

IMS Online Customisation: Daily Leave Rounding

Some IMS Online customers have daily leave types. There are different ways to derive a daily leave quantity when employees take partial days of leave.

This customisation will configure a customer's particular requirement for deriving a daily quantity of leave taken.

$$S_{b_1} = \sqrt{\frac{S_{y,12}^2}{\sum x_1^2 (1 - r_{12}^2)}}$$

How does daily leave rounding work?

IMS Online, by default, uses the following formula for daily leave rounding:

Divide leave hours by rostered hours for the day. If the result is:

- Greater than zero, less than or equal to 0.50 = ½ day
- Greater than 0.50 = 1 day

For example, if employee was rostered 8 hours for the day and they took 2 hours leave, the daily leave deducted would be calculated as:

2 hours / 8 hours = 0.25. Therefore ½ a day's leave will be deducted.

What possible customisations are there for daily leave rounding?

These are common examples of daily leave rounding:

1. Two daily leave types taken on one day

Sometimes employees can have two leave types on one day, and with half or full day rounding, this can calculate to greater than one day's leave.

For example, if employee takes 2 hours of one leave type and 6 hours of another leave type, with standard daily leave rounding, this could result in both ½ day and 1 day being deducted.

Customers may choose to customise this calculation, so that a maximum of one day's leave is deducted (examples follow).

By default, leave is processed in alphabetical order (the processing order can also be customised).

Example 1: if employee was rostered 8 hours for the day and they took 2 hours sick leave and 6 hours bereavement leave, the standard formula would be:

Sick leave: 2 hours / 8 hours = 0.25 (rounded to ½ day)

Bereavement leave: 6 hours / 8 hours = 0.75 (rounded to 1 day)

Total = 1.5 days

Using the default alphabetical order formula, the customised leave rounding would result in:

Bereavement leave = 1 day

Sick leave = No deduction

Total = 1 day

Example 2: if employee was rostered 8 hours for the day and they took 2 hours bereavement leave and 6 hours sick leave, the standard formula would be:

Bereavement leave: 2 hours / 8 hours = 0.25 (rounded to ½ day)

Sick leave: 6 hours / 8 hours = 0.75 (rounded to 1 day)

Total = 1.5 days

Using the default alphabetical order formula, the customised leave rounding would result in:

Bereavement leave = ½ day

Sick leave = ½ day

Total = 1 day

2. A mixture of daily leave and hourly leave taken on one day

Sometimes employees can have two leave types on one day, and one leave type is deducted in hours and the other leave type is deducted in days.

Example: if employee was rostered 8 hours for the day and they took 3 hours annual leave (which is an hourly quantity) and 5 hours sick leave (which is a daily quantity), the standard calculation would be:

Annual leave = 3 hours

Sick leave = 5 hours / 8 hours = 0.625 (rounded to 1 day)

Total = 3 hours and 1 day.

Customers may choose to customise this calculation, so that a maximum of one days' leave can be deducted.

In the above scenario, if the processing order was alphabetical by default, the leave deducted would be:

Annual leave = 3 hours

Sick leave = ½ day.

In this case, it would be best to process daily leave types first, so the result would be:

Sick leave = 1 day

Annual leave = no deduction.

3. Round the daily leave value to two decimal places

Customers may use the actual daily calculation for partial days' leave, rather than applying the typical half or full day formula.

Example: employee is rostered 7.5 hours for the day and takes 2 hours leave, the daily leave calculation, using actual values, would be:

$2 \text{ hours} / 7.50 \text{ hours} = 0.2667$. Customers may elect to round this to two decimal places i.e. 0.27 of a day

4. Round the daily leave value to quarter day units

Customers may wish to round partial days' leave to quarter day units.

Example: employee is rostered 8 hours for the day and takes 5 hours leave, the daily leave calculation, would be:

$5 \text{ hours} / 8 \text{ hours} = 0.625$. Rounding this to the nearest quarter day would equate to 0.75 of a day.

Valuing the daily leave

Customers may wish to deduct leave in days but pay it in hours. This is particularly useful for employees who work different hours each day, or for employees taking partial days' leave.

Example: Monday roster is 8 hours; Tuesday roster is 6 hours and employee takes sick leave on both days. Employee has two days sick deducted, but what are they to be paid?

There is a separate IMS Online Customisation document called 'Relative Hours' that explains this in more detail and is available as an additional customisation.

Generally, customers install both Daily Leave Rounding and Variable Hours customisations when they have variable hours' employees as well as daily and/or hourly leave values.

Order customisation

Please complete the IMS Online Customisation order form to arrange to have daily leave rounding functionality implemented.

We will discuss your requirements with you so the costs can be determined.