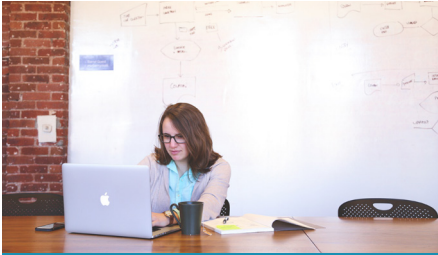


Should Your Organization Outsource Absence Management? Ask These 5 Questions

Outsourcing absence management offers many benefits to a busy HR department. At most organizations, only a small minority of employees are out on leave at any given time; an even smaller number need special accommodations, like intermittent ADA leave. Most of your employees are working! Outsourcing management of the employees who are out on leaves of absence lets you focus on the people who are currently working; your absence management provider takes care of the people who are out on leave.

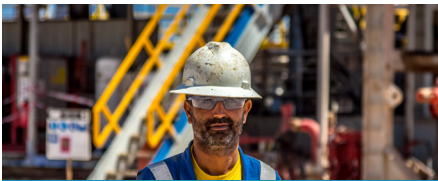
But are you ready to take the next step and outsource absence management? Or would simply upgrading your leave software to a purpose-built product be a better fit for you? Here are five questions to help you evaluate your readiness to outsource absence.



1

How is our leave data currently tracked?

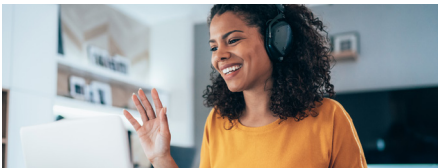
Why this question is important: If you're consistently tracking leave usage for your employees using a software for leave management, it allows you to give an absence management provider the current leave utilization and eligibility for each employee. With this data, they'll be able to make sure that the amount of leave available to each of your employees aligns with the leave they've already taken. If you are currently tracking by means other than software, it doesn't prevent your ability to provide prior leave usage data to the absence management vendor, but it will take your vendor more time to evaluate how to set up a program for you. Not tracking leave data yet? Start doing it as soon as possible, to ensure that you're able to hand over accurate records.



2

Where do our employees work?

Why this is important: Absence management for multi-state employers entails far more complexity – not only are you responsible for complying with federal laws, you also have to ensure compliance with state (and sometimes even municipal) leave laws that probably vary depending on which state your employees work in.



3

What does HR look like at our organization?

Why this is important: It's often difficult for HR teams that are spread out over a number of offices or regions to apply leave policies consistently. Making inconsistent decisions on employee leave can put employers at legal risk and could result in fines and lawsuits. Single, centralized HR teams usually have an easier time managing all leaves in the same way. If all of your employees work in a single state, they also don't need to keep track of multiple states' changing leave laws.



4

How many full-time and part-time workers does our organization employ?

Why this matters: The bigger your organization, the more leave data you're going to produce. Mid-sized organizations sometimes find that using good absence management software is the best fit for their needs; the larger the organization, the likelier that co-sourcing or outsourcing absence will be the most practical solution that offers the greatest potential cost savings and benefits. Keeping track of how many of your employees are full-time is also key, due to differences in benefits eligibility for full-time and part-time employees in most organizations.



5

How important is it to us to be able to report on absence trends and utilization of leave time?

Why this matters: It's hard to evaluate the true cost of employee leaves without access to software that offers advanced reporting capabilities. Tracking absence patterns, comparing to industry norms for durations and leave reasons, and showing the return on your investment in absence management is very difficult to accomplish with spreadsheets or lightweight software solutions. If your organization is data-driven, your HR team may want to provide reports that show the value of your outsourcing solution. Sophisticated reporting is something that a good third-party administrator can provide for you.