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How should HR deal with chronic absenteeism?

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In an extreme case of chronic absenteeism a man in Italy was missing from work for 15 years. What do you need to know if this happens in your organisation?

A man in Italy <u>has been caught</u> out for being absent from work for 15 years. He continued to be paid the entire time, racking up a total of €538,000 (roughly \$837,000) in salary from the Pugliese Ciaccio hospital.

He didn't pull this off on his own. The man was allegedly assisted by six managers from the hospital, police also believe he threatened the hospital's director to stop her from reporting his chronic absenteeism. According to the <u>Guardian</u>, he faces charges of abuse of office, forgery and aggravated extortion.

The concerning prevalence of absenteeism in Italy's public sector has motivated police to crack down on chronic absenteeism in recent years. In a separate case, <u>nearly a third</u> of town hall employees in Sanremo were investigated for cheating the time management system, while another investigation caught a policeman clocking on <u>in his underwear</u> before allegedly returning to bed.

Absenteeism In Australia

Thankfully, chronic absenteeism isn't quite so bad in Australia.

According to the Australian Bureau of Statistics (ABS), the number of employees calling in sick actually <u>fell by 35 per cent</u> last year.

The reason for this drop could be due to a number of things, such as increased social distancing and better hygiene, lower employment figures and an unstable job market making people less likely to 'chuck a sickie'.

Which unfortunately, makes the numbers a little less reliable – we have no idea what's in store as Australia emerges from the pandemic.

Pandemic or not, we know this has always been a problem.

According to <u>statistics</u> from AHRI's 2015 HR pulse Survey into absence management, employees take (on average) 8.8 days of unscheduled leave each year.

Over half of the report's respondents suggested the following reasons for unscheduled leave:

- 1. Low employee engagement
- 2. A culture of entitlement
- 3. Poor leadership

According to Karen Gately, founder and CEO of HR consultancy Corporate Dojo, instances of chronic absenteeism (like our man from Italy) tend to occur in small pockets.

"It's likely to be an individual or two, depending on the size of your organisation," she says.

"It's very unlikely to be everybody, assuming that broadly your workforce is engaged in what they're doing. But that doesn't mean it doesn't deserve attention."

Impacts of chronic absenteeism

While the Italian man's 15 year absence is demonstrating chronic absenteeism on the most extreme end of the scale, smaller instances still add up. A 2015 <u>report from AIG</u> shows the average employee took 9.7 days of unexplained leave per year, costing employers \$578 per worker, per absent day (\$3,608 per employee each year or \$44 billion annually across the entire Australian economy). So it's worth getting on the front foot as soon as possible.

"I have come across scenarios where an organisation really needed an employee to step up, but it was difficult to know if they were going to be there," says Gately.

Chronic absenteeism can be a difficult subject to broach with employees, Gately explains, because there's a difference between someone legitimately struggling and an employee who just can't be bothered getting out of bed. Unfortunately, neither situation can be ignored.

Although absenteeism's biggest impact is usually on productivity, other employees also suffer when someone has an unplanned absence.

According to the aforementioned 2015 AHRI survey, low morale of staff filling in for others was the second biggest impact of unplanned leave, followed by lost time from managing absenteeism and reassigning work or finding a replacement.

Gately believes chronic absenteeism can have a detrimental effect on your organisation's high performers who might feel their output isn't being respected.

"Most human beings are empathetic and understanding and will say, 'Okay, I'm happy to do what it takes to support my colleagues through this tough time in life," says Gately. "But if they feel like the person's being disingenuous and not being predictable or consistent, it really pisses people off."

"Ask them to help you understand what is standing in the way for them to be at work consistently and help them to understand that the reason you're inquiring is because it has a detrimental impact on the team, and the organisation." Karen Gately, Corporate Dojo.

Identifying excessive leave

Chronic absenteeism doesn't happen on its own and is usually accompanied by other problems such as disengagement or performance issues. If your organisation is regularly checking in with employees either through <u>surveys</u> or <u>performance</u> reviews these should become apparent quite quickly.

"When you approach the issue with an employee, it should be within the context of these broader issues," says Gately.

She adds that if you accuse the employee of being lazy because they're frequently absent, but their performance has been otherwise good, and it turns out they have a legitimate reason for their absences, you could be making the situation worse.

"As a leader you need to be able to observe the whole picture, and then have a conversation with a degree of your own thoughts and insights to what might be going on so you can engage in a constructive dialogue."

When discussing an employee's frequent absences, Gately recommends entering the conversation with clear goals.

In this instance you'll have two:

- 1. Informing the employee that their absences has become a subject of concern
- 2. Identifying what can be done to change the circumstances

"Ask them to help you understand what is standing in the way for them to be at work consistently and help them to understand that the reason you're inquiring is because it has a detrimental impact on the team, and the organisation."

It is reasonable to ask an employee to produce a <u>medical certificate</u> if their absences are due to a physical or mental illness, she adds.

If absences are a real problem, you could consider solutions such as an employee attendance policy. However, Gately is not convinced they're actually effective in curbing absences.

"What does a policy do other than tell an employee what they already know, and that is, that they need to turn up to work?" she asks.

Where a policy could be helpful is in clearly outlining any disciplinary action that could arise from an employee abusing their leave entitlements. If an employee is collecting a salary and not actually delivering a service, it could essentially become 'theft' from the business, says Gately, and that will require disciplinary action.

"Depending on circumstances, it is reasonable for employers to eventually say, 'Look, we need to be able to rely on you, there needs to be a degree of consistency. And if you don't give us that, you're not doing your job.""

Prevention is better than a cure

At the end of the day, it's best to ensure employees have a reason to take excessive leave in the first place.

As *HRM* has previously reported, <u>burnout</u> has become a concerning issue since the beginning of the pandemic. Being able to identify the signs, and putting <u>organisational structures</u> in place to combat burnout, could prevent employees from reaching breaking point and needing to take time off.

If an employee is taking time off for legitimate personal reasons – such as family commitments or mental health issues – then there might be solutions you can put in place.

Perhaps greater flexibility or <u>childcare options</u> would stop parents being absent due to caring duties? Or, if an employee is struggling with their mental health, perhaps interventions such as directing them to an <u>Employee Assistance Program</u>, teaching them to identify the <u>red flags</u> of poor mental health or even giving them some <u>self-care tips</u> could help?

"It's about negotiating reasonable support, encouraging them and moving forward to work in partnership with you," says Gately.

"Ultimately, you need to be willing and able to go into those conversations with a flexible mindset. There might be a short-term period, for example, where it makes sense for the person to work part-time. Most employees aren't trying to rip you off, so just try to find ways to work together and overcome the problem."