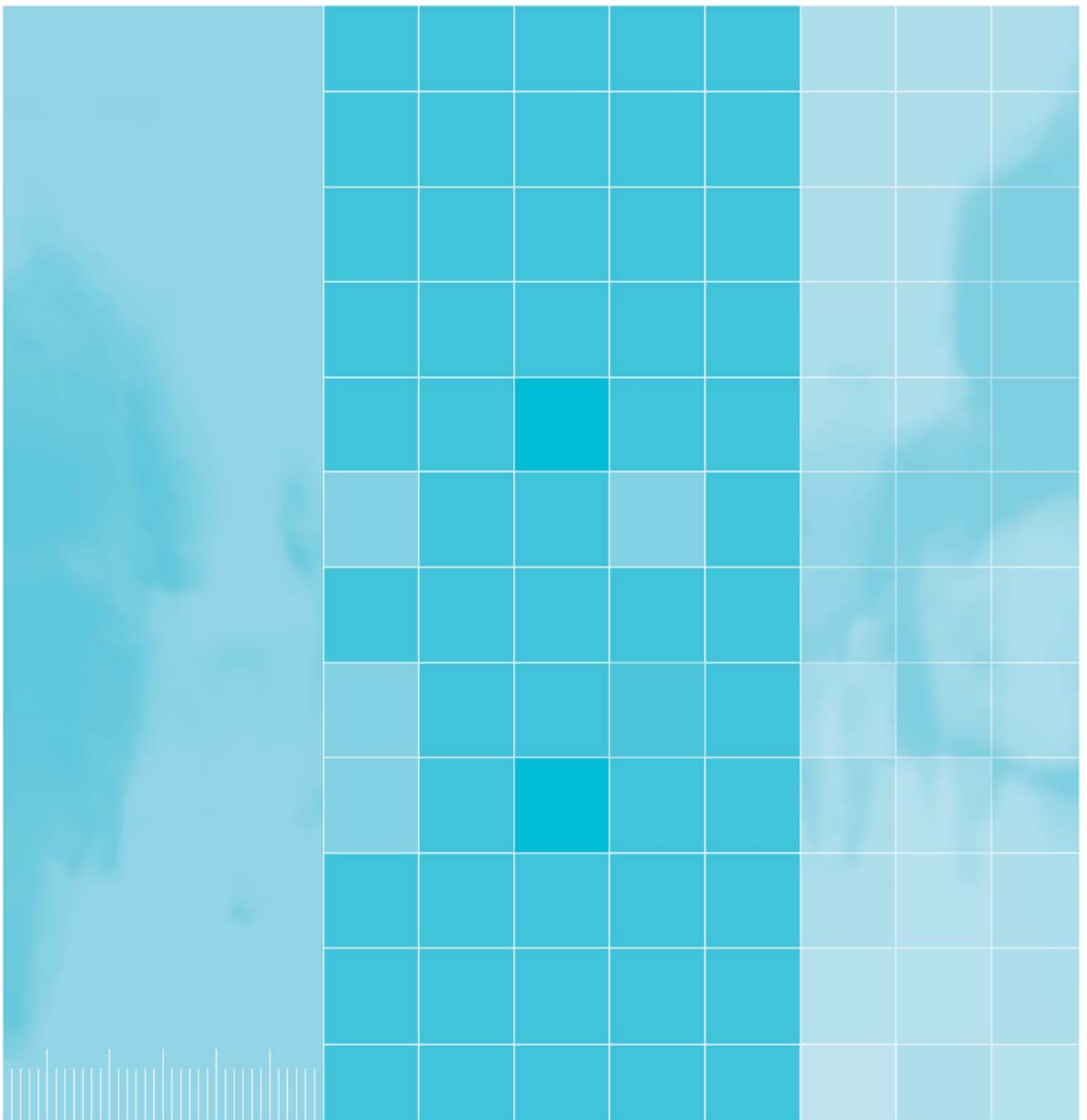




NAB CASE STUDY

Attendance Management Takes Off At Qantas



25% Reduction in Absence.

Q Catering is a fully owned subsidiary of Qantas, and the largest flight caterer in the Southern Hemisphere. Operating seven 24x7 food production centres across Australia, Q Catering supply premium, full service airlines through to those targeting leisure travelers. Absenteeism represents a significant cost and severely impacts day to day operational costs and production efficiencies.



The Challenge

Q Catering prepares meals and operates food logistics for both domestic and international airlines, including Singapore, Qantas, Thai and Cathay Pacific. It is mission critical that food preparation is ready for take off. Delays can result in flights being held back, which can lead to lower service delivery standards. High absenteeism levels directly impact the ability to meet high standards. Employees need to be replaced and trained, placing increased demands on skilled teams.

“Absenteeism in a 24x7 environment is typically more difficult to manage. Managers and direct reports can often work different shifts. It means sometimes managers would not know if employees had been absent. It can be very inconsistent.” says Andrew Kite, HR Manager.

A whole range of initiatives had been introduced in the past, yet absenteeism levels remained higher than the target. In April 2007, Q Catering introduced the DHS Absence Management from ‘Day 1’ service for 610 employees.

“Essentially absence was not being proactively managed day to day. The DHS solution provided a consistent reporting procedure for employees to call in sick, and effective management reports allow our leaders to take greater accountability.”

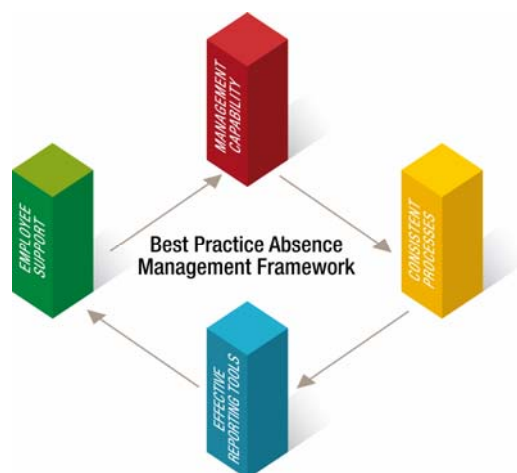
Highlights

- Cost savings of \$600,000 in 9 months
- Target of a 20% reduction in 12 months was exceeded in 6 months
- Consistent process ensures better compliance
- Better data means high levels of management accountability
- Employees value the advice and support 24x7x365

The Solution

Q Catering recognised that in order to achieve a sustainable reduction in absence levels, a new strategy was required. “We were impressed with what DHS had to offer us. The fundamentals of the service are ideally suited to a 24x7x365 environment like ours. With DHS we saw a way to tackle absenteeism, assist managers and also provide our staff medical support.”

What was also a key part of a successful strategy was targeted training for people leaders. “What we liked about DHS is their management training expertise. We saw this as a critical step to ensure manager buy-in and commitment to the new program. DHS provided a detailed implementation plan and all supporting communication materials and presentations.



Under the program, employees are taking few absences, and have shorter absences due to the access of immediate health advice. As part of the initial call, employees are provided with a medically driven estimated return to work date of when they should be able to go back to work, and any limitations on the work that they can do upon their return. Healthline nursing staff will make follow up calls to provide additional support and to check on employees' progress.

As part of the implementation of this program, DHS provided all managers with specialized training on managing absence effectively, reporting and how to support the process.

“For the first time we are seeing consistency in approach, and we have a framework to achieve results. The principles of this approach are excellent.”



The Results

“In the first 9 months of using DHS’ absence recording and reporting service, Q Catering reduced absence levels by 25%. ‘A lower absence rate translates into real financial savings. We no longer have to backfill positions with casual agency labour, and the productivity levels of the core workforce are greater. It means fewer delays for our customers, and less pressure on existing staff.

“We now have access to real-time accurate management data. This assists managers and ensures that across the organisation a consistent management approach is applied.”

We calculate that the reduced absence levels equates to the equivalent of nearly 2 days per employee per year. This equates to real wage savings, as well as indirect savings and greater managerial effectiveness. One of the key benefits the system provides is the reporting ability to see who was absent, how many people have been absent across any organizational unit level. The greater visibility gives us a better understanding of our ‘hot-spot areas’ and helps managers to keep focused on the issue overtime.”

25% reduction in absence in 9 months

- 2 less absence days per employee
- Over 20,000 nurse led absence support calls
- Due to be rolled out across broader organisation
- A self funded health program for all staff and families
- Specialist reporting system continually upgraded
- A consistent process for all staff, across all locations

