

## Reducing operational costs – improving service delivery

Over 10,000 days saved per annum  
33% Absence Reduction

Growing from a small Perth business in 1993 to be listed on the ASX with a \$200 million market cap, iiNet now supports over 700,000 dial up, broadband and telephony services, and proudly employs more than 1300 people in Perth, Sydney, Auckland and Cape Town. iiNet quickly recognized that a new approach to absence management was required in order to reduce absence levels and reduce operational costs. With half the workforce operating in contact centres, and work demands increasing due to growth, the approach needed to support employees overall wellness and morale.

### The Challenge

iiNet acquired Ozemail in 2004 and several other internet service providers more recently, and was growing rapidly. With a large part of the organisation working in contact centres, a job type renowned for high absence levels, absenteeism represented a significant cost to the business and impacted customer service, sales and technical support for the growing customer base. *'Absenteeism is a key part of our balanced scorecard. It is a measure that reflects our business, so it is vital to have good levels of attendance'* says Caitriona Hayes, HR Manager. It was evident to executives that the traditional approach to absence management was not going to achieve targets without a change in approach.

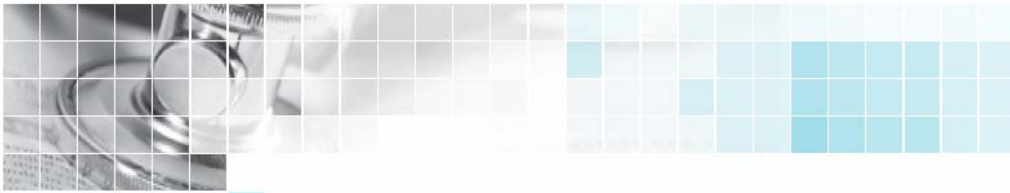
There was limited health support for employees, inefficient processes were time consuming and manual. Managers did not have the right tools to be accountable and successful. The organisation wanted to eliminate the inefficiencies inherent in the traditional absence framework. Levels of absenteeism varied across the different geographical locations with rates impacted by roster hours, workforce demographics, and leadership capability. *"We needed to find a solution that addressed these inconsistencies. DHS seemed to provide solutions to all of our challenges and customized everything according to the special needs of the business"*, says Cait.



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#### Highlights

- ⇒ June 2007 iiNet Healthline established
- ⇒ Objective was a 15% reduction in 12 months
- ⇒ All managers given skills and knowledge to manage absenteeism
- ⇒ Absence management strategy vision prepared by DHS and approved by senior leadership team
- ⇒ E-Learning Tutorials launched
- ⇒ 2008 – Pilot Success – 31% reduction in absence
- ⇒ Roll out to Cape Town Contact Centre, an additional 200 employees



# The Solution

iiNet reviewed a range of service providers, and selected to work with Direct Health Solutions. "DHS offered a fully integrated solution, from absence recording, 24x7 Nurse Health Advice and absence management training

iiNet Healthline  
(Centralised Absence  
Recording &  
Reporting)

DHS record all absence from 'Day 1' through their nurse contact centre. Managers have 24x7 access to real-time absence management reports. *"We liked the fact that absence recording would be led by nurses. Managers often are not available when employees call, and they don't like to ask employees about their illness. Getting the notification documented in a specialist system is critical to our processes. We felt nurses could offer our employees a simple process with medical advice, with greater accuracy around estimated return dates. The system also automatically updates our HRIS payroll"*, Cait adds.

Management Training

Highly specialized absence management training for all front-line and operational leaders. This program was designed to provide skills and knowledge to effectively handle a broad range of absence scenarios in the workplace.

Online Health Portal

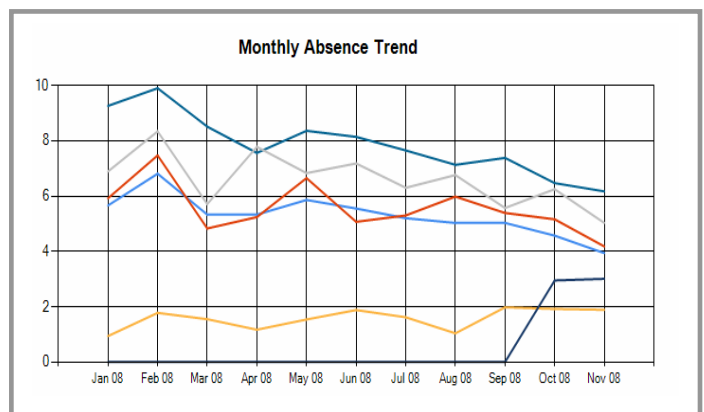
An online health and wellness solution to communicate health and wellness messages to employees.

Onsite Employee  
Health Assessments

The next step is to provide onsite health and wellbeing checks for all employees across locations.

# The Results

- ⇒ 33% absence reduction since commencement
- ⇒ Over \$1 million in savings per annum realized
- ⇒ Significantly improved employee engagement scores
- ⇒ Higher attendance has driven Improved customer service levels for the contact centre
- ⇒ Integration of absence data with payroll and rostering provides additional savings



After an assessment of performance after 12 months, iiNet has extended its contract with DHS and we continue to work closely to improve the delivery of services to employees. For further details, contact Direct Health Solutions on 61 2 8668 0801.