

# Convergys Absence Management Services

The True Cost of Absence: Identifying It, Controlling It

## CHALLENGE

Family leave. Medical leave. Military leave. Short-term disability. Long-term disability. Or just a couple of hours away from the job, half a morning here, half an afternoon there.

Employee absence costs organizations so much that it stands as companies' second highest expense behind payroll. Since absenteeism's costs range from last-minute staffing and overtime to diminished morale, productivity and revenue, the cost of absenteeism goes well beyond hard dollars.

Unfortunately, employers have had a tough time getting a hold on employee absence and managing it accordingly.

The administrative burden of accounting for absence and deducting every increment of time from the right category has meant that time- and resource-pressed staff often let short absences "go". Or, the risk of *not* granting absence seems too high. With federal government regulations like the Family Medical Leave Act (FMLA) and a myriad of regulations state by state, to avoid a potential lawsuit, a company will often choose to let someone take an absence who may not qualify.

For an employer with 20,000 employees, absenteeism's *total* cost can well exceed \$100 million per year.

Large employers make expensive decisions every day regarding absence because they haven't been able to pinpoint where absenteeism is occurring in their organization and the root cause in each case. They haven't been able to meet the information and process needs of all those involved: employees, managers, HR and corporate benefits staff, and executives.

And, even if they *did* have the complete and reliable data necessary to reveal specific problems, employers haven't known how to best approach the difficult and delicate task of making change.

## SOLUTION

Convergys Absence Management Services help large employers tackle *all* the complexities of employee absence and, as a result, make it possible for them to mitigate its impact.

Considering that just a 1% reduction in absenteeism costs can save millions of dollars, companies that take advantage of Convergys' technology and services will find the solution pays for itself rapidly.

## KEY BENEFITS

### Makes It Possible to Really Manage Absence

Convergys centralizes *all* of an organization's absence data in one location—short- and long-term disability, FMLA, military leave, and so on—and combines it with appropriate business intelligence functionality.

This means HR and corporate benefits departments can, for example, compare absence data across all business units and geographies and discover trends that otherwise might not have been clear.

### Minimizes Administration, Satisfies Needs - For Everyone

**Employees:** Any time employees seek a period of absence, whether a half an hour or extended leave, they simply log into an employee portal from their computers and apply. They don't need to remember and track how much disability, family leave, or sick time they have. The Convergys system displays their up-to-the-minute balances and eligibility (or lack thereof).

**Managers:** With or without absence management technology in place, managers have often been unrealistically expected to understand the nuances of employee absence laws. With Convergys' technology, managers have an eligibility calculator, a calendar, and a "dashboard" that they can use to tell them what *they* need to know when they need to know it. This means they can give their employees the guidance they require, be notified about upcoming or immediate absences and act accordingly and, overall, spend more time managing *people* instead of absence-fueled crises.

**HR and Benefits Staff:** Because Convergys gives employees and their managers self-service capabilities that make their individual responsibilities clear, perpetually overstretched HR and benefits departments will spend far less time answering questions and dealing with paperwork related to absence. They can focus their energy on uncovering and fixing absence issues rather than on administering absence itself.

**Executives:** What are absence rates across the organization on a given day? Where is absence the worst in my organization? How do I address it? With Convergys' solution in place, CFOs and other executives will know *exactly* what absence is costing their organizations at any time. Through proper management of absence they can quickly *reduce* the cost.

### **Eliminates Compliance Worries - Federal and State**

Any time an employee applies for an absence, the Convergys system can automatically account for both federal *and* state legislation in determining that employee's eligibility. Then, the system allocates the time to the appropriate category(ies).

Consider a California employee who is on short-term disability, returns to work and then needs to take family-specific leave, but intermittently, not all at once. In each instance the employer must account for disability rules, FMLA, *and* CFRA (California Family Rights Act). No matter how intricate the situation, the Convergys system automatically ensures every increment of time is precisely tracked.

This one feature of the Convergys solution ends what has been a veritable nightmare for larger companies; from 1998 to 2003, over 16,000 FMLA complaints added up to \$19 million in damages. With Convergys, employers have the peace of mind knowing they're complying with *all* applicable laws any time an employee absence request is granted or not granted.

### **Helps Organizations Fix Costly Absence Problems, At The Source**

Convergys understands that automated employee absence processes and centralized absence data only

address part of the equation. Ultimately, an organization wants to find the source of absence problems and fix them.

With that in mind, Convergys analyzes all the data to determine where absence rates in an organization are highest. Is it an entire unit? A department? Specific plants or facilities? Then, Convergys facilitates surveys, interviews, and focus groups with applicable managers and employees to uncover the true source(s) of the problem, often not obvious.

From there, Convergys provides organizations the support and resources they need to address the problem in an employee- and manager- friendly way that also minimizes work disruption. Personnel who work with Convergys to administer the Absence Management solution have helped more than 60,000 people through this process. As a result, their companies have achieved as much as an estimated \$80 million boost in productivity.

### **ABOUT CONVERGYS**

Convergys Corporation (NYSE: CVG) is a global leader in providing customer care, human resources and billing services. A member of the S&P 500 and a Fortune Most Admired Company, Convergys combines specialized knowledge and expertise with solid execution to deliver outsourced solutions, consulting services and software support.

Headquartered in Cincinnati, Ohio, Convergys has more than 62,000 employees in 67 customer contact centers, three data centers and other facilities in the United States, Canada, Latin America, Europe, the Middle East and Asia. For more information visit [www.convergys.com](http://www.convergys.com).

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