooltip: Mark Lambert, Mon, Jul 10, – PTO Balance: 7.75d.

More to read on the topic: How to Schedule Time Off in an Easy Way with actiPLANS

- **Automated leave request approval.** In actiPLANS, you can approve automatic time off for all or just specific leave types. Besides, you can review and approve employees' leave requests in bulk.

  If some employees enjoy your complete trust, you can switch off all the time off controls for them, and all their leave requests will be approved automatically too.

- **Accurate work status tracking.** When employees work remotely or change locations daily, losing control is easy. Yet actiPLANS lets your employees plan out and set work statuses to their liking while you can review the created location schedule and never lose sight of where your colleagues are.
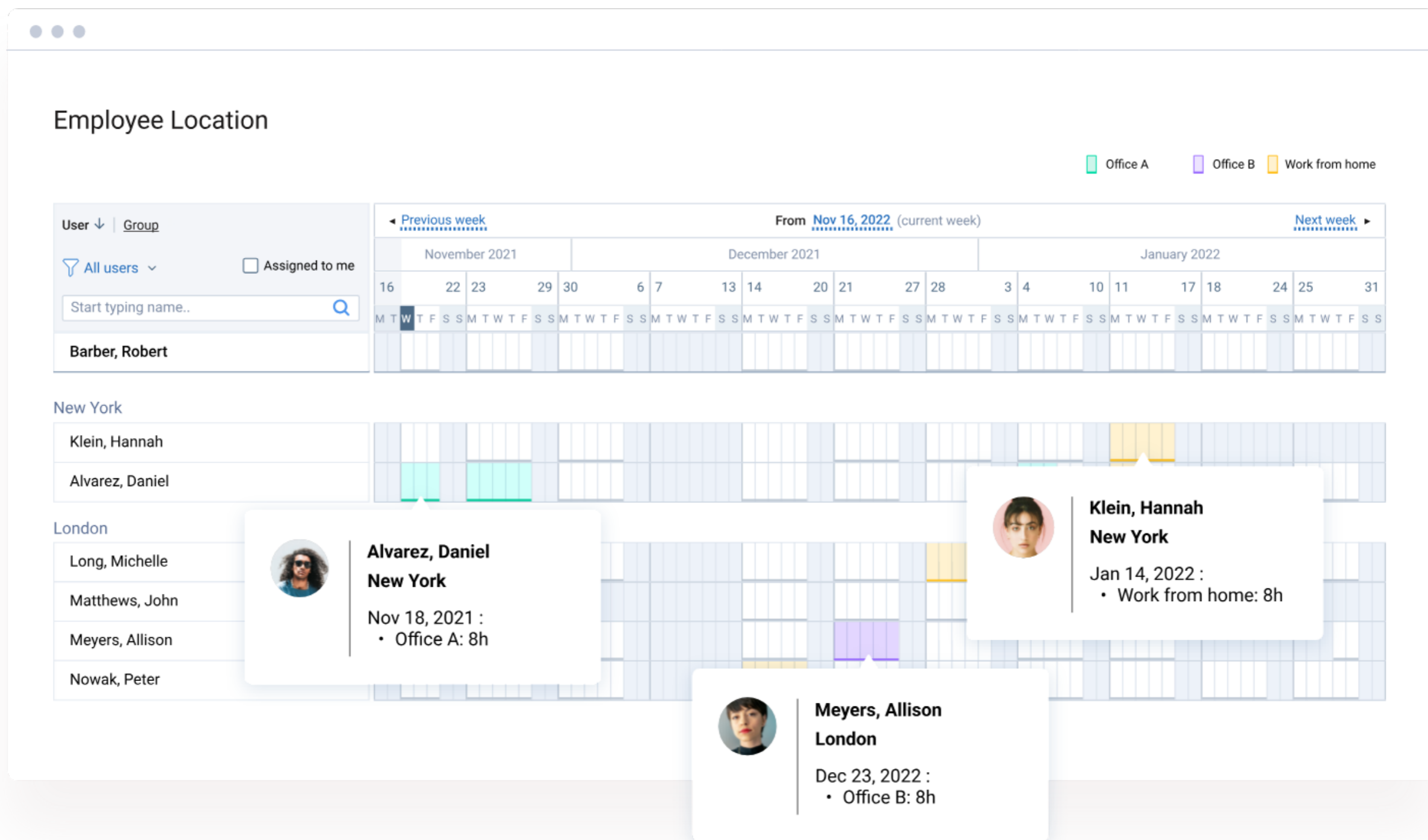
- **Informative time off reports.** actiPLANS offers a bunch of insightful time off reports that let you analyze your team's absence data in proper depth:

1. Run the Leave Time & PTO Balances Report displays the organization-wide time off statistics to compare employees' absences.

2. Past Leaves Calendar comprehensively summarizes each team member's time off history. Review the Balance History Report lets you track how employees' time off was accrued and used over any period of time.
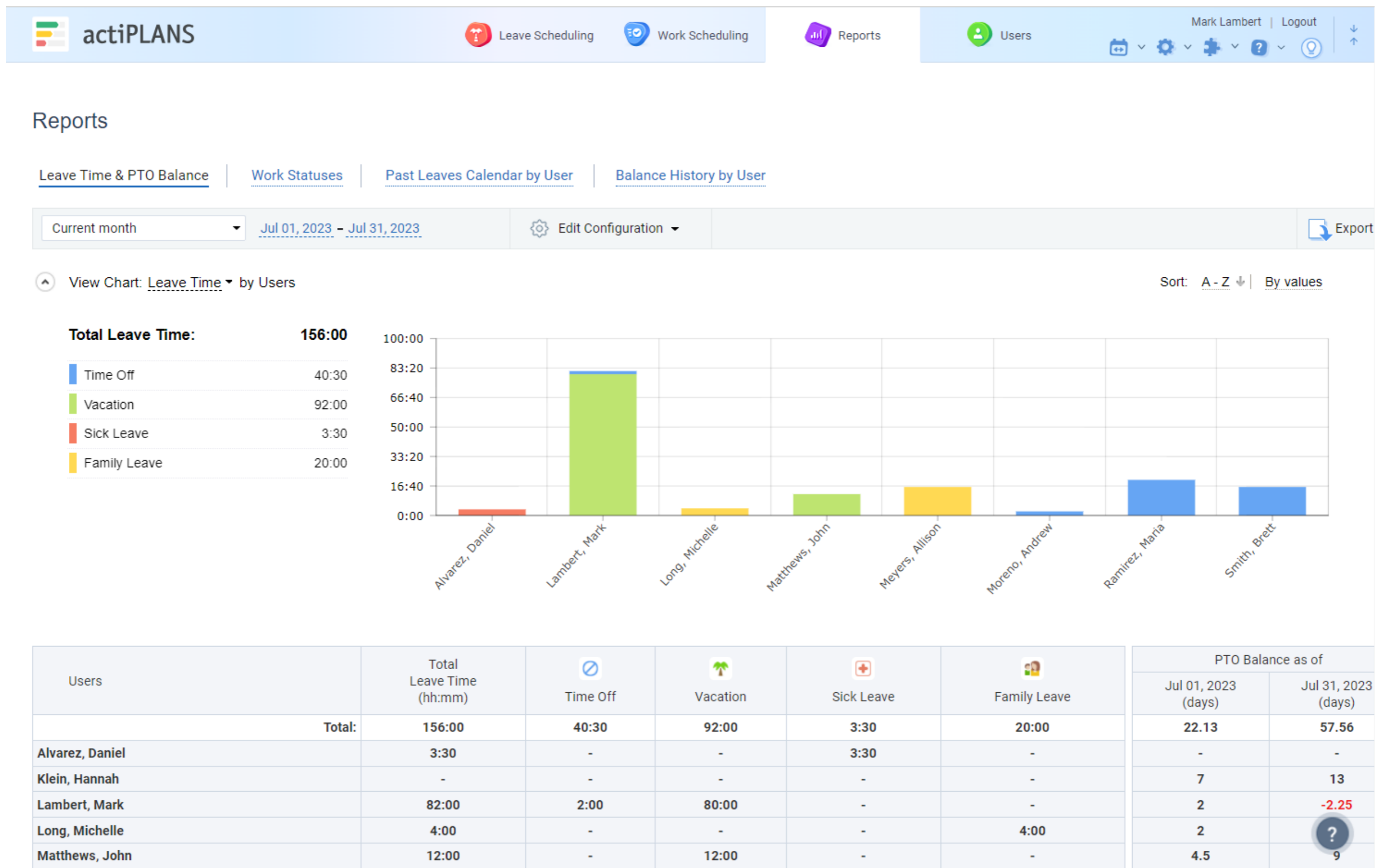
5 Ways You Can Improve Your Business Results with actiPLANS Right Now

Apart from letting you track employees' time off, an absence management system can provide you a wealth of information on how to enhance team productivity and attain better business results.

Here are a few things you can do today to see how it works.

1. Check your team's absence rate

Measuring absence rate can provide valuable insights into your organization's performance and help you make informed decisions about resource allocation, budgeting, and absence management strategies.

The absence rate shows the percentage of total available workdays that employees are absent from work due to illness, injury, or other reasons.

Steps to take:

1. Determine the total number of workdays available for the period under consideration. This could be a month, a quarter, or a year, depending on the reporting cycle used by the company.

2. Run the Run the Leave Time & PTO Balances Report to determine the total number of days lost due to absence in the same period. This includes all absences due to illness, injury, personal reasons, or vacation days.

3. Calculate the absence rate using the following formula:

Absence Rate = (Total Number of Days Lost due to Absence / Total Number of Workdays Available) x 100

Example: If your company has 100 employees and records 200 days of absence in a month with 20 working days, the absence rate would be:

Absence Rate = (200 / (100 x 20)) x 100 = 10%

This means that each employee was absent for 2 days a month, equivalent to 10% of the total available workdays.

An absence rate below 3% is considered good, while a more than 10% rate is considered high.

2.Explore employee leave patterns

Revealing employee leave patterns is essential for organizations to proactively manage employee absences and ensure that work is completed efficiently and within the schedule.

It can help businesses identify sources of stress, plan resources, and improve work-life balance, ultimately leading to increased productivity and employee satisfaction.

Step to take: Open the Past Leaves Calendar to see if there is a certain time of year when absences tend to spike or a particular type of leave that's more common than others.

For example, if absences spike around the holidays, consider offering employees additional paid time off.

3.   Review workloads and schedules

One of the most frustrating things about employee leave is figuring out who will cover for the absent person. An online leave planner can help by showing who is available to work when someone is on leave.

Step to take: Check out the Leave Management tab to get a bird's eye view of all potential leave overlaps.

4.   Improve team communication

As a centralized platform for leave management actiPLANS can streamline communication by providing real-time updates, automated notifications, visibility into leave schedules, and additional opportunities for collaboration. This can help reduce miscommunication and conflicts, improve productivity, and enhance job satisfaction.
Step to take: Adjust actiPLANS' settings to ensure you and your colleagues are on the same page regarding their presence and absence.

5. Find areas for improvement in your PTO policy

By tracking employees' attendance and analyzing PTO patterns, you can identify issues in the PTO policy and make adjustments to improve employee satisfaction, productivity, and work-life balance.

These may include updating the PTO policy, providing additional employee training and resources, or implementing new procedures for managing PTO requests and conflicts.

Step to take: Open the Review Balance History Report to check if your employees have the opportunity to use their PTOs as often as stipulated by local regulations and your company procedures.

Instead of Conclusion

Effective absence management requires a proactive and consistent approach, transparent policies, effective communication, and ongoing monitoring and improvement.

While it may not always be simple, it can be straightforward if suitable systems and processes are in place.

1. Standard policies allow organizations to provide employees and managers with clear guidelines for reporting, tracking, and addressing absences. This can help reduce confusion and ensure everyone is on the same page.

2. Consistent approach. By applying absence management policies and procedures across all employees and departments, organizations can ensure that everyone is held to the same standards and that there is no favoritism or discrimination.

3. Automated monitoring and reporting help managers identify trends and patterns and any potential issues that need to be addressed and take a proactive approach to absenteeism rather than reacting to issues after they arise.

4. Regularly reviewing and updating absence management policies and procedures ensures that the company maintains good practices of promoting good attendance and productivity.

Easy and effective leave planning is just a few clicks away!

Start free trial