

The Leave of Absence Experience and Business Impact Report



The number of companies offering paid leave benefits continues to grow every year. In 2020, a survey by SHRM¹ found that **55%** of employers **provided paid maternity leave**, **45%** provided paid paternity leave, and **35%** offered paid extended family care leave.

By 2023, **70%** of employers had recently added new paid leave policies, including **more vacation time (50%)**, **mental health days (48%)**, and **company-sanctioned sabbaticals (23%)**, according to our recent survey².

More than ever, paid leave benefits are seen as a necessity by many employees, especially because there are no federal policies for paid leave in the United States.

As a leading provider of leave management solutions for over 10 years, we wanted to understand exactly how paid leave programs are impacting everything from recruitment, retention, and ultimately the overall employee experience.

We found that for companies to stay competitive, it is becoming critically important to not only offer paid leave programs, but also manage them well.

For more resources about improving your leave program, you can visit absencesoft.com for guides, articles, webinars, and much more.



¹ SHRM Research. [More Employers are Offering Paid Leave](#)

² [AbsenceSoft 2023 Employee Leave of Absence Forecast Report](#)

The Impact of Leave on Recruitment

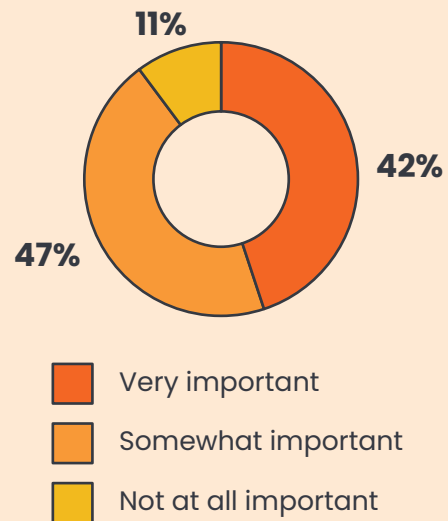
Offering a paid leave program, and letting potential employees know about it can be an important part of recruiting a talented workforce. Flexible time off (FTO) programs also remain very popular and was ranked as the most desired policy for potential employers to have. From recent job-seekers, we learned the following:

- **42%** of respondents wouldn't apply for a job that doesn't offer paid leave.
- **86%** of respondents said they are more likely to apply to a job that offers paid leave benefits.
- Flexible time off, mental health days, and parental leave are the top preferred leave benefits.

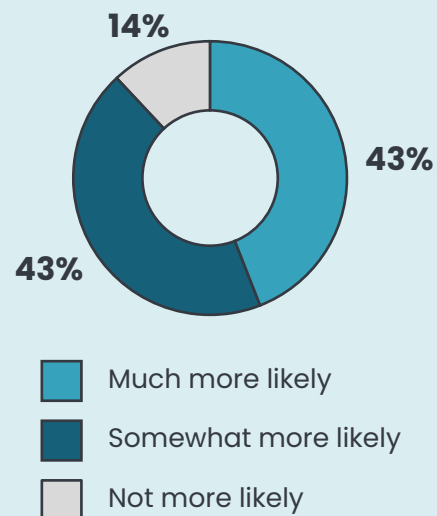
What are the most important paid leave benefits you would want your employer or future employer to have?

- Flexible Time Off
- Mental Health Days
- Parental Leave
- Bereavement Leave
- Caregiver Leave
- Compassionate Leave
- Sabbaticals

If you were to apply for a new job, how important is it for your employer to offer paid leave as part of the benefit plan?



If you were to apply for a new job, are you more likely to apply for an open position that lists the position's paid leave benefits in the job description or clearly on the organization's website?



Understanding the Employee Leave Experience

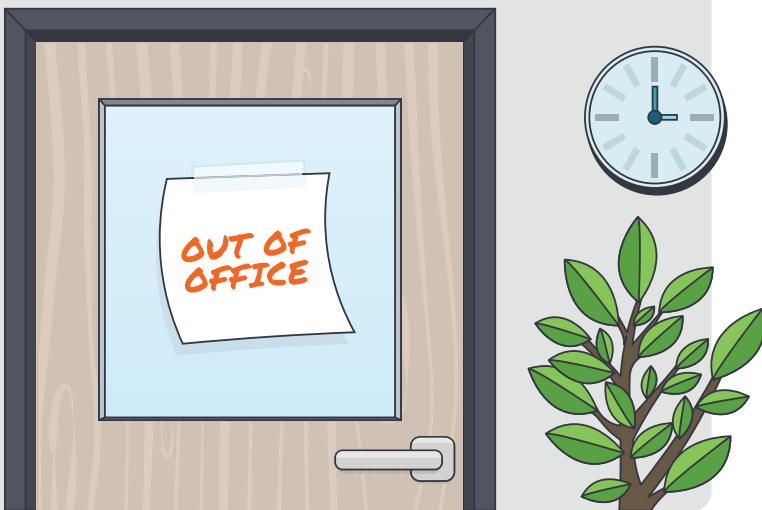
How well a leave of absence is handled can impact the employee experience in many ways — from morale, to productivity, and even long-term retention. A clear, well-considered leave process is more essential than ever. Employees feel supported instead of stressed and confused, managers and co-workers know what to expect, and everyone is on the same page for the return to work plans.

Most importantly, however, good leave processes will help your organization stay compliant with FMLA and other state leave laws. No one wants to inadvertently cause a DOL complaint that could evolve into audits or costly lawsuits.

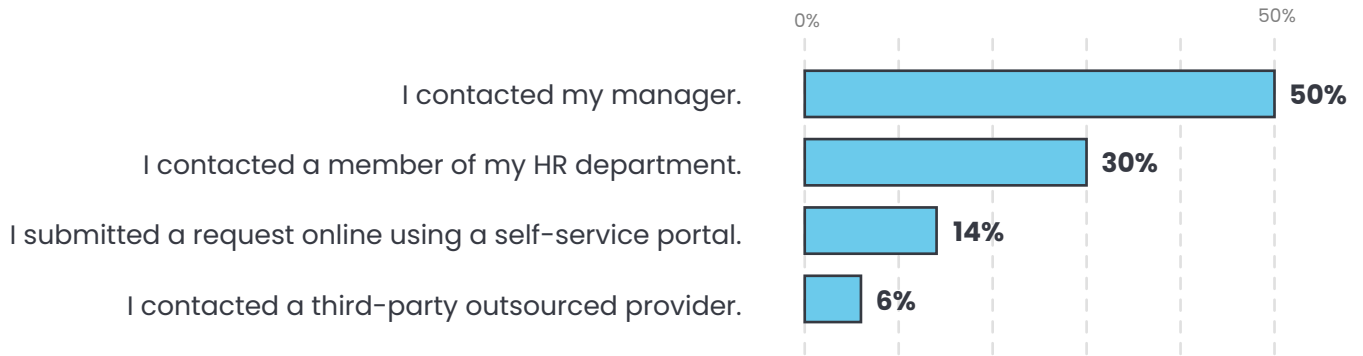
Here's what we learned from employees that had recently taken a leave of absence:

In both good and bad leave experiences, the leave process itself was a central driving factor. Confusing and unclear leave processes were a top driver of poor leave experiences. However, clear leave processes and supportive managers were key predictors of a good leave experience.

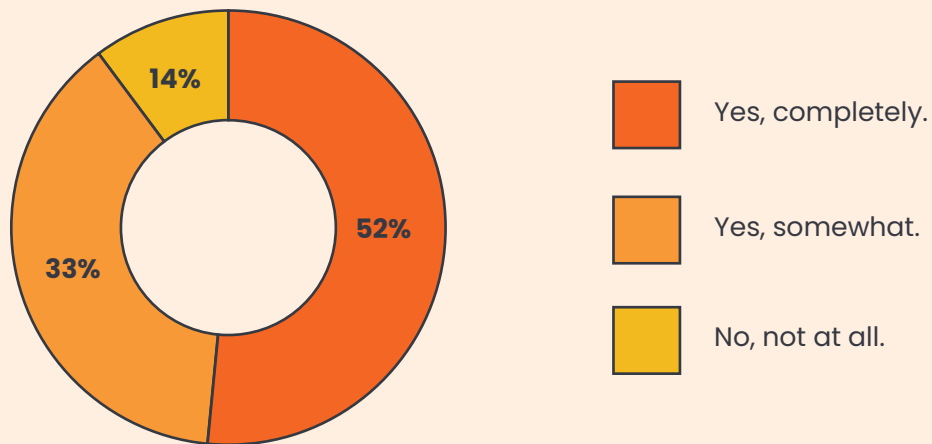
- **Half** of those surveyed requested leave from their managers, making manager training on leave programs essential.
- **85%** of respondents felt comfortable requesting and taking a leave of absence.
- About **one in ten** respondents experienced one or more issues with their leave, including miscalculated pay, benefits problems, and even losing their job.
- **Positive leave experiences** boost morale, improve productivity, and increase loyalty.
- **Clear leave processes** and supportive managers had the biggest impact on positive leave experiences.



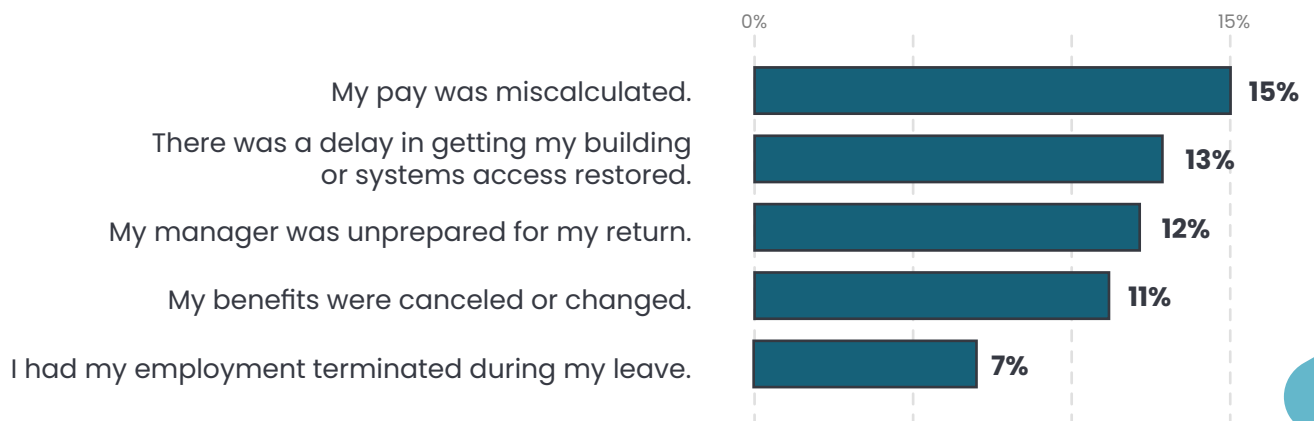
For your most recent leave of absence, how did you request your leave?



Did you feel comfortable requesting and taking this leave of absence?

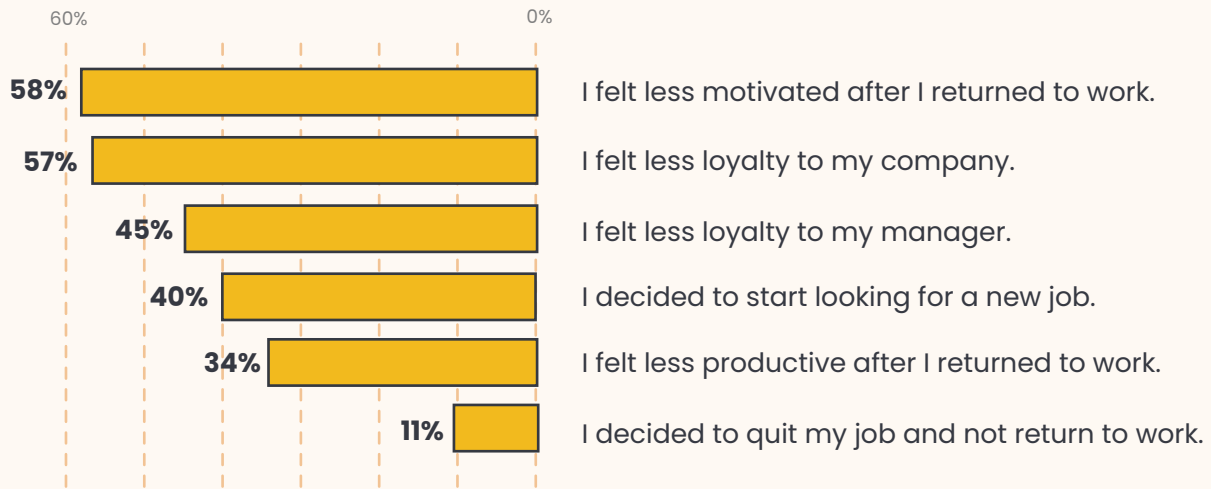


Did you experience any of the following during this leave of absence or upon returning to work?



A Look at the Impact of a Bad Leave Experience

What impact did your poor leave experience have?

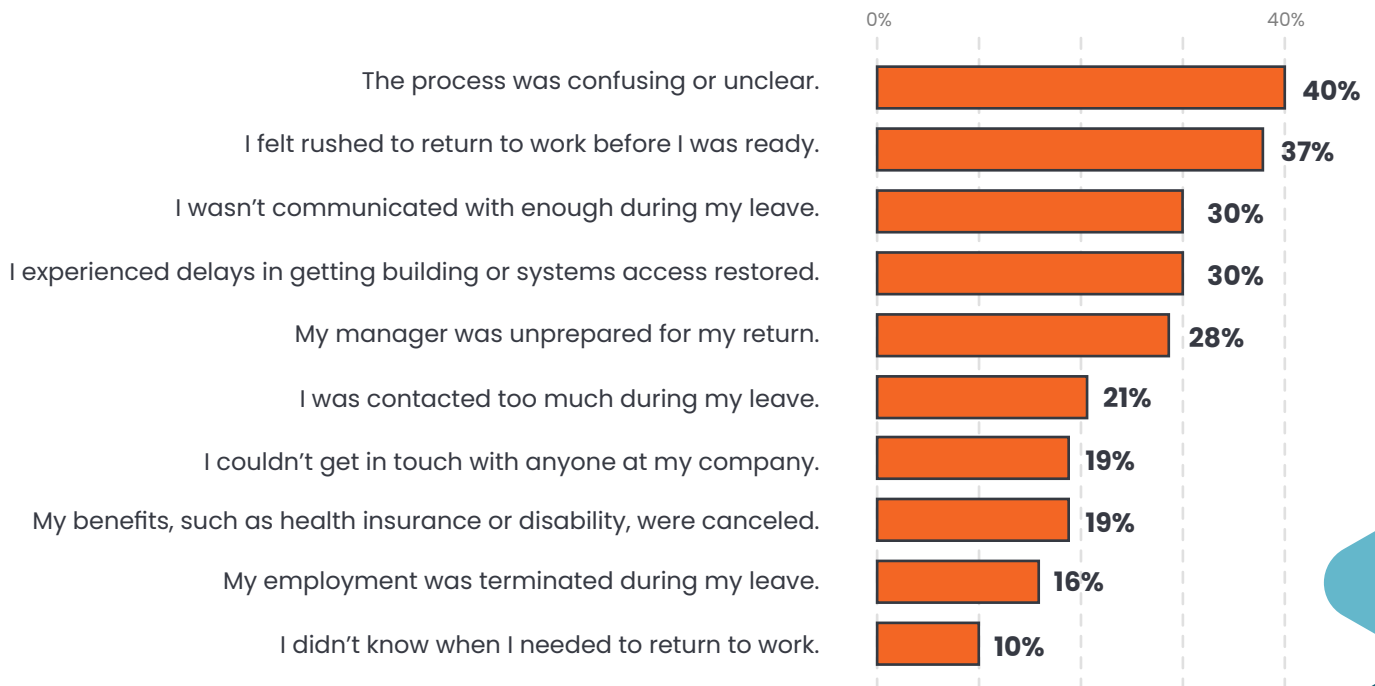


"Colleagues at work didn't know I was on leave and called to ask about work."



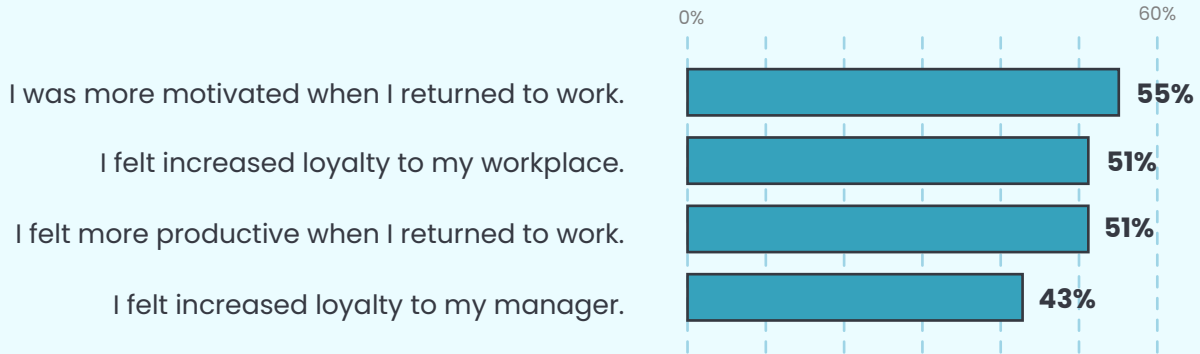
"I was constantly threatened even though I did as I was told to do by the third-party company."

What caused you to feel that you had a poor leave experience?



A Look at the Impact of a Good Leave Experience

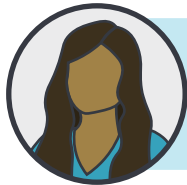
What impact did your positive leave experience have?



"My company had a clear plan for returning to work."

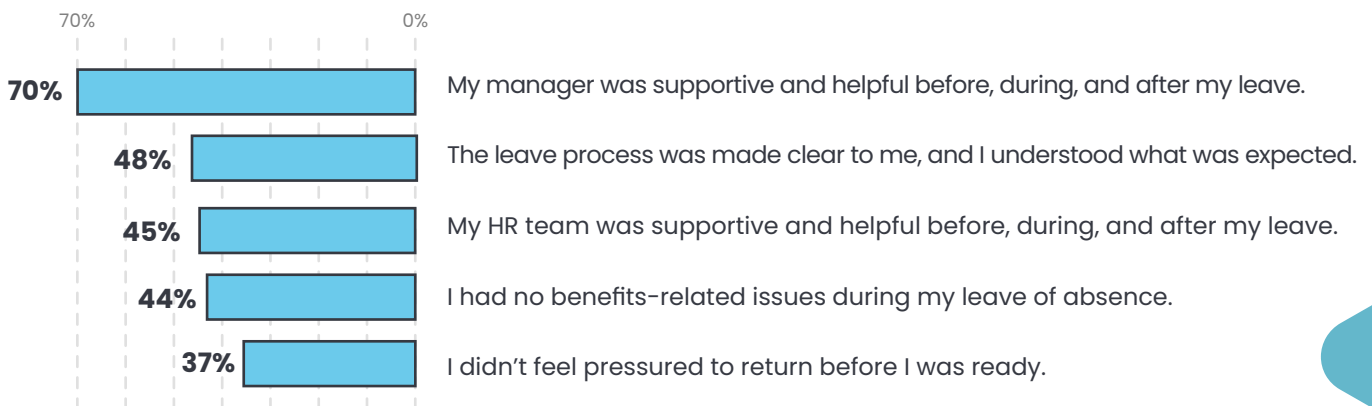


"My need for leave remained confidential between myself and HR."



"I felt like the entire process was handled very well by my company and all my coworkers were very supportive as well. I did not have to deal with anything related to work at all during my 12-week leave. This made me feel very happy and positive when I returned."

What caused you to feel that you had a good or positive leave experience?



In Their Own Words

In our survey, we allowed respondents to let us know more details about their leave of absence, and why it was or was not a good experience for them. Here is what they shared.

When a Leave of Absence Goes Poorly



"It was just horrible. They did not want me to leave. They canceled my benefits. They also kept calling during my scheduled time off. I had to honestly turn off my phone for a couple of days. Then, when I got back no one was ready for my return."



"I just felt unsupported, like I was just a minion for the company, and not a human with a major loss."



"There was no guidance from HR regarding paperwork."



"It felt unfair that the pressure was on me to continue to return before my leave was officially over. I should not have been contacted as often as I was (or at all), while I was out."



"The woman in HR had no clue about the process."



"My manager harassed me saying I didn't have cancer. And this was after I submitted my diagnosis paper to prove it."

When a Leave of Absence Goes Well



"It makes me feel secure and love my job more."



"I have an enhanced feeling of job security after taking time and returning to work to be welcomed back warmly by colleagues."



"When I got back to work from my leave, my teammates and manager welcomed me back right away. This made me feel really good, to be back as part of a team."

Conclusion

The importance of paid leave is growing, with more employees seeking it out proactively in their job searches. Employees are also growing more comfortable requesting and using their leave benefits, while companies are offering more and different leave benefits to attract talent.

In today's workplaces, leave programs can no longer be an afterthought. Poor leave experiences can lead to low motivation, poor productivity, or worse, an employee who never comes back. In the worst scenarios, it can lead to an investigation or lawsuit if leave benefits are improperly denied.

However, if your organization makes leave management a strategic priority, there are many ways to improve employee leave experiences right away. With the right technology, you can improve your processes with centralized data, instant eligibility calculation, personalized text messages, and much more. Solutions like AbsenceSoft can also save your team time and keep you compliant with the over 180 leave laws active in the United States today.

To learn more about how to improve your leave processes, and to see AbsenceSoft in action, schedule a demo with a CLMS-certified specialist today.

[Schedule a Demo](#)

About This Report

For this report, we surveyed two groups of people. The first group was 600 people who were actively looking for a job or had conducted a job search in the past two years. We wanted to know how much leave programs were impacting their job search efforts, and what leave benefits were the most important to them.

Then, we surveyed 600 full-time workers at large companies (5,000 or more employees) who had taken a leave of absence within the last three years. We wanted to know about their overall leave experience, and what impact it had on them after they returned to work.

Leave Management Software Buyer's Guide

Everything HR Should
Know About Managing
Leaves of Absence
with Technology



AbsenceSoft

Introduction

Did you know that on an average workday 20% of a company's employees are on a leave of absence? Managing all these leaves is a far more challenging task than we give HR managers credit for. Federal and state laws, as well as company policies, all apply to the many different types of leaves, which can include (but are not limited to):

- **Family medical leave (FMLA)**
- **Parental leave**
- **Public health emergency leave**
- **Bereavement leave**
- **Personal leave**
- **Political leave**
- **Jury duty leave**
- **Court witness leave**
- **Military service leave**
- **Domestic violence leave**
- **Veterans' leave**
- **Blood donation leave**
- **Bone marrow donation leave**
- **Organ donation leave**
- **Crime victims' leave**
- **School activities or visitation leave**
- **Volunteer emergency responder leave**
- **Firefighter leave**
- **Legislative leave**
- **Quarantine or isolation leave**
- **Short Term Disability**
- **Workers Compensation**

Governing these types of leaves are over 140 laws that are constantly changing in the United States. Keeping up with all the changes—especially with a remote, distributed workforce—has become a massive challenge for HR professionals. For example, employees based in New York will have very different leave entitlements than those in Oregon or Wisconsin. Companies can also have policies that offer leave benefits beyond FMLA.

However, **over 40% of employers surveyed by DMEC are still tracking and managing FMLA and other leaves manually**—relying on ad hoc systems of post-it notes, calendar reminders, spreadsheets, and disparate apps. To compound this challenge, **the average HR professional is managing nearly 86 leaves each!** By stretching HR teams thin with numerous leave management tasks, your company can end up facing poor retention, employees not returning from leave, or even worse, a lawsuit.

Leave management software like AbsenceSoft was created by leave managers, for leave managers looking for a better way to manage leave and accommodations. In one centralized, online system, leave managers can easily view and track cases, automatically calculate eligibility, instantly generate and send out customized packets, and much more. In this guide, we'll dive into how to know you are ready for leave management software, the benefits of leave technology, how to build a business case, and much more.

What's Inside

- Signs your organization is ready for leave technology..... 4**
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- The benefits of using leave management software..... 7**
- Building a business case for leave management software..... 9**
- Why leave and accommodations should be managed together..... 14**



Signs your organization is ready for leave technology

Leave management technology can bring big benefits to HR teams that have aligned their people and processes. If your company has an established process for leave management, even if it is manual, you are ready for leave management software. Or if your company isn't happy with their outsourcing partner, technology can bring leave management back in-house with ease. If you can answer yes to any of the following questions, leave management software can help.

Leave management software has become a critical tool in overcoming the challenges faced by today's HR teams. Through automation, data centralization, and system updates to stay current with state and federal laws, leave technology like AbsenceSoft can streamline and transform your processes. On average, HR teams realize time savings of 66% or more, allowing them to spend more time supporting employees and less time on administrative tasks. Eligibility calculation errors are reduced, time is centrally tracked, and every step of the process is logged to ensure compliance and reduce the risk of a lawsuit.

- Are your HR team members feeling overwhelmed by the administrative tasks involved with leave management?
- Are your employees having issues with your outsourced leave partner, such as slow response times?
- Is your team struggling to track employee data about leaves of absence?
- Are you having trouble knowing exactly who is out on leave at any given time?
- Have you lost track of employees out on leave?
- Have employees returning from leave struggled with canceled benefits, lack of building or systems access, work scheduling, management unpreparedness, or other return to work issues?
- Are you concerned about legal compliance and being audit-ready?
- Are your leave managers overworked and unable to spend enough time with employees?
- Are your line managers confused about which employees are on leave and when they will return?
- Does your organization place a high priority on providing a positive employee experience?
- Is your HR team looking for ways to increase operational efficiency and do more with lean teams?
- Are you looking for ways to streamline leave and workplace accommodation management processes?

How leave management software works

Leave management software is a configurable solution that helps HR teams better manage leaves of absence and workplace accommodations. Delivered as SaaS, these systems are designed to automate the resource-draining manual tasks so HR can focus on people, not paperwork. The core functions and features of leave management software also help HR teams comply with federal and state laws, as well as company-specific policies.

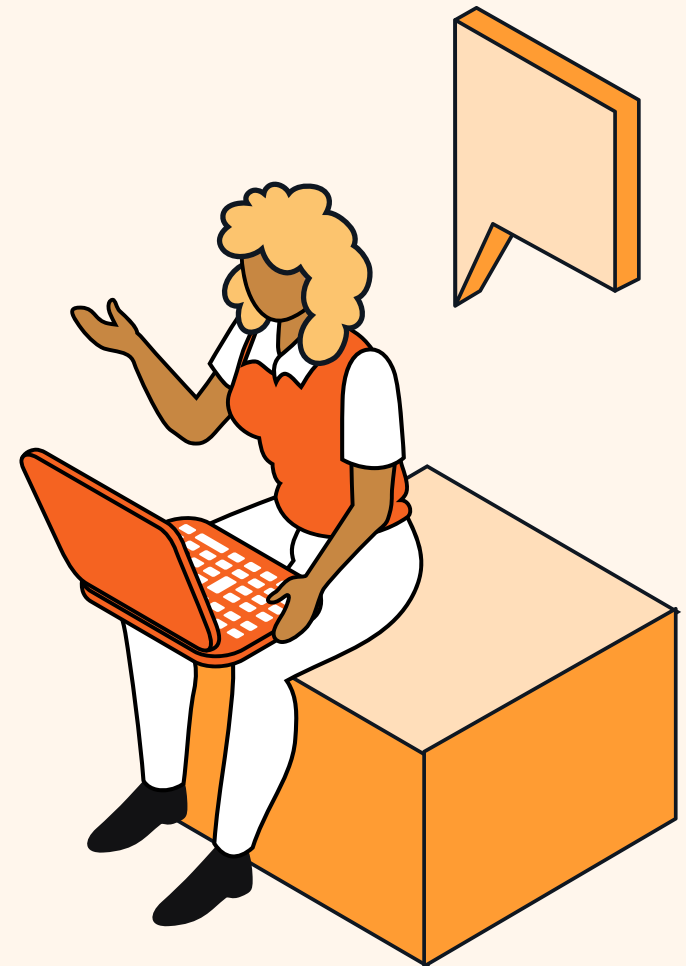
AbsenceSoft provides a centralized, automated way to manage:

Leaves of Absence

Leave management software like AbsenceSoft enables HR teams to open a new leave case in minutes. With just a few clicks, leave managers can enter in all the details of a leave request, and eligibility for federal, state, and company-specific leave is calculated automatically. The system also provides detailed leave tracking capabilities, as well as pre-generated, customizable communications and packet creation. Finally, automated reminders throughout an entire leave help HR teams ensure employees have a seamless return to work.

Workplace Accommodations

When an employee requests a workplace accommodation, AbsenceSoft allows HR teams to easily open a case and track the entire ADA interactive process end-to-end. It provides a centralized location to request and store medical documentation, record decisions, and monitor accommodations with automated follow-ups. The system enables HR to ensure an equitable, compliant accommodation experience for every employee.



Employee Self-Service (ESS)

In today's increasingly digital workplace, self-service is an important part of providing a positive employee experience. With AbsenceSoft, you can create online, mobile-friendly employee self-service portals that allow employees to request leave and workplace accommodations. The portals guide them quickly and easily through the process, showing them instant eligibility and ensuring all the necessary details have been gathered. Employees can log back in at any time to check the status of their request.

Faxing & Barcoding

With so many physicians and other medical providers still relying on fax, AbsenceSoft makes it easy to send and receive faxes inside the system. It consolidates all faxes into a one inbox, enabling HR teams to centrally manage all inbound faxes. Fax barcoding gives HR teams a way to send a fax with a unique barcode for each case. Once it is received back, the barcode can be scanned to instantly "attach" that communication to a leave or accommodations case.

Text Messaging

Every employee is most comfortable with different forms of communication. More and more, many prefer to be notified or communicated with via text. With AbsenceSoft, you can communicate with employees via SMS messaging, and have all messages saved and stored on the related case. This ensures you have a complete communications trail for every request, while communicating with employees in their preferred way.

Batch Fulfillment

Some federal regulations require you to mail notifications to employees during the leave process. With AbsenceSoft's batch fulfillment capabilities, you can send all your communications to a print center or print vendor in one batch, directly from the system.

Advanced Reporting

Inside of AbsenceSoft, you can create and run fully customizable reports. You can create dashboards to keep tabs on the number of open cases, how many employees are out on leave, and other key data points. AbsenceSoft also makes it easy to export reports to share with team members, and schedule reports for regular distribution.

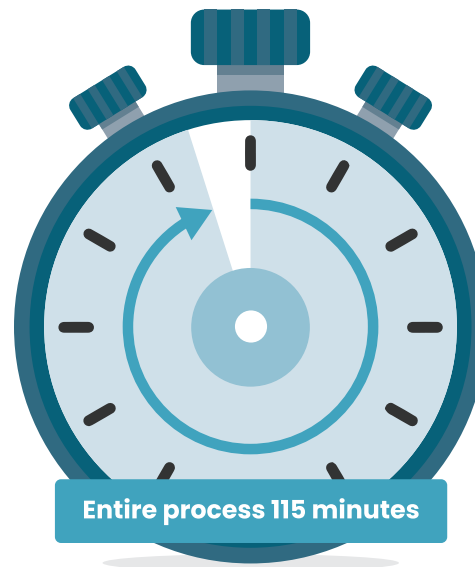
The benefits of using leave management software

As a cost center, HR teams are perpetually overburdened, being asked to do more without added headcount. At the same time, these teams are being asked to deliver on high expectations for retention and employee experience. This is where tools like leave management software can make a real difference. From significant time savings to dramatically reducing the risk of a lawsuit, the benefits of leave management software can reach across an organization.

HR teams gain operational efficiency and **time to spend on people, not paperwork**

It's no surprise that leave management software delivers the most benefits to HR. If teams are managing everything manually, leave administration can quickly become much faster and more streamlined with leave technology. No more piles of post-its, rogue calendar reminders, manila folders, or spreadsheets. Cases can be administered in 66% less time, giving HR much more time to spend supporting employees, not paperwork. HR teams get the time they need to create a better leave experience for both themselves and the employees in their care.

AbsenceSoft allows HR teams to reduce the number of open tabs needed for each case by providing a single place to perform every case-related task. It also steps in to help during the more challenging parts of leave management. **When every case is stored and viewable in a single system, leave managers will know the status of every case they are managing—and their colleagues' cases as well.** Automated reminders can be set for many parts of the process, including letting employees know when they should return to work, as well as follow-up notifications to return forms by a certain date.



Manual Case Management & Letters



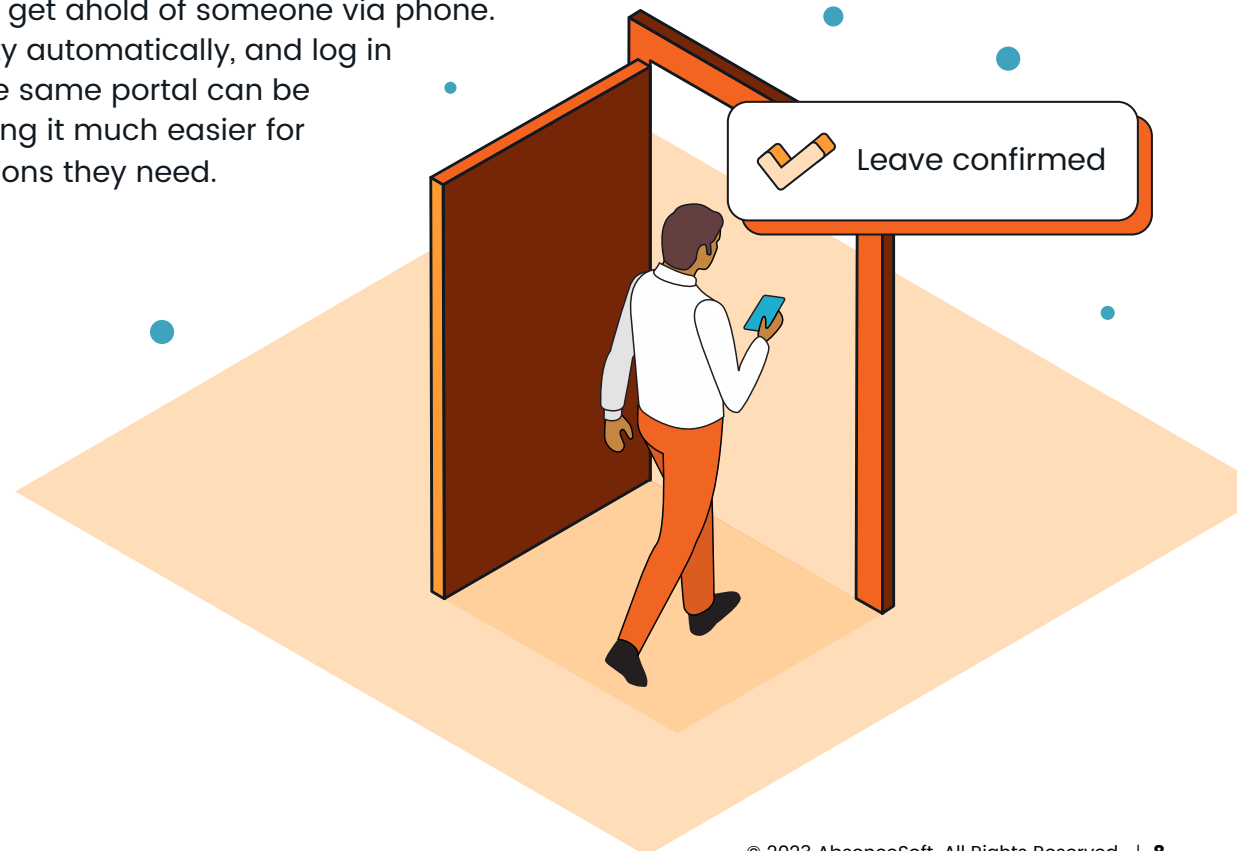
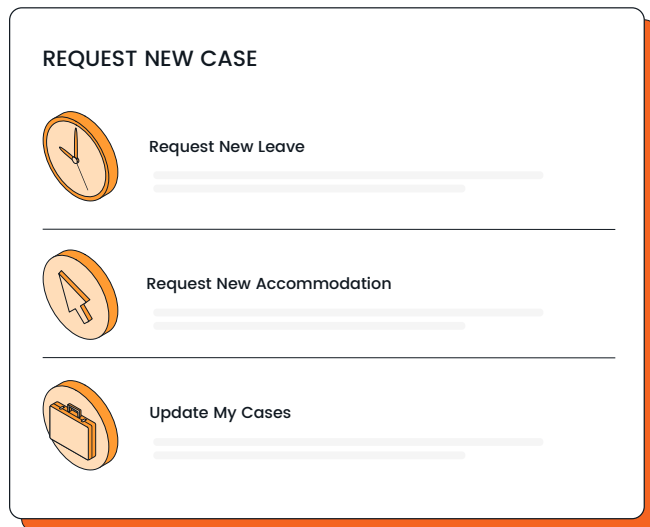
Leave Management Software

Employees get a much better experience, **and are more likely to stay**

It isn't hard to see how giving leave managers more time to spend with employees makes for a better leave experience. Leaves of absence, no matter what the reason, introduce stress and change into people's lives. Having a clear, easy-to-understand leave process, guided by a leave manager who actually has time to talk with their employees to alleviate concerns, is a far better experience for everyone involved.

Every positive experience an employee has with an organization increases the chances of keeping them in the long run. Conversely, a negative experience during a stressful time can be a deal-breaker. For example, if someone goes on maternity leave, but leave isn't tracked properly, their benefits could get canceled. In an even worse scenario, a leave manager without access to accurate historical employment data could improperly deny FMLA, leading to a costly lawsuit. It costs a company twice as much to recruit a new employee than to retain an existing one, and FMLA lawsuits award an average of \$400,000 in damages.

In today's modern workplace, self-service is another driver of a positive employee experience. By providing an easy-to-use, mobile-friendly way to request leave and workplace accommodations, employees don't have to wait to get ahold of someone via phone. They can quickly request leave, check their eligibility automatically, and log in at any time to check the status of their request. The same portal can be used to request workplace accommodations, making it much easier for employees to request the leave and accommodations they need.

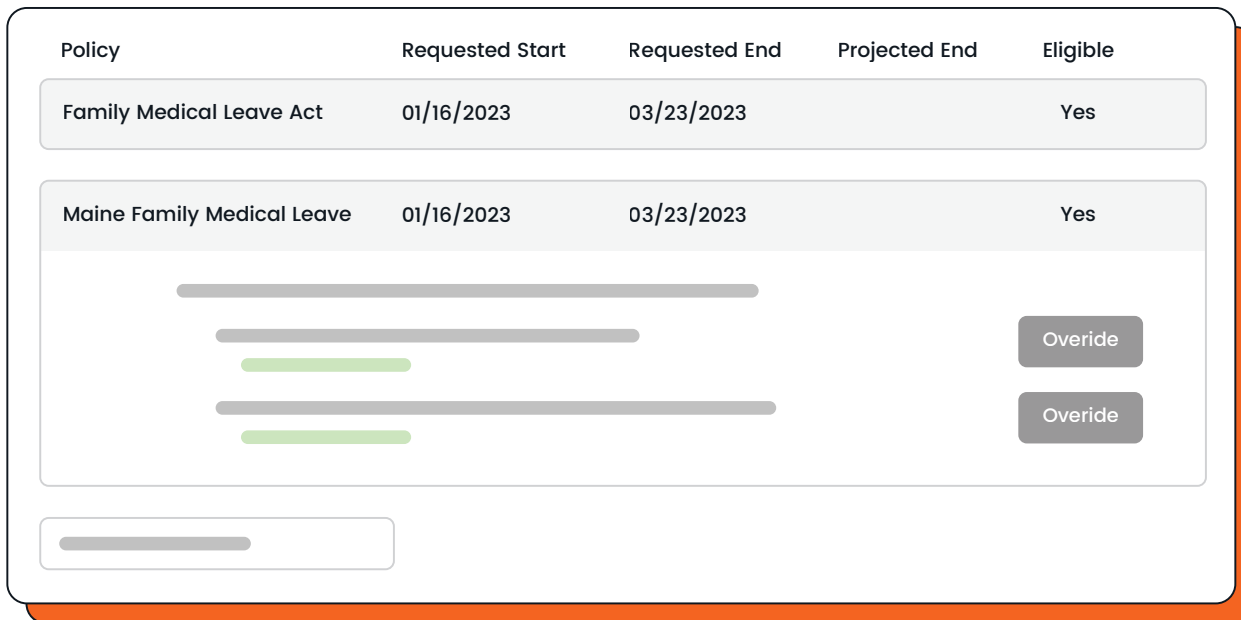


Businesses gain a competitive advantage, **and boost their bottom line**

Organizations as a whole can benefit greatly from an HR team empowered with leave management software. Leaders can leverage real-time data on leave and accommodations to inform evidence-based policy decisions. They can also be sure that every employee is receiving an equitable, standardized leave experience.

Leave laws are constantly changing, and today's remote workforce means many HR teams are having to comply with more regulations than ever before. For example, California has very different leave laws than Florida, and it is much more likely for a company today to have employees based in both states. The right leave management software provider will offer real-time compliance with 140+ leave laws. AbsenceSoft's internal compliance team works closely with one of the most well-respected employment law firms in the nation to make sure the system is updated as soon as law changes are enacted. This shifts the burden of compliance away from overburdened HR teams, and reduces the risk of a lawsuit or fine.

With leave managers able to better follow-up and track employees on leave, employees are more likely to return from leave on time, with everything they need to be productive. Through automation and predefined workflows, leave management software improves HR's operational efficiency for not only administering leaves of absence, but also short-term disability, long-term disability, worker's compensation, and workplace accommodations. The more processes an organization can streamline into leave management software, the more efficiency gains can be realized.



Policy	Requested Start	Requested End	Projected End	Eligible
Family Medical Leave Act	01/16/2023	03/23/2023		Yes
Maine Family Medical Leave	01/16/2023	03/23/2023		Yes

The screenshot shows a software interface with a table of leave policies and a calendar view below it. The table has columns for Policy, Requested Start, Requested End, Projected End, and Eligible. Two rows are visible: 'Family Medical Leave Act' and 'Maine Family Medical Leave', both with start dates of 01/16/2023 and end dates of 03/23/2023, and both marked as 'Yes' for eligibility. Below the table is a calendar view with horizontal bars representing leave periods. Two bars are highlighted in green, and two are grey. There are 'Override' buttons next to the grey bars. At the bottom left, there is a search or filter input field.

Building a business case for leave technology

Leave management technology can bring big benefits to HR teams that have aligned their people and processes. Solutions like AbsenceSoft provide a robust toolkit for automating, centralizing, and streamlining all the administrative tasks associated with leave management. The right software can help your team save time, implement best practices, reduce the risks of lawsuits, and improve the experience for both HR and the employees requesting leave.

Unfortunately, HR teams are not often the ones in the driver's seat when software purchasing decisions are made. It's not uncommon for HR to be notified only after a technology decision has been made, such as changing to a new benefits platform or payroll software.

However, for a solution like leave management software that can save so much on cost and reduce legal risks, getting buy-in from decision-makers should not be a challenge.

To successfully promote the need for a solution from within, it just takes a little time to understand each stakeholder's priorities, as well as what challenges stand in their way. Then, you simply share how leave management software will alleviate their concerns.

Below, we'll take a look at the various stakeholders usually involved with the purchase and implementation of software like AbsenceSoft. You can use our lists below to address their biggest concerns, and help them understand the benefits they will get. You may also want to consider making some of these stakeholders part of your implementation team once you have purchase approval.



CHROs and HR Executive Leadership

This should be the most straightforward group to get buy-in from, as it will have the most direct, positive impact on their department. When asking HR leadership to support purchasing leave management software, be sure to let them know how a solution like AbsenceSoft will:



- Save 66% or more time per case, giving teams more time to spend with employees
- Reduce the complexity of leave management tasks
- Provide automatic and instant leave eligibility calculations
- Enable easier leave tracking, especially for intermittent leave
- Ensure timely communications with managers and employees with automated reminders
- Provide employees visibility into their cases with the Employee Self Service portal so they are continuously updated without having to inquire directly
- Save on recruitment and turnover costs as employee experience and satisfaction improves
- Improve return-to-work times, and provide a better return-to-work experience
- Keep your team compliant with continuously changing federal and state leave laws, without them having to Google or search for updates
- Offer a robust, post-go live program to support HR's early use of the system
- Manage workplace accommodations in the same system, with a preconfigured ADA interactive checklist
- Gain critical real-time insights into leave and accommodations across the organization
- Easily run standard, pre-built reports and customize new ones for specific needs
- Keep communications consistent with preconfigured packets, letters, and notifications that can be quickly customized and shared

CIOs and IT Leadership

When championing software, it is best not to wait until the last minute to get IT involved. They are primarily concerned with how secure it is, how well it integrates, and how much time their team will have to dedicate to supporting the system. Get IT involved early in the process, and share that AbsenceSoft is:

- Purpose-built by HR tech experts to provide leave managers a way to increase efficiency and ensure compliance when processing and administering leave, accommodations and disability.
- Securely hosted, scalable SaaS (cloud-based) with both desktop and mobile applications
- Fully SOC2 Type 2 compliant, with 70+ security and compliance controls implemented, including fully customizable admin controls and end-to-end document encryption in transit and at rest
- Automatically updated with federal and state leave law changes, with no action needed by IT
- Highly configurable, with multiple options for implementation and integrations
- Ready to integrate with all major HRIS and ERP systems for minimal IT involvement
- Automatically updated with new software releases



Compliance Leaders

For organizations with compliance leaders, a very quick conversation should be all that is needed to get approval. Be sure to tell them that leave management software like AbsenceSoft:

- Has an internal compliance team that partners with a nationally-recognized law firm with attorneys in all 50 states
- Updates the system as soon as leave laws change
- Provides a single source of truth for all leave and accommodations compliance activities
- Offers 24x7, on-demand access to real-time customizable reports

Let the financial team know that by insourcing FMLA administration and using a purpose-built leave management software to manage requests and claims, an organization with 5,000 employees can expect to save 5-7 times their expenditure. **Even better, that isn't even inclusive of the potential cost savings of lawsuit prevention, which can be more than \$400,000 per case.**



At the end of the day, just remember to follow these steps when making the case for leave management software.

- 1** Try to understand each stakeholder's goals, especially executive leadership and management. Take time to consider both individual and departmental goals, and well as the overall business goals everyone is trying to meet.

- 2** Create a business case that shows how the software will meet those goals. For example, if employee experience is high on their priority list, show how AbsenceSoft will make that happen.

- 3** Take a conversational approach. Ask each stakeholder questions about what they are trying to achieve, and ask if they would like to learn more.

- 4** Be prepared to show precisely how the software will help, with examples. Many purchasers have been underwhelmed and frustrated by SaaS that promises to deliver more than it really can. A good provider can provide you real-life examples to alleviate any worries about functionality.

- 5** Once you have buy-in, get ready to move quickly. Work with your provider to have next steps lined up for the purchase and implementation process. To learn more about how to get your team ready for a smooth and seamless implementation, check out: [Top Tips for a Successful Leave Management Software Implementation](#)

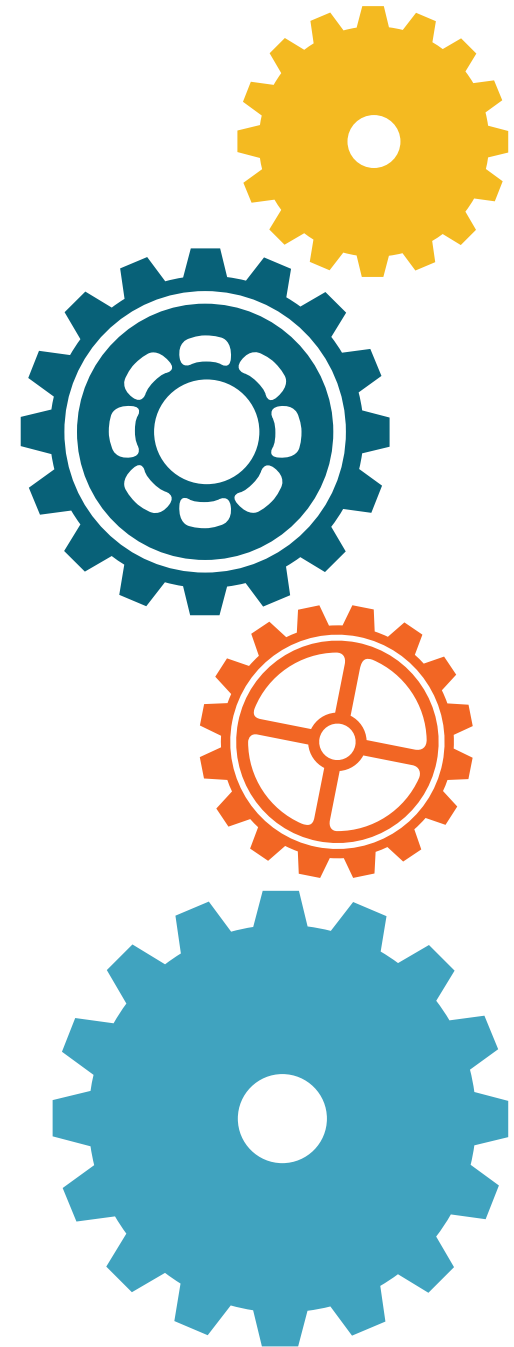
Why leave and accommodations should be managed together

While many organizations are embracing digital transformation and actively seeking out technology to meet business goals, they still want to remain judicious about what they are adding to their tech stack. Because of this, many companies (and especially IT leaders) are looking for solutions that have broad functionality and scalability.

This is why leave management software should have capabilities beyond managing just FMLA. In many ways, leave and accommodations go hand-in-hand. **For many life-changing events, employees often simultaneously have entitlements under the ADA and FMLA.** For example, if someone isn't eligible for FMLA because they haven't worked somewhere long enough, they might be entitled to a shorter amount of leave under short-term disability or as an accommodation.

Having access to a system that accurately calculates everything an employee is entitled to, as well as what they are not, helps leave managers provide much-needed options to employees during a life-changing event. Additionally, it is far easier to track and store all leave and accommodation inside of one system, providing HR a complete case record for each employee.

When HR teams manage both leave and accommodations in the same platform, it drives much more efficiency than using a point solution for just leave. Employees can use the same self-service portal to request a leave or an accommodation, and the system will track everything in one central location. Other closely related processes, like worker's compensation, short-term disability, and long-term disability can also be tracked inside of AbsenceSoft, reducing paperwork and saving even more time.



Conclusion

Given the potential complexity of managing just one leave of absence, it is easy to see how leave managers end up struggling to administer **an average of 85 leaves each** without the benefit of technology. Outsourcing leave management also presents its own challenges, since workplace accommodations must still be managed in house. This can create operational inefficiencies for HR, a confusing experience for employees, all while adding a layer of complexity for reporting and compliance.

Today's leave management solutions can transform the way HR manages FMLA—as well as workplace accommodations, short-term disability, long-term disability, and worker's compensation. Providers like AbsenceSoft give HR a robust toolkit for automating, centralizing, and streamlining administrative tasks. For long-term success, however, choosing the right technology provider needs go beyond just features and functionality.

A good leave management software provider should have key legal partnerships in place to make sure the system is always up-to-date for legal compliance. A seasoned implementation team should be ready to guide the process every step of the way, setting organizations up for long-term scalability and success. Sales, support, and implementation team members should all be Certified Leave Management Specialists, able to provide expert support and guidance.

By choosing the right leave management system, HR teams can avoid risk and most importantly, gain valuable time back. With more time to devote to employees, not administrative tasks, they can provide a more compassionate, empathetic leave experience.

To learn how software can transform your leave and accommodations management, we invite you to schedule a demo of AbsenceSoft at:

absencesoft.com

