

Employees Not at Work? *Where are they?*

ACCA Meeting

May 10, 2007

Carol Trostle
Trostle & Associates, LTD



Today's Agenda

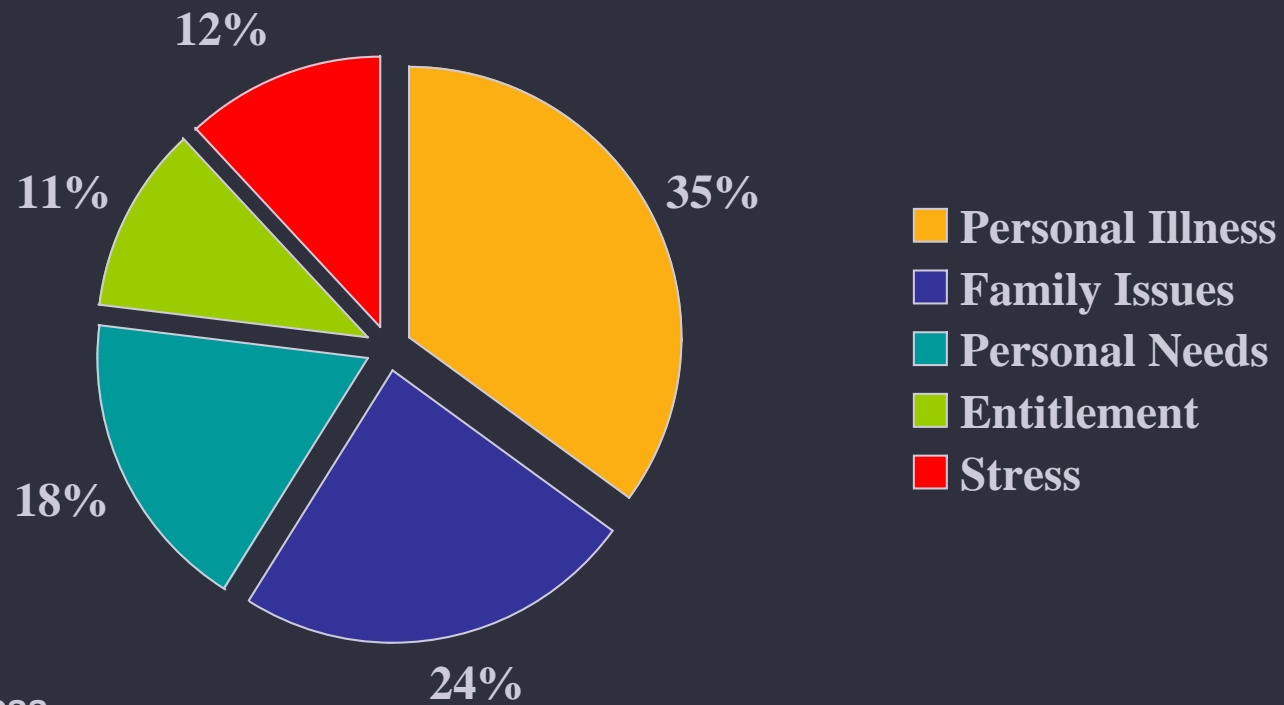
- Unscheduled absence
- Why aren't they coming to work?
- Cost of unscheduled absence
- Calculate your absence rate
- Reducing absence – Top 5 ideas
- Presenteeism
- Suggestions
- Q & A from the Audience – Panelists:
- Tony Lagares Apple Care
- Shirley Sanders Manpower
- Mary Lou Marker Cingular – The New AT&T

What Do We Know about the Current Situation?*

- ▶ This year's rate is the highest since 1999
- ▶ The 2006 average absenteeism rate is 2.5% - up from 2.3% in 2005
- ▶ 2004 was 2.4% and 2003 was 1.9%
- ▶ Service employers report highest absenteeism rate: 2.8%.

*From the 16th annual CCH Unscheduled Absence Survey, conducted by CCH Incorporated. Study surveyed 326 HR professionals in companies with a combined total of over a million employees.

Why Are Employees Unexpectedly Absent?



35% Personal Illness
65% Other

What's the Cost of Unscheduled Absence?

- ▶ Direct payroll cost for paid, unproductive time in 2006 is \$660 per employee.
- ▶ Exact cost depends on company size, with smaller companies paying proportionately more than larger:
 - ▶ Small companies average \$49,000 per year.
 - ▶ Large companies average nearly \$850,000 per year.
- ▶ Companies reporting “poor/fair morale” set aside 6.2% of budget to cover unscheduled absence, compared to those reporting “good/very good morale”, who set aside 5.5%.

How to Calculate Your Organization's Absence Rate?

Rate of Unscheduled Absenteeism						
	/		=		X 100 =	%
Total Hours Paid for Unscheduled Absence		Total Paid Productive Hours		Ratio		Absenteeism Rate

Top Five Ideas Rated Most Effective at Reducing Absence

1. Employee Assistance Plans
2. Wellness programs
3. Leave for school functions
4. Flu Shot Programs
5. Alternative work arrangements

What Makes Sick Employees Come to Work?

- ▶ 56% No one available to cover their workload.
- ▶ 50% Do not want to use vacation time
- ▶ 46% Fear of discipline
- ▶ 41% Want to save my sick time for later in the year
- ▶ 36% Company loyalty
- ▶ 25% Company culture discourages use of sick days
- ▶ 15% Too difficult to work from home

Survey Says: Consider these Suggestions

- ▶ Encourage a healthy environment
- ▶ Develop clear guidelines
- ▶ Review existing policies
- ▶ Keep common areas clean
- ▶ Practice what you preach

Thank You!

Today's Panel – Your Questions...



Trostle & Associates, LTD.
PO Box 781973
San Antonio, TX 78278-1973

Phone: 210 492 1887
www.trostle.com

