

Being a business owner means handling staff schedules, projects, and managing absences. When employees must take leave or are absent, this can complicate running a business further. Whether an employee is absent for a day or a week, this leads to moving things around such as rosters and workloads.

By understanding what constitutes as **legitimate** absences and what falls under chronic absenteeism, you can identify the root cause, help the employee, and ensure your business doesn't get affected. In this factsheet, we explain what absenteeism is and ways you can manage staff absenteeism.

What is absenteeism?

Absenteeism is a pattern of absence from work without good reason. Generally, absenteeism is unplanned absences or the habitual non-presence of an employee at their job. Thus, absenteeism does not include vacation, personal leave, or other reasons.

A certain level of absenteeism is expected, but it can become a problem if it gets excessive or starts to impact other members of the team.

Did you know that absenteeism is estimated to cost the Australian economy over \$35 billion in wages and lost productivity? The costs of absenteeism are not just limited to the financial costs. Other costs include:

- ✓ Loss of pay for absent worker
- Increased workload for colleagues and other team members
- Loss of concentration as present staff must manage excessive work

- Decreased productivity for management
- ✓ Increased risk of accidents or injuries
- Negatively impacts team morale

As a small business owner, you are working with limited resources and manpower. Even one absent employee can cause a ripple effect and affect the quality of your products and services.

A high absenteeism rate could also be an indicator of problems within the workforce or employee disengagement.

Are you struggling with chronic staff absenteeism? Is it getting tricky to handle overworked employees covering for absent employees? We can help!

Employsure supports more than 35,000 Australian business with with employment relations and work health and safety.

We understand the challenges business owners face with dealing with chronic absenteeism. Request a consultation today and one of our representatives will be in touch with you.

Request a Consultation

How can you manage absenteeism?

- ✓ Keep personal leave records- Having consistent and clear records documenting) leave can help you notice patterns. You can) use software to do this to ensure the records are accurate.
- ✓ Notice patterns- Using those records, see if you can notice a pattern to the absenteeism. Are they absent on the same day every month? Understanding this pattern can help you understand the cause.
- Schedule an informal meeting- Set up an informal meeting to discuss your employee's absences. This is not a disciplinary meeting but a chance for you to talk one-on-one with your employee. They can have a support person with them if they need.
- ✓ Assess the informal meeting- If you feel the informal meeting did not provide a sufficient reason and explanation, assess it to determine future action. You can inform the employee there will be a formal meeting and procedure.

✓ Hold a formal meeting - A formal meeting is a disciplinary meeting conducted as per the employee contract and handbook. In this meeting, you will discuss the implications of their absences, the steps they can take, and if you need to terminate their employment.

Be Prepared

As a small business owner, absenteeism can cause challenges to your operations. You must juggle your existing workload at reduced capacities, leading to potential loss of customer revenue. How can you ensure absenteeism doesn't negatively impact your business?

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