



# THE CHALLENGE OF FMLA LEAVE IN CALL CENTERS

... AND WHAT EXPERTS SAY EMPLOYERS CAN DO ABOUT IT

## EXECUTIVE SUMMARY

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Many employers with customer service call center operations report high rates of Family and Medical Leave Act (FMLA) use in those units. Few, however, have been able to identify contributing factors or develop targeted leave management strategies for this group of employees. IBI worked with the Silicon Valley Employers Forum (SVEF) to compile de-identified employee and FMLA leave data from Intuit and another employer with substantial call center operations to provide initial insights into these issues.

The results from an analysis of about 20,000 employees corroborate many employers' intuitions about FMLA use among customer service call center workers. They also shed light on what drives high rates of leave in call centers and point to potential leave management strategies.

In particular, we find:

- **Customer service call center employees have significantly higher continuous and intermittent FMLA rates than other employees.** About one in three customer service employees took FMLA leave during the study period. This is more than three times the average rate for all other exempt, non-customer service employees (who have an average leave rate of about 6%) and all other non-exempt, non-customer service employees (who have an average leave rate of about 9%).
- **Differences in FMLA leave rates are more pronounced for intermittent leaves than for continuous leaves.** We find that intermittent FMLA leave is a serious issue only for customer service employees. Only a

very small minority of non-exempt employees takes intermittent FMLA leave and virtually no exempt employees do.

- **Demographic differences explained much – but not all – of the difference in FMLA leave rates.** Customer service employees are more likely than other employees to be female and earn much less than other employees. Both characteristics are highly correlated with FMLA leave-taking. We find that compared to male employees, female employees are 77% more likely to have continuous FMLA leave and 146% more likely to have intermittent leave. Each 1% increase in income reduced the odds of continuous leave by about 0.5%, and intermittent leave by about 1%. Overall, an employee population in which customer service employees were more demographically similar to other employees would be estimated to have 21% fewer FMLA leaves than were actually observed for the study population.
- **Differences in health status likely contribute to differences in FMLA leave-taking.** Customer service employees were more likely than other employees to take leave for their own health reasons rather than for family care or child bonding reasons. This finding corroborates that customer service employees may be less healthy as a group than other employees.
- **Intermittent FMLA leave rates differed across locations with substantial call center operations.** One company experienced a 76% difference in customer service employees' leave rates across its call center locations. At the second company, the observed difference was 43%. According to interviews with knowledgeable insiders, potential explanations for patterns of leave-taking include locational differences in opportunities for scheduling flexibility, workload, and work stress. Regional differences in health status that are not reflected in the demographic information may also play a role.
- **Employers will not likely hire their way to lower call center leave rates.** The data do not indicate that the link between income and FMLA leave is strictly causal in the sense that paying higher wages to existing customer service employees would lower their FMLA rates. Given the well-established links between socioeconomic status and health, current customer service hiring practices that focus on lower-skilled segments of the labor market likely attract job-seekers who are less healthy than the overall labor force.

## Expert Recommendations

To maximize the usefulness of this report's findings, IBI researchers consulted absence management experts from among its members for actionable recommendations. Our panel of experts included professionals from Aetna Insurance, Allergan, Aon Hewitt, Buck Consultants, CIGNA, The Hartford, Liberty Mutual Insurance, Mercer-Trion, Prudential Financial, Reliance Standard/Matrix Absence Management, Standard Insurance, Sedgwick Claims Management Services and Towers Watson. We then summarized their advice into a set of basic principles employers should consider when developing strategies for reducing disruptions from FMLA absences.

- **Everything flows from the work environment.** Whether experts focused on employees' decisions about responsible scheduling of leaves or the phenomenon of some employees exaggerating or fabricating health issues, experts generally believe that high-stress environments combined with objectively measured performance standards and strict attendance policies contribute to high leave rates. Employers are advised to keep flexible alternatives in mind when planning policy changes.
- **Cause or effect, health plays a role.** Employees decide whether to take job-protected time off or to make less disruptive arrangements partly in response to their level of satisfaction with their work. At the same time, employers are reminded that healthier employees and those who are managing their illnesses well will face this dilemma less often. Employers are advised to explore possible health interventions through existing benefits (such as employee assistance programs, ergonomic evaluations or disease/care management), to

clarify an employee's medical restrictions and capabilities, and to consider scheduling alternatives and other worksite accommodations. ADA-like reviews of FMLA requests for reasonable job accommodations may also be useful.

- **See things from the employees' perspective – and communicate yours.** Call center workers on the front-line often are the best source of intelligence on what works well and what does not. However, many employers do not seek their input regularly or incorporate their insights. One financial services organization found that leave rates fell by about one-third after the implementation of practices designed to connect employees' efforts to the company's overall goals. Employers may wish to consult call center workers on which types of health and wellness benefits they would most value and would be most likely to use given the specific demands of their jobs.
- **Be vigilant about misuse and abuse – but recognize bigger issues.** In our experts' experiences, some call center employees will invoke an approved FMLA leave as job protection when they cannot (or do not wish to) adhere to strict attendance or tardiness policies. Unions, co-workers and sometimes supervisors serve as a source of "local knowledge" that facilitates such behavior. Employers are advised to recognize that an employee's decision to misuse FMLA leave nevertheless partly reflects their engagement with their work environment. Setting realistically achievable goals for teams and individuals and rewarding teams for overall attendance can help foster a level of group cohesion that discourages questionable time off.
- **Take a holistic approach to managing leaves.** Addressing FMLA leaves in a piecemeal fashion likely will be less effective than examining the underlying factors that could contribute to high leave rates. A thorough assessment would incorporate information on employee health, work environment, productivity and leave outcomes. Incorporating customer satisfaction metrics at the employee, call center, or shift level also will help employers focus on the links between health, productivity and business performance. Employers are advised to take a careful approach to defining metrics in ways that can be measured consistently across units and over time. Establishing project teams across internal stakeholders and external partners may help define and address technical and practical issues.



# THE CHALLENGE OF FMLA LEAVE IN CALL CENTERS

## ... AND WHAT EXPERTS SAY EMPLOYERS CAN DO ABOUT IT

Coinciding with the 20<sup>th</sup> anniversary of the Family and Medical Leave Act (FMLA) of 1993, IBI published research on the links between FMLA, short-term disability leave (STD) and long-term disability leave (LTD). The report, *Early Warnings: Using FMLA to Understand and Manage Disability Absence*,<sup>1</sup> demonstrates that employees who requested FMLA were at a higher than average risk for later STD and LTD claims. It also summarized expert recommendations from IBI's members on how employers could improve FMLA leave management.

Since the publication of *Early Warnings*, many employers have approached IBI for information on FMLA use by a specific type of employee: customer service workers in call centers. In particular, employers expressed frustration with managing single- or partial-day leaves taken intermittently, often without advance notification.

There are many reasons for such intense interest in call center workers' FMLA use. According to the Bureau of Labor Statistics (BLS),<sup>2</sup> there are approximately 2.5 million U.S. employees working in "customer service representative," "switchboard operator" or "telephone operator" occupations. Because call center work is highly labor intensive and time sensitive, consistently high employee attendance and performance is critical for customer satisfaction and operational success.<sup>3</sup> Many call centers achieve this standard by tightly managing shift staffing levels and start times – both of which are compromised when a customer service worker

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<sup>1</sup> Gifford, Brian, Thomas Parry and Kimberly Jinnett, 2013, [Early Warnings: Using FMLA to Understand and Manage Disability Absence](http://ibiweb.org/research-resources/detail/early-warnings-using-fmla-to-understand-and-manage-disability-absence/public). San Francisco: Integrated Benefits Institute. < <http://ibiweb.org/research-resources/detail/early-warnings-using-fmla-to-understand-and-manage-disability-absence/public>>

<sup>2</sup> U.S. Bureau of Labor Statistics, May 2013, [National Occupational Employment and Wage Estimates, United States](http://www.bls.gov/oes/current/oes_nat.htm). < [http://www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm)>

<sup>3</sup> See for examples: Deery, Stephen J., Roderick D. Iverson, and Janet T. Walsh, 2010, "Coping Strategies in Call Centres: Work Intensity and the Role of Co-workers and Supervisors," *British Journal of Industrial Relations*, 48(1): 181-200; Batt, Rosemary, and Lisa Moynihan, 2002, "The Viability of Alternative Call Centre Production Models," *Human Resource Management Journal*, 12(4): 14-34; Taylor, Phil, and Peter Bain, 1999, "An Assembly Line in the Head: Work and Employee Relations in the Call Centre," *Industrial Relations Journal*, 30(2): 101-117.

unexpectedly calls in sick or arrives late to work. To discourage such disruptions, call centers frequently utilize strict attendance and tardiness policies. Many personnel and absence management professionals believe that FMLA rules permitting leave-certified employees to miss work “as needed” for serious medical conditions undermine such policies.

However, the nature of call center work and the conditions under which it is carried out impose challenges to achieving consistently high attendance and performance. It is well-recognized that the pace and intensity of these jobs – and the demands of customer service work more generally – create high-stress conditions that can increase the risk of illness absence and job underperformance.<sup>4</sup> This may contribute to higher rates of FMLA leave taking, especially when compared to other employees who may have more flexibility to take time off from work without invoking FMLA job protection (such as salaried employees).

## Data

To explore call center workers’ use of FMLA leave more deeply, IBI and the Silicon Valley Employers Forum (SVEF) convened human resources, absence management and benefits professionals from 13 employers with large call center operations to discuss the most pressing issues and to collect data for an in-depth analysis of FMLA leaves. We received de-identified employee data from two employers – Intuit and a second employer that wished to remain confidential – that could identify customer service employees in call centers and provide at least one year’s worth of FMLA leave records (that is, all leaves taken from January 1, 2013 through December 31, 2013). Both companies have multiple call center locations. We compare customer service employees’ FMLA leave rates – defined as the percentage of eligible employees with any continuous or intermittent leave – to rates among non-customer service employees at the same companies.

Together, these data represent the experiences of about 20,000 employees in the software publishing and communications industries. About 22% of the sample data are customer service call center employees; 46% of all employees are non-customer service employees who are exempt from many Fair Labor Standards Act requirements (primarily managers and professionals) and the remaining 32% of employees are non-customer service employees who are non-exempt from FSA rules (primarily technicians and administrative support personnel). While over 90% of customer service workers were classified as non-exempt, throughout this document, we use the labels “exempt” or “non-exempt” to refer to non-customer service employees.

## Overall FMLA Leave Rates

Table 1 shows that, overall, about 12% of employees had any kind of FMLA leave. Continuous leaves were almost twice as common as intermittent leaves (9% of employees took any continuous leave, compared to about 5% of employees who took any intermittent leave). Only 1% of employees had both continuous and intermittent leave.

**Table 1: Categories of employees’ leave experiences. Percentages reported are the share of all employees.**

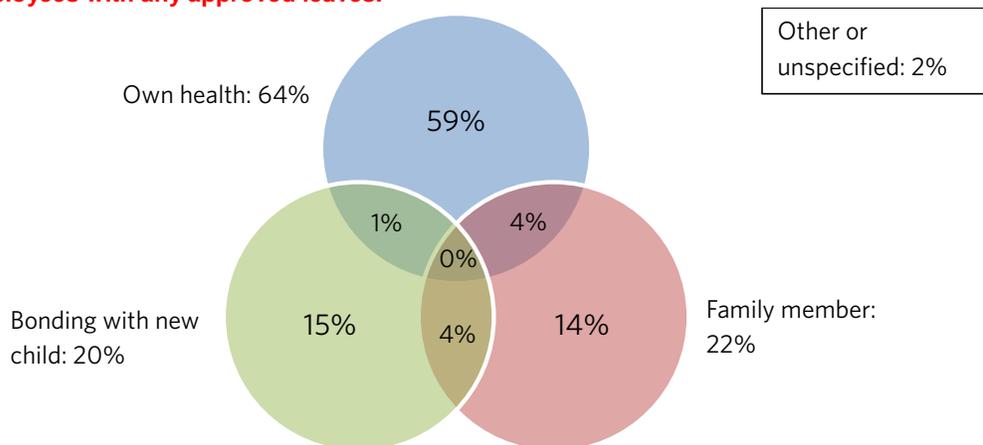
		Any continuous leave?		Total
		No	Yes	
Any intermittent leave?	No	88%	8%	95%
	Yes	3%	1%	5%
	Total	91%	9%	100%

Note: columns or rows may not sum due to rounding.

<sup>4</sup> See for example Schalk, René, and Adriëne Van Rijckevorsel, 2007, “Factors Influencing Absenteeism and Intention to Leave in a Call Centre,” *New Technology, Work and Employment*, 22(3): 260-274.

Figure 1 shows that employees most commonly took FMLA leave for their own health reasons (almost two out of every three employees with an approved leave). Almost all leave takers took leave for a single reason only (the overlapping areas of the circles account for only 9% of leave takers).

**Figure 1: Reasons for FMLA leave, if any approved leave. Percentages reported are the share of all employees with any approved leaves.**



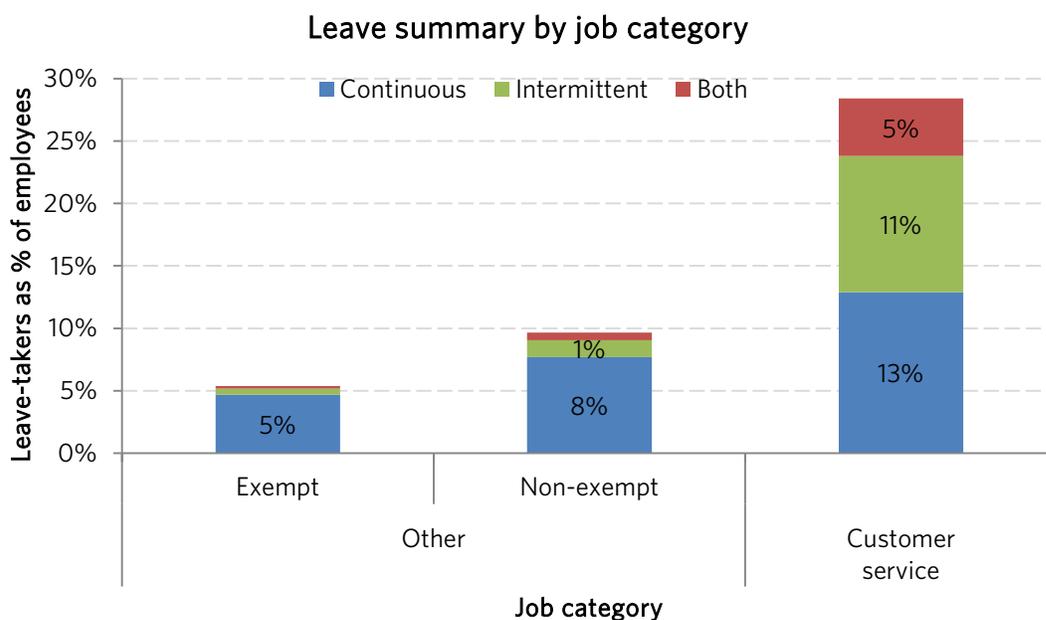
Note: area percentages may not sum due to rounding.

## FMLA Leave Rates by Job Category

Figure 2 corroborates the intuition of many employers about FMLA use among customer service call center employees. Customer service employees have significantly higher continuous and intermittent FMLA rates than do non-customer service (“other”) employees. More than one in every four customer service employees takes FMLA leave, compared to about one in ten non-exempt employees and about one in 20 exempt employees.

Most of the differences across job categories are due to intermittent leaves. For example, customer service employees are almost twice as likely as non-exempt employees to take any continuous FMLA (18% compared to 9%), but eight times as likely to take any intermittent leave (16% compared to 2%). It is fair to say that intermittent FMLA leave is a meaningful phenomenon only for customer service employees. Only a very small minority of non-exempt employees takes intermittent FMLA leave and virtually no exempt employees do.

**Figure 2: Customer service employees have the highest rates of FMLA – primarily due to higher rates of intermittent leave taking.**



Note: leave rates that are lower than 1% are not labeled.

## The Role of Employee Demographics

The demographic characteristics of jobholders may account for some of the differences in leave rates. Health disparities by sex and socioeconomic status are well-established in the medical and public health research literature.<sup>5</sup> Generally, females have more chronic health conditions than males and people with greater financial and social resources tend to be healthier than those with fewer such advantages. Females (and some married employees) often have greater caregiving roles than other coworkers (other than leaves for child bonding, we do not have general information on whether employees are raising minor children).

Table 2 shows that customer service, non-exempt employees and exempt employees are different from one another in potentially important ways. Notably, customer service employees are at least 65% more likely to be female, and earn only about one-quarter of exempt employees' earnings (or about three-quarters of non-exempt employees' earnings).<sup>6</sup> Customer service employees also tend to be slightly younger, have less time on the job, and are less likely to be married. To the extent that these characteristics are correlated with FMLA leave taking, controlling for them in statistical models (essentially simulating what leave outcomes would look like if all groups were similar to one another demographically) should eliminate some of the observed differences in leave-taking.

<sup>5</sup> For overviews, see American Public Health Association, 2014, "[Health Disparities: The Basics](http://www.apha.org/advocacy/reports/facts/)," <<http://www.apha.org/advocacy/reports/facts/>>; Adler, Nancy E., and Katherine Newman, 2002, "Socioeconomic Disparities in Health: Pathways and Policies," *Health Affairs*, 21(2): 60-76.

<sup>6</sup> Table 2 reports ratios of median salaries to preserve the confidentiality of sensitive payroll information. However, the statistical models utilize the actual salary information, transformed by the natural logarithm.

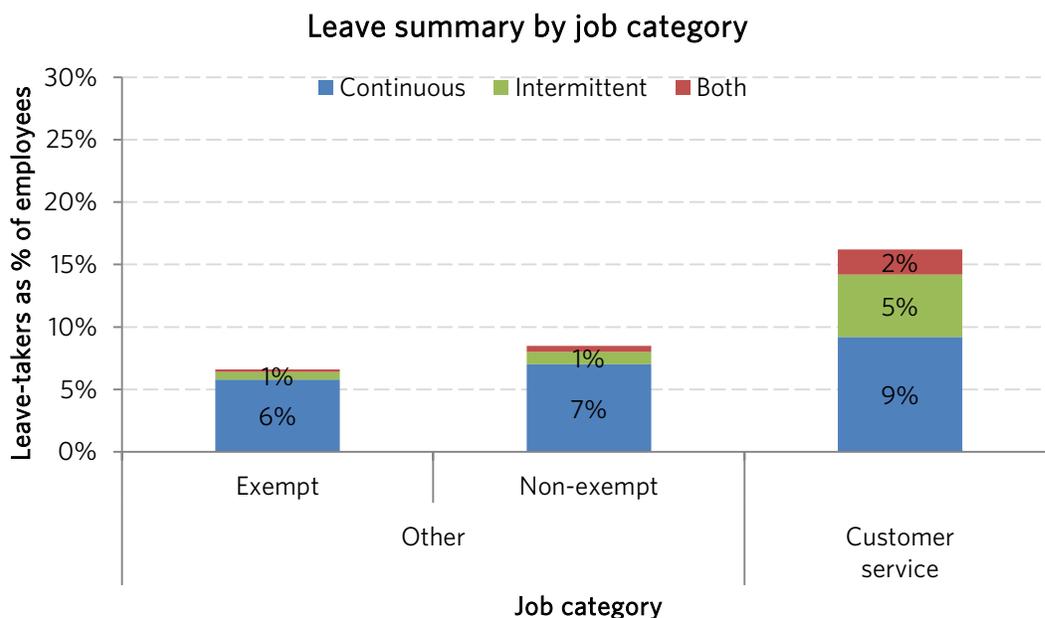
**Table 2: Sample demographics for employees in different job categories**

Demographic	Job category		
	Customer service	Other:	
		Non-exempt	Exempt
% female	56%	24%	34%
Average age (years)	37.6	38.6	41.3
% married	36%	50%	61%
Average tenure (years)	5.5	5.8	7.4
Median salary ratio*	27%	36%	100%

\* Median salary as a ratio of median salary for “Other, exempt” job category

Figure 3 shows the leave outcomes for different job categories and location types, controlling for the demographic characteristics listed in Table 1.<sup>7</sup> Compared to the unadjusted leave rates shown in Figure 2, controlling for the influence of demographic characteristics results in leave rates for customer service workers that are about 43% lower, and leave rates for non-exempt employees that are about 12% lower. By contrast, leave rates increase by 23% for exempt employees. Overall, an employee population where all groups had similar demographic characteristics would be estimated to have 21% fewer FMLA leaves than were actually observed for the study population.

**Figure 3: Controlling for demographic characteristics results in lower estimated leave rates for customer service employees – but differences in leave rates across job categories remain**



Note: leave rates that are lower than 1% are not labeled. Adjusted for age, sex, marital status, job tenure and salary.

<sup>7</sup> The method employed is multinomial logistic regression, which models the distinct leave outcomes simultaneously.

Demographics explain more of the differences in intermittent leaves than in continuous leaves. For example, in Figure 3, we estimate that about 7% of customer service employees will take intermittent leave, compared to about 16% in Figure 2. This represents a 56% reduction, compared to a 39% reduction in continuous leaves. The pattern is similar for non-exempt employees.

While not apparent in Figure 3, the reason that simulating more demographically-similar occupational groups “levels” the leave rates across the job categories has to do with the higher leave rates among female employees and the strong correlation between leave rates and salary.

Compared to male employees, female employees are 77% more likely to take continuous FMLA leave and 146% more likely to take intermittent leave. Recall from Table 2 that customer service employees as a group have proportionally more females than do other job categories. By modeling a customer service population that is 33% female (the overall proportion of females in the sample), we simultaneously model a lower expected leave rate. Note that we also must simulate more married customer service employees, as well. Since we find that compared to non-married employees, married employees are 31% and 18% more likely to take continuous and intermittent leaves (respectively), simulating higher marital rates among customer service employees offsets some (but not all) of the influence of increasing the size of the female proportion. Age and tenure had no significant influence on continuous FMLA leave, and a very minor (but statistically significant) correlation with intermittent leave taking.

Salary differences are by far the most influential observable factor in leave-taking. Our analysis shows that each 1% increase in income reduced the odds of taking continuous leave by about 0.5%, but the odds of taking intermittent leave is reduced by about 1%. To model demographically similar employees, customer service employees’ average salary had to be more than doubled to equal the population average, and non-exempt employees’ average salary was increased by 50%. This helps account for the large reductions in estimated leave rates among these job categories. Conversely, decreasing exempt employees’ salary by 40% to equal the population average salary helps explain why their leave rates increased slightly overall.

Finally, controlling for employee demographics does not fully explain the observed differences in intermittent or continuous leave rates. Even if customer service employees were demographically similar to other employees, we would still expect them to have statistically higher FMLA leave rates.

## Deciphering the Meaning of Demographics

Given the well-established links among sex, socioeconomic status and health, as long as call center hiring is focused on lower-skilled segments of the labor market, employers should not expect call center workers to achieve FMLA leave rates anywhere near as low as other workers. The wages that employers pay call center workers reflects what jobseekers can command in the labor market, which in turn reflects their accumulated human capital (that is, their training and educational attainment), which itself owes a great deal to their socioeconomic background. According to the BLS,<sup>8</sup> in 2013, the median annual wages for “customer service representatives,” “telephone operators” and “switchboard operators” were \$30,644 – about 72% of the median wages for all other workers (\$42,338). As a group, these employees rank 607<sup>th</sup> out of 808 occupations by income.

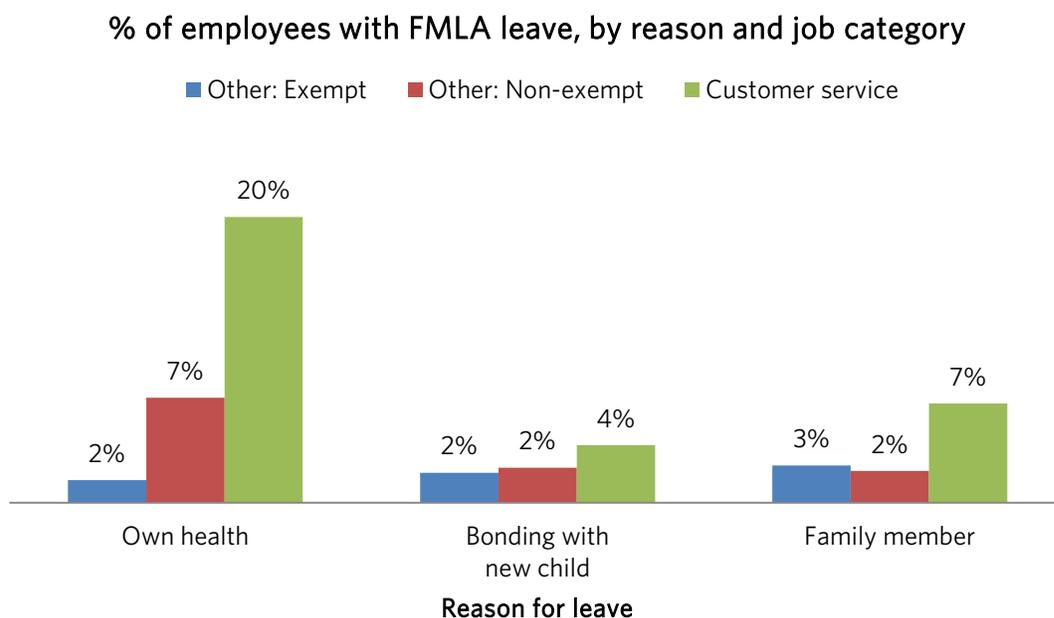
Or to put it plainly, call center workers’ low wages are likely to attract less healthy job applicants, which likely contributes to customer service employees’ higher than average FMLA leave rates.

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<sup>8</sup> U.S. Bureau of Labor Statistics, May 2013, [National Occupational Employment and Wage Estimates, United States](http://www.bls.gov/oes/current/oes_nat.htm). < [http://www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm)>

While we do not have health information for the employees in this study, examining the reasons that employees take FMLA leave provides circumstantial evidence that call center workers have greater health challenges than other workers. Figure 4 shows FMLA leave rates by reason for leave and by job category. Compared to exempt employees, customer service employees are about twice as likely to take FMLA leave to bond with a new child or to take care of a family member, but about 10 times as likely to take FMLA leave for their own health.<sup>9</sup> The leave ratios to non-exempt employees are more similar across reasons for FMLA leave; in each case, customer service workers are between two and three times more likely than non-exempt employees to take leave.

**Figure 4: Customer service employees were 10 times more likely than exempt employees to take FMLA leave for their own health, but only about twice as likely to take leave for other reasons.**



*Note: bar heights do not sum to overall leave rates since employees can take leave for more than one reason. Results are unadjusted for demographics.*

## The Role of the Workplace Environment

Demographics and health status can provide clues about why customer service employees take FMLA more frequently than other employees. While employers may not be willing or able to hire their way to lower leave rates, clearly there are ways that they can help customer service employees become more engaged in their own health. Nonetheless, disparities in leave-taking remain even after controlling for demographics. The potential for further improvements in customer service workers' leave rates may depend on aspects of call center work environments that employers have some ability to control.

<sup>9</sup> Leave taking for health reasons may be influenced by access to paid illness leave benefits. All employees in the study were eligible for paid sick days, but about 20% of employees were not eligible for employer sponsored STD benefits. However, in our analysis eligibility for STD benefits was not related to leave taking for reasons of health, child bonding, or caring for a family member.

For example, call center locations may differ from one another in terms of work flow, attendance policies, staffing flexibility, morale or coworker/manager relations. In turn, these aspects of the workplace environment may influence how employees respond when episodes of illness or needs for care arise.<sup>10</sup>

While the data do not permit an assessment of workplace environments in the study population, we can observe leave outcomes at multiple call center locations within each company. If outcomes are similar across different call centers, we might conclude that short of a radical overhaul in how call centers operate, little can be done to improve FMLA leave outcomes. However, finding differences across call centers would suggest upper and lower bounds for leave rates that might be related to different workplace environments. We therefore compare customer service employees' intermittent leave rates at different call centers within each company (we focus on intermittent leave because it poses the greatest challenge to employers).

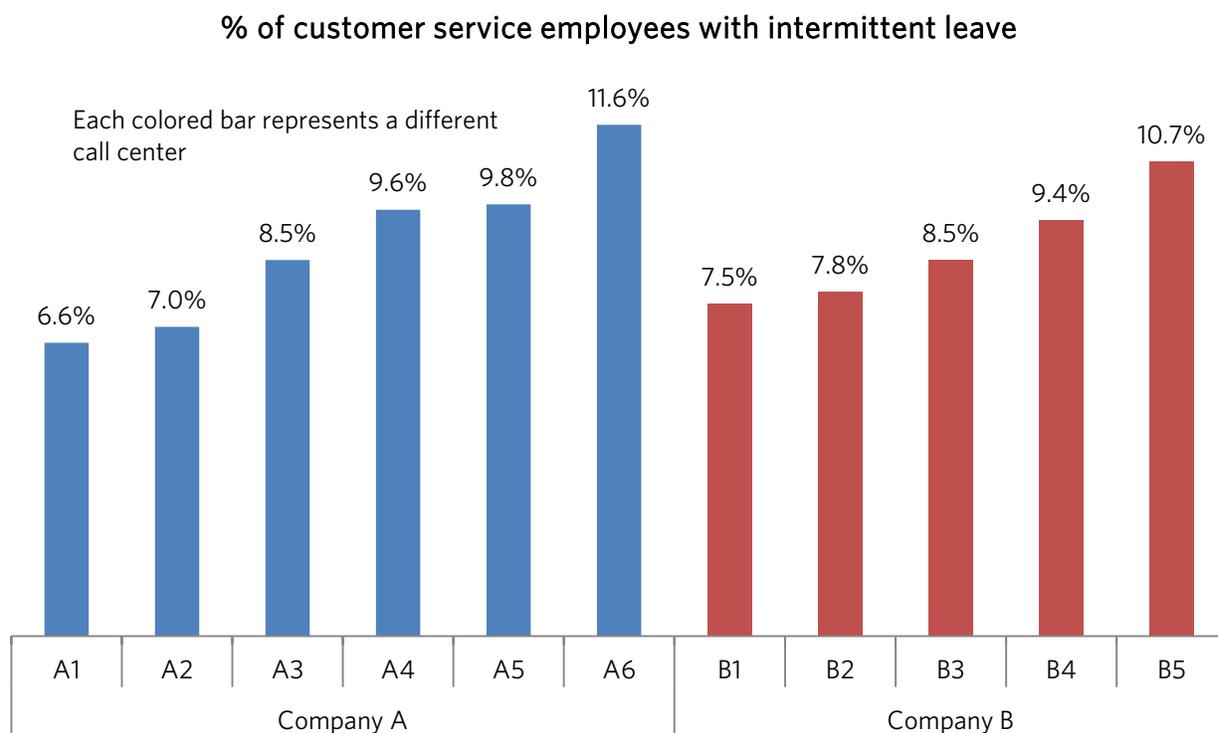
## The Impact of Call Center Locations

Figure 5 shows customer service employees' intermittent leave rates across call center locations at the two companies. At Company A, intermittent leave rates range from a low of about 7% at locations A1 and A2, to a high of about 12% at location A6. This is a 76% difference and is statistically significant. At Company B, intermittent leave rates range from a low of about 8% at locations B1 and B2, to a high of about 11% at location B5. However, this 43% difference is not statistically significant.

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<sup>10</sup> As reported in previous IBI research, the workplace climate also can impact health, stress and related absences. See Gifford, Brian, May 2013, "[Beyond Health Risks: Workplace Climate, Stress, Health and Sick Days](http://ibiweb.org/research-resources/detail/beyond-health-risks-workplace-climate-stress-health-and-sick-days/)," San Francisco: Integrated Benefits Institute. < <http://ibiweb.org/research-resources/detail/beyond-health-risks-workplace-climate-stress-health-and-sick-days/public>>. For a more detailed treatment of illness absence as a "choice" employees make, see Gifford, Brian and Kimberly Jinnett. 2014. "Employees' Work Responses to Episodes of Illness: Evidence from the American Time Use Survey." *Journal of Occupational and Environmental Medicine* 56:224-229.

**Figure 5: There is a 76% difference in intermittent leave rates across Company A's call centers, and a 43% difference across Company B's call centers**



*Note: results adjusted for age, sex, marital status, job tenure and salary. Leave rates are normalized across Companies A and B to reflect sample averages.*

When asked to speculate about why the leave rates might differ at the high- and low-end locations, one insider with knowledge of Company A's call center operations suggested both stress and staffing flexibility were important factors.

First, location A6 processes what were termed "customer retention" calls, which the insider indicated included many complaints. This could contribute to an environment that is more stressful than other call centers, as customer service representatives are responsible for both addressing issues and retaining customers.

Second, location A6 handles calls during set business hours, which implies a steady call volume. By contrast, locations A1 and A2 handled primarily technical assistance calls on a 24 hour basis. This allowed supervisors the flexibility to send workers home if necessary without penalty whenever slack times were anticipated (for example, during night shifts). Also, it is possible that employees in locations A1 and A2 who worked a night shift are better able to make appointments for care during daylight hours, making FMLA notifications less necessary.

Given the relatively large magnitude of the differences across Company B's locations, the lack of statistical significance may be due to the small sample size. At the same time, one insider with knowledge of Company B's call center operations suggested that regional differences in worker health may explain some of the sample variation. Locations B5 and B4 are located in the Midwest and South, respectively; the remaining locations are allocated in Western states.

## Summary and Leave Management Implications

The findings of this study corroborate many employers' intuitions that call center workers have high FMLA leave rates. They also suggest that leave rates are partly a function of who gets hired for customer service positions in call centers – in particular, largely female, low-wage workers who are likely in worse health than the employed population in general. Employers are not likely to raise customer service workers' wages enough to attract applicants from more advantaged backgrounds (and who likely are in better health than current applicants). Neither would raising current call center workers' wages ameliorate the diseases developed over the courses of their lives.

At the same time, even after controlling for demographics, customer service workers still have higher leave rates than other workers. But they do not have uniformly high leave rates. Intermittent FMLA leave rates within a given company differ from call center to call center. While it may be unrealistic to expect that call centers could achieve the lower FMLA leave rates observed in other parts of the business, room for improvement clearly remains.

## Expert Recommendations

With regard to FMLA leaves, employers that find it operationally or financially impractical to alter their call center attendance and tardiness policies or to relax their call volume standards should anticipate high leave rates among call center workers. Nonetheless, leave rates at the magnitudes observed in this study – e.g., with customer service workers taking FMLA leave nearly three times as much as other non-exempt employees – are not necessarily the fixed costs of operating a call center.

To maximize the usefulness of this report's findings, IBI researchers consulted absence management experts from among its members for actionable recommendations. Our panel of experts included professionals from Aetna Insurance, Allergan, Aon Hewitt, Buck Consultants, CIGNA, The Hartford, Liberty Mutual Insurance, Mercer-Trion, Prudential Financial, Reliance Standard/Matrix Absence Management, Standard Insurance, Sedgwick Claims Management Services and Towers Watson. Based on our experts' comments, employers should keep in mind a few basic principles when developing strategies for reducing disruptions from FMLA absences.

### **EVERYTHING FLOWS FROM THE WORK ENVIRONMENT**

The work environment figured largely in most experts' observations about high leave rates in call centers. When describing call center employees' propensities to file claims (legitimately or otherwise), experts underscored the role of intense call volume and strict time-management standards. Clearly, high levels of work- and time-intensity also are characteristics of some non-call center settings that have much lower rates of FMLA leave. What differentiates call centers is the combination of work intensity, objectively measurable performance standards and strict attendance and tardiness policies.

Our experts noted that attempts to manage FMLA leaves in call centers without consideration of these factors may backfire. In one expert's experience, FMLA leaves "skyrocket" following the roll-out of ever stricter attendance policies – making it difficult to differentiate cause from effect. Another expert described firsthand experience with a call center that saw leave rates go even higher when employees' workloads were increased to accommodate additional types of calls. Others described strict tardiness policies as drivers of full-day absences. To paraphrase one expert, what might have been a 15 minute or one hour loss of productivity to deal with a brief flare up of symptoms or a family member's issue is now a full day of lost productivity because the employee invokes FMLA job protection to avoid disciplinary action. Employers that are considering such policy changes are reminded that attendance is the means to the ends (higher productivity and greater customer satisfaction), not the ends in and of itself. More flexible arrangements such as work-at-home options, shift swapping (one expert recommended providing digital and physical spaces for employees to post shift swap requests and offers) and

back-up staffing should be included in any initial consideration of alternatives. Experts also recommended financial incentives for prompt and good attendance.

### **CAUSE OR EFFECT, HEALTH PLAYS A ROLE**

When experts invoked health, typically they emphasized illness as an occasion that reveals employees' commitments to their job. As the experts explained it, when a dissatisfied, less-committed, stressed-out employee experiences illness symptoms or is having difficulties managing a chronic health condition, they likely will opt for job-protected time off rather than working out less disruptive arrangements with their supervisors.<sup>11</sup>

At the same time, employers are reminded that healthier employees and those with well-managed conditions will face this dilemma less often. Experts advised early clinical reviews of FMLA requests for possible health interventions through existing benefits (such as employee assistance programs [EAP], on-site wellness clinics or disease/care management). Promotion of EAP availability was strongly encouraged. Employers are also advised to clarify an employee's medical restrictions and capabilities at the time of an FMLA request, and to consider scheduling and other worksite accommodations. The law does not prohibit employers from offering an employee alternative duties (though employees may refuse this offer). One expert advised that call centers approach FMLA cases more like Americans with Disabilities Act (ADA) requests for accommodations – beginning with a thorough review of the employee's FMLA issue and aspects of the job that reasonably might be altered.

Comparatively few experts emphasized the work environment as a contributing factor to illness. Those who made such a connection tended to advise paying attention to stress, mental health and fatigue issues, as well as their related co-morbidities (such as irritable bowel syndrome and hypertension). Referring to the consistent emotional demands of some customer service work – for example, dealing with dissatisfied callers – one expert likened the mental health risk in call center work to that of repetitive stress injuries in more physical work. Additionally, one expert reiterated that musculoskeletal conditions account for a large proportion of disability leaves generally. This underscores the importance of ergonomic evaluations – particularly in light of the amount of time that call center workers may spend at their workstations.

### **SEE THINGS FROM THE EMPLOYEES' PERSPECTIVE – AND COMMUNICATE YOURS**

Like other “front-line” employees, call center workers often are the best source of intelligence on what works well and what does not. This includes insights into what could mitigate the need for disruptive FMLA absences. However, many employers do not seek employees' input regularly or incorporate their insights.

One financial services organization conducted an analysis of the quality of work life in its call centers – for example workers' engagement and their relations with supervisors. It found that leave rates fell by about one-third after the company implemented practices designed to connect employees' efforts to the company's overall goals. This included regular team meetings that communicated the importance of the call center function and allowed front line workers to express opinions and ideas. Employees also were given assignments and project work that allowed them to develop different skills and to productively break up the call center routine (other experts also advised assigning call center workers away from phone responsibilities for some part of a shift). Events that recognized individual and team accomplishments also were used, as were periodic one-on-one meetings with supervisors and even higher-up managers. Such face-time engagements also can help managers and supervisors to better recognize when employees are experiencing high levels of stress and to develop strategies that help mitigate stress-related productivity losses (ongoing training in stress identification and reduction also can help).

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<sup>11</sup> It is also the belief of some experts that under such intense work conditions, some employees will fabricate or exaggerate medical or family conditions in order to circumvent strict tardiness and attendance policies.

In keeping with the emphasis on health, employers may wish to consult call center workers on which types of health and wellness benefits they would most value and which they would be most likely to use given the specific demands of their jobs. This could include encouraging employees to organize healthy activities during breaks and providing adequate opportunities and motivations for them to do so. Exploring arrangements to help coordinate emergency back-up childcare or care for ill family members also may pay off. Mobile and online applications that allow employees to notify supervisors of the need for leave at the earliest opportunity can streamline leave-tracking and help avoid shift disruptions.

### **BE VIGILANT ABOUT MISUSE AND ABUSE – BUT RECOGNIZE BIGGER ISSUES**

Broadly speaking, employees typically do not take a job with the intention of skipping work without pay. However, our experts invariably reflected on misuse and abuse of FMLA leaves by call center (and other) employees. The most typical allegation was that many call center employees will invoke an approved FMLA leave as job protection when they cannot (or do not wish to) adhere to strict attendance or tardiness policies.

For the most part, experts acknowledged that employees' medical conditions and family hardships largely are legitimate (even if some medical conditions are hard for employers to verify, such as back pain, anxiety or depression) – but the timing of some job-protected intermittent absences raises suspicions among supervisors and benefits managers. Examples include taking intermittent leave on Fridays or Mondays or leave incidents that seem to increase in frequency as an employee nears disciplinary action for prior violations of attendance and tardiness policies.

Almost all experts mentioned the importance of “local knowledge” as an explanation for why leave rates may vary from one location to another. Several experts suggested that union representatives and FMLA-experienced employees often will coach co-workers on how to successfully use the FMLA system, including recommending health care providers seen as “easy” when it comes to certifying the need for time off. Experts described a process in which leave-taking at some locations becomes common enough that it becomes “normalized” (employers have referred to this occasionally as an “entitlement mentality”). One expert described call centers in which supervisors advised employees on how to get certified for FMLA leave in order to contravene attendance and tardiness policies. In some supervisors' minds, it is better to retain an otherwise capable, trained employee than to dismiss them for occasional difficulties adhering to attendance or tardiness policies.

Clearly, countering the effects of local knowledge is challenging. The issue is not the dissemination of information – the FMLA law requires that covered employers themselves display notices that explain FMLA rights and procedures, and include such information in employee handbooks. Employers are advised to go beyond simply posting FMLA rules and instead incorporate FMLA instruction into initial and ongoing employee training. Employers also should give employees a realistic view of call centers' unique job stresses and work requirements during recruitment and initial training. One expert advised that initial training periods are excellent times to begin adherence to attendance and tardiness policies so that employees understand the “official” (rather than the local, informal standards) and develop good habits early on. Managers should receive ongoing training on employees' and employers' rights and duties under FMLA and on their employer's policies for managing absences within the law.

The larger issue is the extent to which employees (and some supervisors) tolerate and even facilitate their co-workers' dubious leave-taking – even when they have to pick up the slack when such absences occur. Employers are advised to recognize that, like the decision to request leave for a legitimate medical or family situation, misusing FMLA leave or tolerating misuse by others is itself a choice that employees make. Experts suggested that aspects of the work environment contribute to this choice among some employees (their observations are backed up by much of the industrial/organizational psychology literature on counterproductive work

behaviors<sup>12</sup>). Further, a few experts noted that the intensive monitoring of call center workers' performance and the stiff penalties some workplaces impose on employees who do not meet the standard may inspire an "us vs. them" mentality among some workers (and some supervisors). This could help explain why employees would coach one another on how to use the FMLA system, even though everyone will have to pick up others' slack at some point.

One strategy for facilitating an environment that supports employees' needs for time off from work without tolerating misuse of leave is to set realistically achievable performance goals for individual employees and for call center teams. Rewarding teams for the good attendance of all members can help foster a level of group cohesion that discourages questionable time off.

Clearly employers who suspect any instance of misuse should involve H.R. and legal professionals. Likewise, one expert advised that employers become aware of "easy" providers and develop a strategy for intensified monitoring of the cases that these providers certify. Employers are reminded that they have a right to a second opinion by a provider of their choice (at their expense, with some restrictions) if they doubt the validity of an employee's medical certification.

### **TAKE A HOLISTIC APPROACH TO MANAGING LEAVES**

The overall impression from our experts is that addressing FMLA leaves – whether legitimate or otherwise – in a piecemeal fashion likely will be less effective than examining the underlying factors that contribute to high leave rates. This strategy includes integrating information about employees' health status, overall well-being and job performance with information about work environment factors that may influence some employees to use the FMLA system responsibly and others to step over the line into misuse.

A thorough assessment would collect information on call center employees' health status (using health risk assessment surveys or reviews of medical and disability claims) and on how they view the quality of their work life. These data would be integrated with employees' demographics, productivity, attendance, tardiness and leave outcomes to give a more complete picture of how health, work environment and productivity fit together. Incorporating customer satisfaction metrics at the employee, call center, or shift level also will help employers focus on the links between health, productivity and business performance. Establishing project teams of internal stakeholders and external partners (such as suppliers and third-party administrators) may help define and address technical and practical issues (such as integrating employee data from different systems).

Experts advised that to get the most out of such assessments, employers should take a careful approach to consistently measuring different aspects of absence, performance, health and well-being and work environment. This approach will be important not only for comparing across different work units, but for establishing baseline values to compare specific business units over time. Measuring over time is essential not only to understand whether improving the work environment might lead to less disruptive patterns of leave-taking (and why), but also may point to seasonal fluctuations in leave taking (for example, around the start of the school year or during times of peak demand). In one expert's experience, a call center in the communications industry experienced higher leave volumes during the football post-season. Employers who can spot cyclical trends – not just in FMLA, but in short-term disability, Workers' Compensation and sick day absences – will have an advantage in staffing up for peak times and in conducting outreach for benefits such as EAP.

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<sup>12</sup> For a broad overview of this research area, consult Boye, Michael W. and John W. Jones, "Organizational Culture and Employee Counterproductivity," (1997) in *Antisocial Behavior in Organizations*, edited by Robert A. Giacalone and Jerald Greenberg, Thousand Oaks, CA: SAGE.