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There are direct and indirect costs of absence that can cascade through payroll, benefits, and operations – in addition to productivity loss. And the reasons for an employee taking leave are many and varied, ranging from employee's injury and illness, pregnancy-related issues, newborn care, adoption, foster care, or elder care, to name a few.

The recordkeeping for employee absences is particularly complex and challenging for part-time, variable-work-schedule, hourly, and non-exempt employees. For instance, recordkeeping to meet the requirements of the Family Medical Leave Act (FMLA) involves determining eligibility and entitlement, as well as managing and tracking continuous and intermittent leaves.

Historically, organizations have taken a variety of approaches to Leave Administration. Moving forward, keeping accurate records of unpaid leaves, including FMLA leave, leave associated with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), and individual state's jury duty leaves, are a requirement for establishing Affordable Care Act full-time status. Tracking these absences also can potentially become part of an audit trail in an Internal Revenue Service or Department of Labor inquiry or used to respond to notices from private or public exchanges.

It can be overwhelming. Here are 5 tips that may help you reduce risk, simplify complexity, and improve your and your employees' experiences:

- 1. Communicate Often.** Studies have shown that absence rates have a direct correlation to communication practices. In instances where employees felt included in communication, absence rates were below average. So, constant and clear communication with your employees about these policies – how they're changing and may impact their lives – can potentially reduce absences. Improving

communications also may reassure employees by helping them become more

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- accuracy.
3. **Improve Leave Tracking.** Employers who fail to adequately and accurately monitor leaves and absences may suffer significant productivity loss and quality issues, as well as inadvertently expose themselves to potential claims by employees. This is especially true for tracking the leave of part-time and variable-work-schedule employees which – for many companies today – is still performed manually using an Excel spreadsheet or managed internally using software. Having an outsourced HR solution that's integrated with payroll can help ease this task immensely.
  4. **Align HR with Operational Needs.** One of the biggest challenges HR Leaders face is offering more strategic value to their organizations. In fact, an article in the July-August issue of *Harvard Business Review*<sup>®</sup> titled “People Before Strategy: A New Role for the CHRO,” examined the same challenge, saying: “The chief human resources officer must become a true strategic partner to the CEO.” Applying that to managing employee absences requires a dialogue among HR, finance and operations to align expectations and set goals. Your assessment might include examining whether there is integration among HR, operations, scheduling systems, absence management, time and labor, ACA health compliance solutions, as well as payroll. It also may encompass a look at the degree to which your company is adhering to federal and state leave laws, and whether a lack of tools or fear of potential litigation is impacting that.
  5. **Implement Self-Service Tools.** Arming your managers with a complete absence management solution can go a long way toward reducing the impact of absences on your business. A comprehensive system should enable HR managers to easily report intermittent time, view an employee's leave history, and be confident that all required notices are provided appropriately and on time, among other things. Employees should be able to apply for leave, view their leave calendar, check job protection and manage current leaves. Ideally, all this functionality should be housed on a website that gives users 24X7 access.

Employers can help reduce the impact of employee absences by integrating HR,

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Maybe it's time to do an assessment of your company's policies, how they align with federal and state regulations to determine if your HR systems are up to the task.

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