



The Standard Helps Employers Understand the Full Impact of Absence

Productivity Insight series sheds light on the hidden costs of employee absences

PORTLAND, Ore. – August 29, 2012 – The cost of employee absence and disability may be perceived as trivial compared with the costs of employer-sponsored health plans. However, a new Productivity Insight paper from [Standard Insurance Company](#) (“The Standard”) shares research that reveals the indirect costs of absence also can be very costly to employers’ bottom lines and should be taken into consideration.

The paper, titled “[Productivity Insight #2: Health-Related Lost Productivity: The Full Cost of Absence](#),” expands upon the overview of the health-related lost productivity concept provided in Productivity Insight #1. This new installment in the series of papers explores the direct and indirect costs associated with absences and how productivity can get lost. The paper provides potential solutions for addressing absence- and disability-related costs and features a case study of an employer that has taken steps to strategically manage absence and disability in the workplace.

“Measuring the total cost associated with absence and disability has long been a challenge for employers, brokers and consultants,” said Michael Klachefsky, national practice leader, Workplace PossibilitiesSM for The Standard, and author of the Productivity Insight series. “Recent research has shed light on the productivity and related profit loss that employers suffer when their experienced employees are absent. Surprisingly, replacement workers are up to 29 percent less efficient and up to 44 percent more expensive than the absent worker.¹ In light of this, a robust absence and disability management program makes solid business sense.”

The Standard’s Workplace PossibilitiesSM program is designed to help employers keep their valued employees at work and productive. The program can address the issues related to health-related lost productivity that are outlined in the latest Productivity Insight by identifying opportunities to keep at-risk employees on the job or return them to work faster. To download the Productivity Insight and to learn more about The Standard’s Workplace Possibilities program, visit the [resources page on The Standard’s Workplace Possibilities site](#).

About the Workplace Possibilities program

The Workplace PossibilitiesSM program is a unique, proactive approach to helping employers prevent and manage employee absence and disability. A Workplace Possibilities on-site consultant helps to connect employees with their health management programs and identifies opportunities to keep at-risk employees on the job or return to work faster. By doing so, the program delivers rapid and measurable reductions in absence- and disability-related costs. For

¹ *Survey on the Total Financial Impact of Employee Absences*. Kronos/Mercer. 2010.

tips and tools HR professionals can use to help re-imagine the way they manage absence and disability, visit www.workplacepossibilities.com.

The Workplace Possibilities Program is available through The Standard's Group Disability Insurance. An on-site consultant is available for groups with 1,000 or more employees. This policy has exclusions, limitations, reduction of benefits and terms under which the policy may be continued in force or terminated.

About The Standard

The Standard is a leading provider of financial products and services, including group and individual disability insurance, group life and accidental death and dismemberment insurance, group dental and vision insurance, absence management services, retirement plans products and services, individual annuities and investment advice. For more information about The Standard, visit www.standard.com.

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