

# KPI

## Mini-Series

for School Nutrition Programs

### Absenteeism Rate

**Objective:** Calculate and analyze the time employees miss work in order to control labor costs.

#### Preparation Checklist

**Instructions:** The following tasks are necessary for presenting the trainings. Keep track of the progress by checking off tasks as they are completed. (Items may vary according to needs of particular lessons.)

Task	Person Responsible	Completion Date	✓
<p><b>Reserve equipment and gather supplies as needed for use on the day of class (6 weeks prior).</b></p> <p>Roster of participants attending for instructor Participants' sign-in sheets</p> <p><b>Task to do before the training</b> Print handouts and activities for each participant Print activity answer keys for each participant to pass out at the end of the lesson</p> <p><b>List of equipment and supplies needed</b> Microphone (preferably wireless) Calculators Pens, pencils, note paper, self-adhesive notes, (each table) Chart paper and markers</p>	Instructor		

**Objective:** Calculate and analyze the time employees miss work in order to control labor costs.

**SAY:** Hello, everyone. Welcome to today's lesson on absenteeism rate. Our training will cover absenteeism rate, where to find the information for calculating and analyzing, why it is important in the school nutrition program, and how it is calculated.

**ASK:** Can someone tell me what absenteeism rate is?

**DO:** Wait for participants to respond.

**FEEDBACK:** Absenteeism rate is the rate at which employees miss work due to personal illness, personal business, or other reasons (excluding paid vacation). These absences may be avoidable or unavoidable. This rate includes paid and unpaid leave. Absenteeism rate is the percentage of hours missed versus hours scheduled over a specific period of time.

**ASK:** Why would you want to calculate absenteeism rate?

**DO:** Wait for participants to respond.

**FEEDBACK:** High absenteeism rates can increase labor costs and drain an organization's bottom line. As absenteeism rates increase, the following cost increases affect the school nutrition program:

- Increased labor costs associated with sick leave pay,
- Pay of replacement employees,
- Overtime pay, and
- A reduction in production quality and productivity.

**ASK:** How often should you calculate absenteeism rate?

**DO:** Wait for participants to respond.

**FEEDBACK:** Absenteeism rate can be calculated monthly and annually.

**SAY:** The information to calculate absenteeism rate can be found on the staff schedules, timesheets, attendance records, payroll reports, or other human resource documentation that is available.

The formula for absenteeism rate is as follows:

Absenteeism Rate =

$$\frac{\text{Number of lost hours in a month (absences other than paid vacation)}}{\text{Total hours planned for the month (hours worked if there were no absences other than vacations)}} \times 100$$

An example:

In the month of October, a school district had the following:

- 83 lost hours due to absences other than paid vacation
- 2,772 total hours planned

The absenteeism rate for the month of October was calculated as follows:

$$\frac{83}{2,772} \times 100 = \mathbf{2.99} \text{ or } \mathbf{3\%}$$

**ASK:** Does anyone have any questions?

**DO:** Wait for participants to respond. Answer questions to the best of your ability. Distribute copies of the worksheet **Calculating Absenteeism Rate**. Ask the participants to complete this worksheet.

**SAY:** Let's do an activity to see how much you have learned Take out the **Calculating Absenteeism Rate** worksheet.

**DO:** Read the instructions. Give participants about five (5) minutes to complete the activity. Walk around to help anyone that may have questions or need help. When everyone has completed the activity, go over the answers. Explain how to calculate the answers if someone does not understand.

## Calculating Absenteeism Rate

**Instructions:** Calculate absenteeism turnover rate using the information in the following chart. Then answer the question after you have completed the calculations. You will have about five minutes to complete the activity.

Absenteeism Turnover Rate for September							
School	Number of Lost Hours Due to Absences Other Than Paid Vacation	÷	Total Planned Hours	X	100	=	Absenteeism Rate
Elementary	20	÷	693	X	100	=	
Middle	15	÷	798	X	100	=	
High	30	÷	693	X	100	=	
District Totals	65	÷	2,184	X	100	=	

If the SN director wanted to maintain a rate of  $\leq 2.9\%$  at each school, what would be your conclusion about this school district? \_\_\_\_\_

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## Calculating Absenteeism Rate

### Answer Key

Absenteeism Turnover Rate for September							
School	Number of Lost Hours Due to Absences Other Than Paid Vacation	÷	Total Planned Hours	X	100	=	Absenteeism Rate
Elementary	20	÷	693	X	100	=	<b>2.9%</b>
Middle	15	÷	798	X	100	=	<b>1.9%</b>
High	30	÷	693	X	100	=	<b>4.3%</b>
District Totals	65	÷	2,184	X	100	=	<b>3.0%</b>

If the SN director wanted to maintain a rate of  $\leq 2.9\%$  at each school, what would be your conclusion about this school district? **The elementary school manager needs to watch the number of hours her staff misses. They are at the top of the district rate. The middle school is fine. The high school absenteeism rate is much higher than the district rate. The manager needs to pay close attention to the number of hours her staff misses, or the director may need to investigate what is happening at the high school. Each month will be different. If a school has an employee that calls in all the time and there is a pattern, the manager may need to talk with that employee.**

**SAY:** The data may be broken down by week, month, quarter, year, by school/site, or by district. Data from this calculation can be observed over time to determine trends, and to improve management decisions that affect absenteeism.

There is not an industry standard for absenteeism rate, rather the United States absenteeism rate for full-time wage and salary workers for 2017 (Bureau of Labor Statistics, 2018) was  $\leq 2.9\%$ .

There are several factors that can influence absenteeism rate. The following are a few of these factors:

- Employee/family illness
- District employee benefit plan
- Absenteeism policy and procedures
- Staff morale/satisfaction
- Quality of available workforce/recruiter hiring practices
- Site manager skill/management style

**ASK:** Does anyone have any questions about absenteeism rate and how to calculate it?

**DO:** Answer questions to the best of your ability. If there are questions you cannot answer, tell the participants you will find out the answer and get back with them.

**SAY:** Thank you for participating in today's training. I hope you will take this information back to your school and begin to use it.

## References

- Institute of Child Nutrition. (2018). *Essential KPIs for school nutrition success*. University, Mississippi: Author.
- U.S. Department of Agriculture. (2015). *Professional standards for school nutrition professionals*. <https://www.fns.usda.gov/school-meals-professional-standards>
- U.S. Department of Agriculture, Food and Nutrition Service. (2019). *Food distribution program: Value of donated foods* (July 1, 2019 - June 30, 2020). <https://www.fns.usda.gov/usda-fis/fr-081219>
- U.S. Department of Agriculture, Food and Nutrition Service. (2019). *National school lunch, special milk, and school breakfast programs, national average payments/maximum reimbursement rates*. <https://www.federalregister.gov/documents/2019/08/07/2019-16903/national-school-lunch-special-milk-and-school-breakfast-programs-national-average-paymentsmaximum#p-31>



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