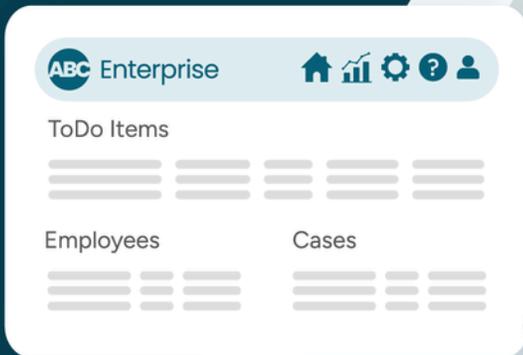


The HR Leader's Guide to Evaluating Leave Solutions





Leave management keeps getting harder. For the third year in a row, leave requests are up again, with more than half of teams reporting an increase in requests. And of those reporting growing caseloads, the majority report increases of 20% or more. For many HR teams, that growth is layered on top of the same headcount, the same manual processes, and even higher expectations from employees who need clear answers and emotional support during stressful life events.

When leave goes poorly, employees notice. Thirty-six percent of employees say a poor leave experience pushed them to look for a new job. That puts HR in a difficult position. You are expected to deliver a supportive, human experience while navigating more than 200 federal and state leave laws that change often and rarely align neatly. Even strong teams can struggle to keep up.

That is why choosing a leave management solution today is about more than comparing features or pricing. The real decision starts with understanding which operating model fits your specific workforce and business goals.

In-house, outsourced, or hybrid approaches all come with their own benefits and drawbacks: what is right for a school district might not be the best solution for a national grocery chain. But in all cases, every model can be improved with the right technology foundation.

Modern leave platforms have changed the game in recent years, making in-house leave management manageable, improving the experience TPAs can provide, and driving impacts that are felt across the workforce. When programs are designed well with the right technology foundation, they reduce compliance risk, ease administrative burden, and improve the employee experience at the same time. This guide is designed to help you evaluate your options clearly, ask the right questions, and choose a solution that supports both your team and the people you serve.

Why Leave Teams and HR Leaders Are Struggling Today

Most HR leaders don't need convincing that leave management is harder than it used to be. But for teams buried in the day-to-day, it can be hard to see all the factors at once. But several things are converging to an inflection point for HR: Requests are up. Case complexity is increasing. Compliance is getting harder. Employee expectations are higher. Capacity has not kept pace.

The Volume Challenge

Leave requests are not following a single spike that goes down the next year. Our data and customers report that case growth is instead compounding year after year.

In 2025, more than half of employers reported an increase in leave requests. That marks the third consecutive year of sustained growth. For teams that saw increases year over year, the cumulative impact is significant.

Many HR teams could be managing 120% or more cases than they were just three years ago, often with the same staffing and largely manual processes.

The increases are not minor. Among employers reporting growth, 67% saw leave requests jump by 21% or more in a single year. That level of volume change quickly overwhelms intake, documentation, tracking, and communication workflows that were never designed to scale.

There is also no clear sign of relief. Mental health needs, caregiving responsibilities, and injury recovery continue to drive demand. These are not short-term trends. They reflect permanent shifts in how employees use leave across every industry.



The Complexity Challenge

Rising volume would be difficult on its own. Layered on top is a regulatory environment that has become increasingly fragmented and unforgiving.

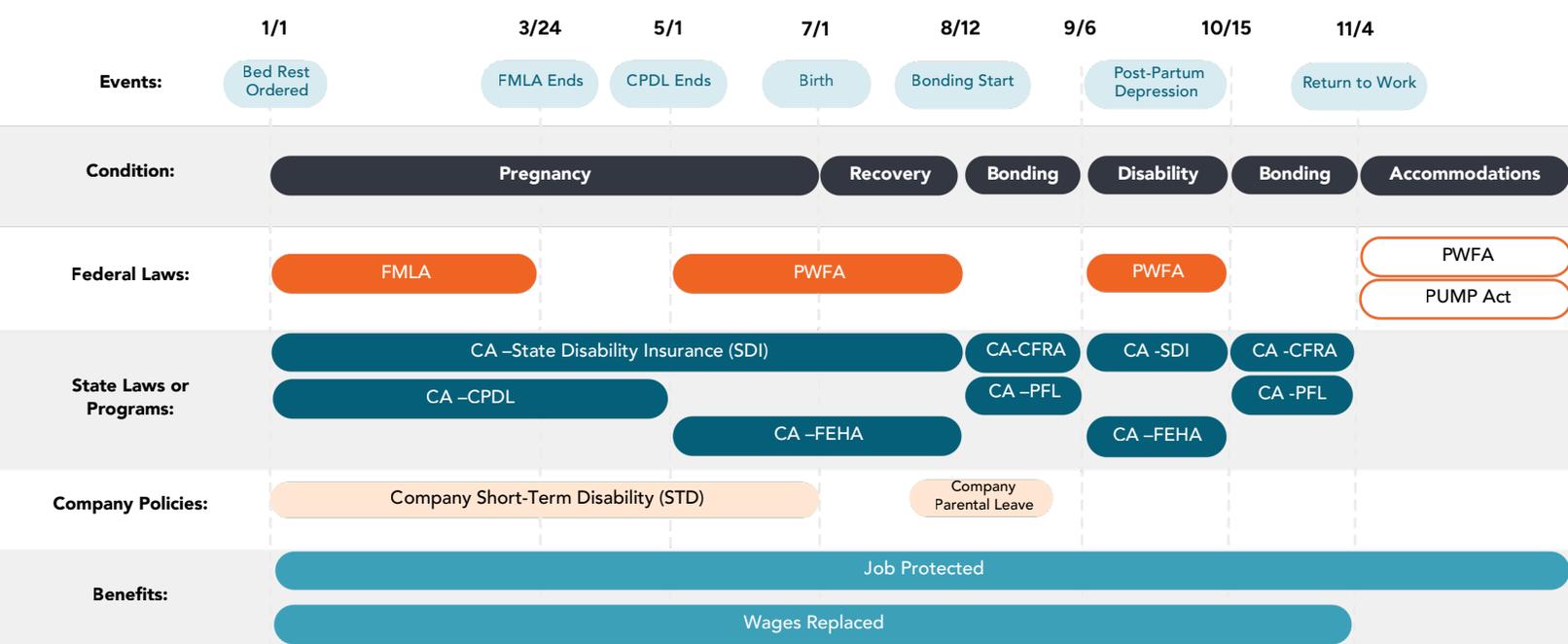
Today's leave teams must navigate more than 200 federal and state leave laws, each with its own eligibility rules, timelines, documentation requirements, and notice obligations. State law expansion has accelerated this challenge. A growing number of states have mandatory paid leave programs, and even more offer voluntary programs. Nearly every state has some laws around job protection, discrimination, or leave provisions for very specific reasons, like military duty, organ donation, or bereavement. And each of these state regulations have unique provisions and idiosyncrasies, and complex interactions with federal laws. For multi-state employers,

consistency is nearly impossible without centralized tracking and constant monitoring.

Overlapping laws create real-world complexity that is hard to manage manually. A pregnant employee in California may be covered by the FMLA, the PWFA, California Pregnancy Disability Leave, California Family Rights Act, California Paid Family Leave, California State Disability Insurance, and multiple internal company policies. Each law interacts differently with job protection, pay, benefits continuation, and return-to-work obligations.

On top of that, laws change frequently. Amendments, expansions, and new guidance require ongoing updates to policies, forms, workflows, and manager training. Even well-run teams struggle to stay current when compliance depends on spreadsheets, shared inboxes, or institutional knowledge.

A View of Entitlements for a Pregnant Worker in California



The Experience Challenge

While HR teams work to keep up, employees often experience the strain on the other side of the process.

Confusing or unclear leave processes are cited by 46% of employees as a key driver of poor leave experiences. Pay errors add to that frustration. Thirty-one percent report miscalculated pay during leave, a problem that quickly erodes trust and creates downstream work for HR, payroll, and benefits teams.

Communication is another pressure point. Thirty-three percent say they were contacted too much during leave, while others report the opposite problem, not enough communication or difficulty getting answers.

The Impact of Getting It Wrong

When leave breaks down, the consequences extend far beyond administration. Leave often happens during a deeply challenging part of an employee's life. Even minor issues like paperwork confusion can make a stressful time worse, heightening the impact.

After a poor leave experience:

51% feel less loyal to their employer

42% report lower motivation

36% start looking for a new job

14% ultimately quit

Without consistent workflows, communication becomes uneven, reactive, and heavily dependent on individual case managers.

Managers add another layer of risk. Forty-four percent of employees request leave from their manager rather than HR. Many managers are not trained on leave laws, privacy requirements, or proper escalation. That gap creates delays, inconsistent responses, and exposure that HR often does not see until a problem has already escalated.

HR is filled with caring, supportive, hardworking people, but poor experiences happen despite their best intention when teams are overloaded. Leave programs designed for a different era are being pushed beyond their limits. Without changes to process, tools, or operating models, the strain will continue to grow.

"It was a very difficult process and not done efficiently by my employer."

[2025 State of Leave and Accommodations](#)

Key Approaches for Leave Management

There is no single right way to manage leave, and the model that works for a 500-person healthcare system may not work for a national retailer with employees in 40 states. Most organizations fall into one of three approaches: insourced, outsourced to a TPA, or a co-sourced blend of both. Each can work. Each can fail. What separates the programs that hold up under pressure from the ones that don't is rarely the model itself. It is the technology and expertise behind it.



Three Core Models: A Quick Overview

Insourcing

In this model, HR teams manage leave internally, with outcomes that depend entirely on the tools behind them. Manual processes like spreadsheets, shared folders, and calendar reminders can create compliance risk, inconsistent experiences, and administrative burden that compounds as volume grows. HRIS add-ons fare only marginally better: built for broad HR functions, they lack much of the core capabilities leave actually requires. Purpose-built leave platforms make insourcing work at scale, giving HR the automation, compliance coverage, and visibility to manage rising caseloads far more efficiently.



Outsourcing

Leave administration is handled by a third-party administrator (TPA) or insurance carrier, though complex cases and company-specific policies almost always require an internal coordinator. TPAs using purpose-built leave platforms can deliver consistent, compliant administration at scale, while insurance carriers typically offer leave management as a low-margin add-on, and the service level usually reflects that. For organizations that outsource, the TPA's technology stack matters as much as their team.

Co-Sourcing

Co-sourcing combines internal HR ownership with external support. Some platforms bundle software with human administration, using staffed teams to manage complex cases. Others split responsibilities by leave type or function, such as outsourcing FMLA while managing company policies and ADA internally. In practice, co-sourcing requires clear role definitions, seamless handoffs, and a shared technology foundation. Without those, the model can create more complexity than it solves.



Choosing Your Model

According to our recent data, 79% of organizations manage FMLA in-house, and 74% do the same for other leave types. Insourcing is the dominant model, but the results vary widely depending on the tools behind it. Many teams are doing their best with manual processes or HRIS add-ons that were never designed for leave complexity.



But over time, those limitations show up as compliance gaps, pay errors, and inconsistent employee experiences that are difficult to resolve without better infrastructure. Purpose-built leave platforms are what make insourcing truly work, giving HR the automation, compliance coverage, and visibility to manage growing caseloads without proportionally growing headcount.

Organizations that insource successfully pair ownership with strong infrastructure. [Purdue University](#) manages leave across three campuses and more than 15,000 employees with a small, centralized team. [Cache Creek Casino Resort](#) handles a complex, 24/7 workforce without expanding headcount, even as requests continue to rise. In both cases, the difference is purpose-built technology.



For organizations that prefer to outsource, the platform behind the TPA shapes the employee experience more than most buyers realize. TPAs relying on spreadsheets or legacy systems will struggle with accuracy, consistency, and transparency no matter how experienced their team is. When evaluating a TPA, ask directly what technology they use and how it handles compliance, communications, and reporting.

[Newfront](#) is a strong example of what a well-run TPA looks like in practice, combining CLMS-certified specialists with AbsenceSoft to deliver compliant, scalable leave administration across complex, multi-state workforces.

NEWFRONT

Co-sourcing can work, but requires exceptionally clear role definitions and a shared technology foundation. Without those, cases fall between teams and compliance gaps are hard to catch until something goes wrong. Regardless of model, the technology foundation determines whether the program works.

What's Essential in a Leave Management Platform

No matter which model you choose, insourced, outsourced, or co-sourced, technology is what determines whether the program actually works at scale. A configurable, comprehensive, compliant purpose-built leave platform provides four essentials across every approach:

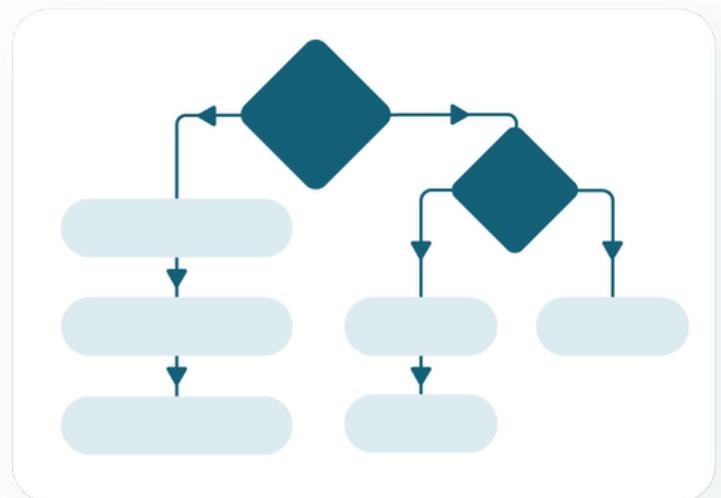
- 1 Consistent compliance, with laws applied correctly and deadlines met
- 2 Clear employee experience, including self-service and automated communications
- 3 Operational efficiency, so teams can handle volume without constant headcount increases
- 4 Visibility, giving HR leaders real-time insight into caseloads, trends, and risk

This matters just as much when leave is outsourced. A TPA is only as effective as the system behind it. Providers relying on spreadsheets, email, or generic case tools struggle to deliver consistency and transparency at scale. Verifying that a TPA uses a purpose-built leave management platform, such as AbsenceSoft, is the difference between a great employee experience and one that drives low morale and turnover.

Next we'll look at the core capabilities to look for in a leave management platform, regardless of how your program is structured.

Core Capabilities for Leave Management Platforms

When evaluating leave management solutions, it helps to have high expectations and be ready to ask the hard questions. Many platforms and tech solutions in this space do some of the work, like automating tasks or managing FMLA. Very few actually do all that is needed for large workforces to stay compliant and drive strategic value. Every capability below should be treated as a must-have, especially with fully insourced programs.



A Foundational Compliance Engine

This is the core foundation, and must be a combination of powerful automation and human expertise to interpret the evolving law changes correctly. Without it, everything else is fragile.

To drive real value, a leave platform must track 200+ federal and state laws out of the box, including the FMLA, the ADA, the PWFA, and state-paid programs.

Policy	Eligible
Family Medical Leave Act	Yes
Oregon Family Leave - Pregnancy/Maternity	Yes
Oregon Paid Leave	Yes
Oregon Paid Leave - Job Protection	Yes
Oregon Family Leave	Yes
ABC Company Parental Leave	Yes

Updates should be automatic and effective from day one, without HR needing to rebuild workflows or monitor legislation manually. The system should also support configuring company-specific leave and accommodation policies and correctly calculate outcomes when multiple laws overlap.

This matters because compliance errors are rarely obvious until they surface as complaints, audits, or lawsuits.

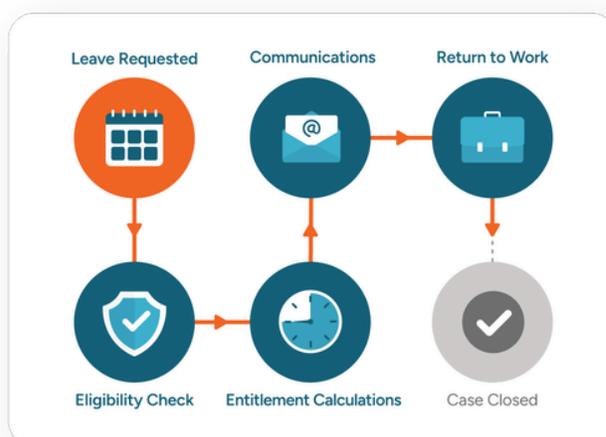
In our recent survey, 41% of HR leaders still cite FMLA compliance as their top leave challenge, and one missed deadline or incorrect notice can expose organizations to significant risk. Manual tracking and partial coverage introduce risks that most teams simply do not have the capacity to manage.

Intelligent Automation and Workflows

At a minimum, the platform should automatically determine eligibility, generate compliant packets based on leave type and jurisdiction, transform processes into configurable workflows with human touchpoints, manage deadlines, and trigger employee communications at the right moments. Return-to-work tracking and accommodation follow-up should be built in, not bolted on.

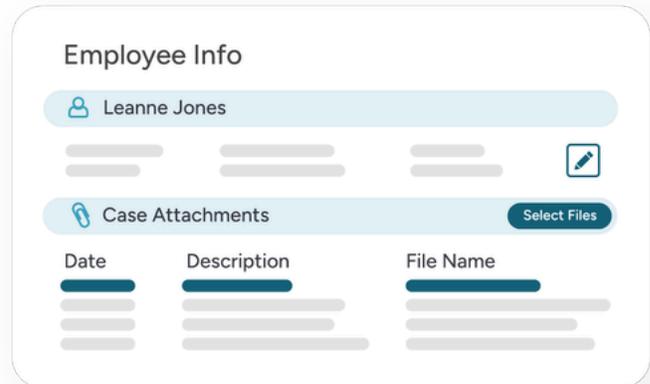
This level of automation is what allows teams to scale without burning out or adding constant headcount.

It also ensures every case follows the same compliant process, even in large, complex workforces with multiple benefit levels.



Centralized Case Management

Everything related to a leave or accommodation should live in one place. This includes case details, documents, notes, communication history, and task lists, with a clear audit trail. Secure handling of medical documentation, including fax and digital uploads, should be standard. Integration with your HRIS or HCM is essential so employee data stays current.

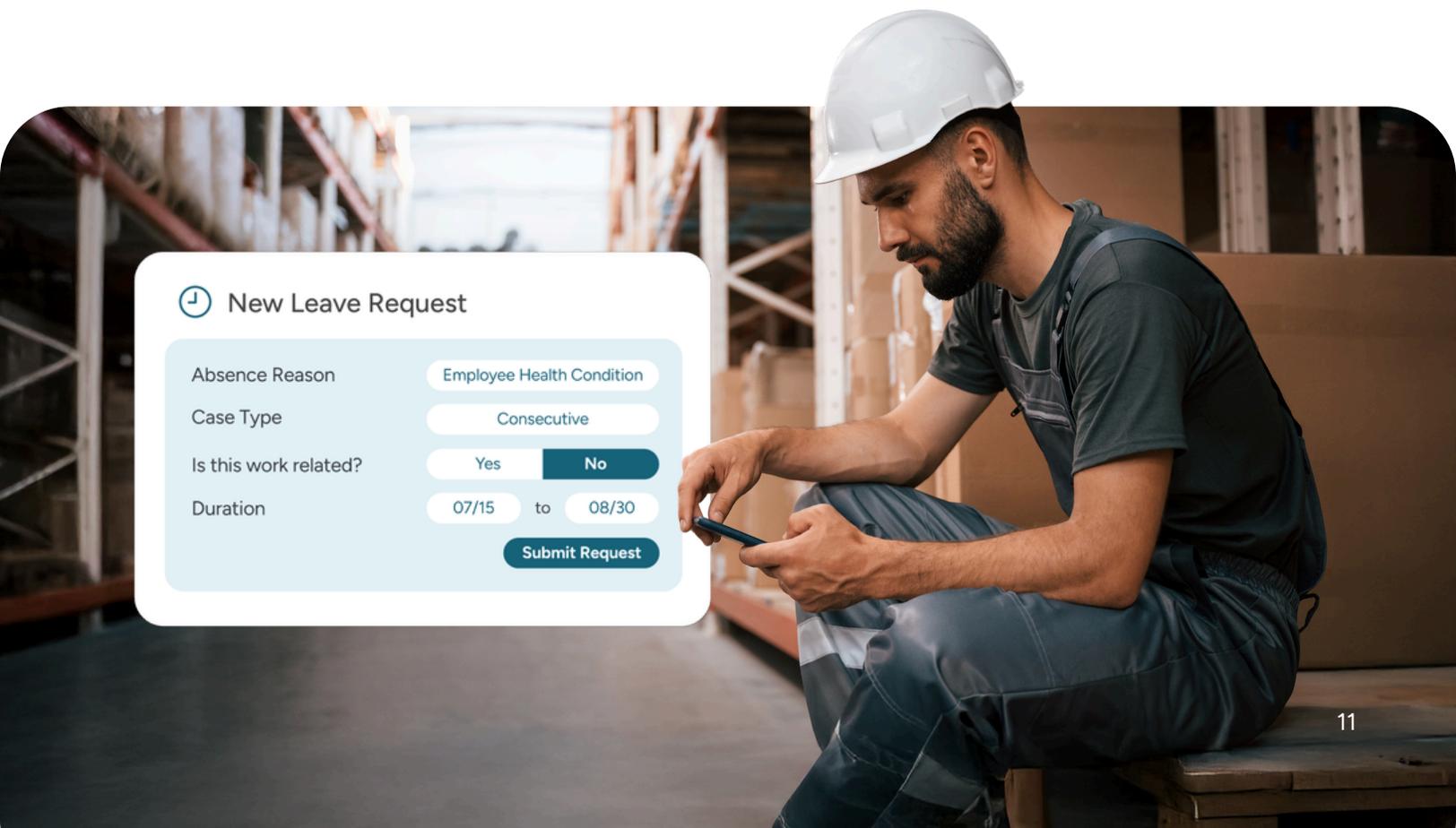


The interface shows 'Employee Info' for Leanne Jones with a profile picture and an edit icon. Below it is a 'Case Attachments' section with a 'Select Files' button. A table with columns 'Date', 'Description', and 'File Name' is partially visible.

Centralization is what makes seamless handoffs possible, supports audits, and prevents cases from “falling through the cracks” when someone goes out on leave.

Employee and Manager Self-Service Portals

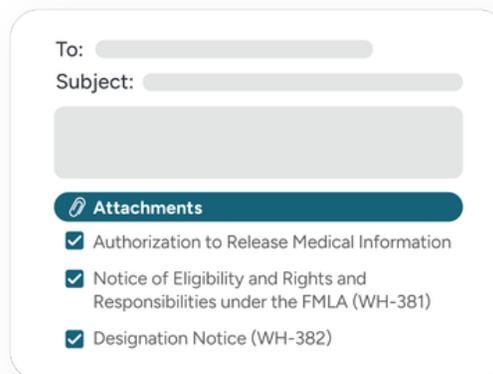
Having to navigate leave by phone tag or email chains is a key driver of poor employee experience. A modern platform improves the experience for employees by providing a mobile or desktop-friendly portal where employees can request leave, upload documents, check status, and receive updates at any time. Managers can quickly login to see an employee’s leave dates, and plan for their return to work, with the right privacy levels enforced. HR gets all the details they need, without a lot of back and forth.



Packet Generation and Automated Communications

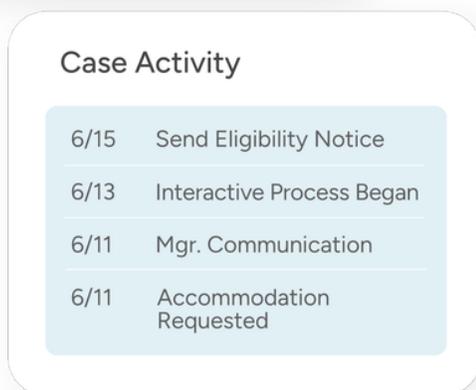
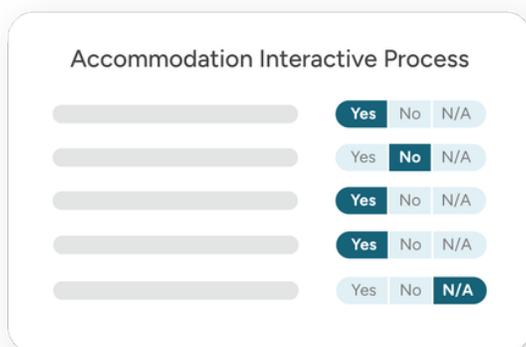
Consistent communication is often the difference between a good leave experience and a poor one. In our research, 48% of employees cited “clear process and knowing what to do” as a key driver of positive leave experiences.

Look for solutions with multi-channel communication, customizable templates, and automated touchpoints that guide employees through each step without manual effort. Language support and conversational intake are increasingly important for diverse workforces. Clear, timely communication reduces anxiety, confusion, and follow-up work for HR.



A comprehensive leave platform should support bi-directional text messaging that saves all communications in the platform, attached to the case. This is far more convenient for deskless and frontline workers, and gives employees a way to complete simple mobile uploads to save time on paperwork.

Integrated Accommodations Management



For many life events, leave and accommodations are not separate experiences for employees. Leave is now one of the most commonly requested accommodations, and many leaves of absence around injury recovery and illness require accommodations after an employee returns.

The platform should support ADA and PWFA workflows alongside leave, including guided interactive processes, secure medical documentation storage, accommodation tracking, and follow-up prompts. Managing these in separate systems creates gaps, risks asking for documentation multiple times, causes delays, and introduces compliance risk, especially at return to work.

Payroll Calculations and Pay Coordination

Pay accuracy matters more than many teams realize. In employee surveys, pay errors consistently rank among the top drivers of poor leave experiences. Thirty-one percent of employees report miscalculated pay during leave.

Your payroll file is ready to download.

[Download Now](#)



Advanced platforms can estimate leave payments, coordinate state and company benefits, and generate payroll-ready files. This reduces errors, shortens resolution time, and helps ensure employees receive the correct benefits in the correct order.

Reporting, Analytics, and Insight



If you cannot see what is happening, you cannot manage risk. You can't uncover inconsistent determinations, where delays are happening, or understand overall leave and accommodations usage. Real-time leave and accommodations data can also transform the way your team is managed, inform business and policy decisions, and drive proactive planning and forecasting.

The platform should offer real-time dashboards and customizable reports that include critical data about your leave and accommodations programs. Over time, this data helps HR identify bottlenecks, forecast volume, and demonstrate program value to leadership. It also helps HR leaders demonstrate program value at a time when 60% of organizations say they plan to invest more resources into leave management.

Integrated AI, with Guardrails

AI can be powerful, but only when used responsibly. Nearly half of employers report using AI tools like ChatGPT somewhere in the leave process, including for eligibility questions and documentation review. Used without guardrails, that introduces real compliance risk.

The right approach is AI embedded within a purpose-built leave platform, supporting intake, documentation review, reporting, and recommendations, with compliance controls and human oversight built in. Ad-hoc use of external AI tools should never replace compliant workflows.



Expert Support and Learning Communities

While not part of the technology foundation, the right solution provider should be a true partner to your HR team. You should be able to access timely, dedicated, CLMS-certified support that you can communicate well with (not an AI chatbot or overseas team). They should be there for you as your workforce evolves and changes, helping you continue to improve your leave and accommodations programs over time.

The best providers also have robust communities, like AbsenceSoft's LeaveLab, where you can connect with the other HR providers, attend expert-led events, and continue to grow your knowledge and capabilities in the leave and accommodations space. As state and federal laws evolve, having a partner to help you continue to navigate these changes takes the burden off of HR teams, and allow you to focus on what matters most: providing employee support during life's most challenging times.

If a solution cannot do all of the above in one system, there are tradeoffs somewhere, whether that means limited law coverage, hidden manual work, outsourced human intervention, or increased compliance risk. Your team does not need another partial solution. When it comes to leave and accommodations, the best solution is trusted, proven platforms your team can rely on.

Technology Comparison



HRIS Platform Extensions

- Leave as secondary add-on to broader platform
- Limited compliance coverage (basic FMLA only)
- Shallow or nonexistent accommodations support
- Generic workflows not optimized for leave complexity
- No custom policy support

Generic Workflow Automation Tools

- Not built for leave-specific workflows
- No compliance engine
- Manual policy updates required when laws change
- Poor employee self-service
- No CLMS-certified support

Manual and Spreadsheet-Based Processes

- Compliance tracking in spreadsheets
- Calendar reminder systems
- Email-based case management
- High error and compliance risk
- No audit trails easily available

Purpose-Built Leave Management Platforms

- ✓ Designed specifically for leave and accommodations
- ✓ Comprehensive compliance engines
- ✓ Leave-optimized workflows and automation
- ✓ Superior employee experience
- ✓ Proven integration with major HRIS/HCM systems

Making the Business Case for Better Leave Management

Modern leave management is no longer a nice-to-have. For most organizations, it is a cost, risk, and capacity issue that compounds every year. Better management has become an urgent need due to rising case volumes that have no sign of stopping. The strongest business cases stay focused on those three realities.



A Simple Way to Build Your Case

You don't need a complex model. Anchor the conversation on four questions:

- 1 Where are we today?**
Leave volume, growth, HR time per case, states covered, and employee feedback.
- 2 What are we investing in?**
Technology, implementation, and any external support.
- 3 What do we get back?**
Time savings, lower turnover, reduced risk, and a better employee experience.
- 4 What happens if we wait?**
Volume keeps rising, errors increase, trust erodes, and HR capacity becomes the bottleneck.

What to Emphasize for Each Leader



Finance: Summarize the fast payback, clear cost avoidance, and the ability to scale leave volume without adding headcount.



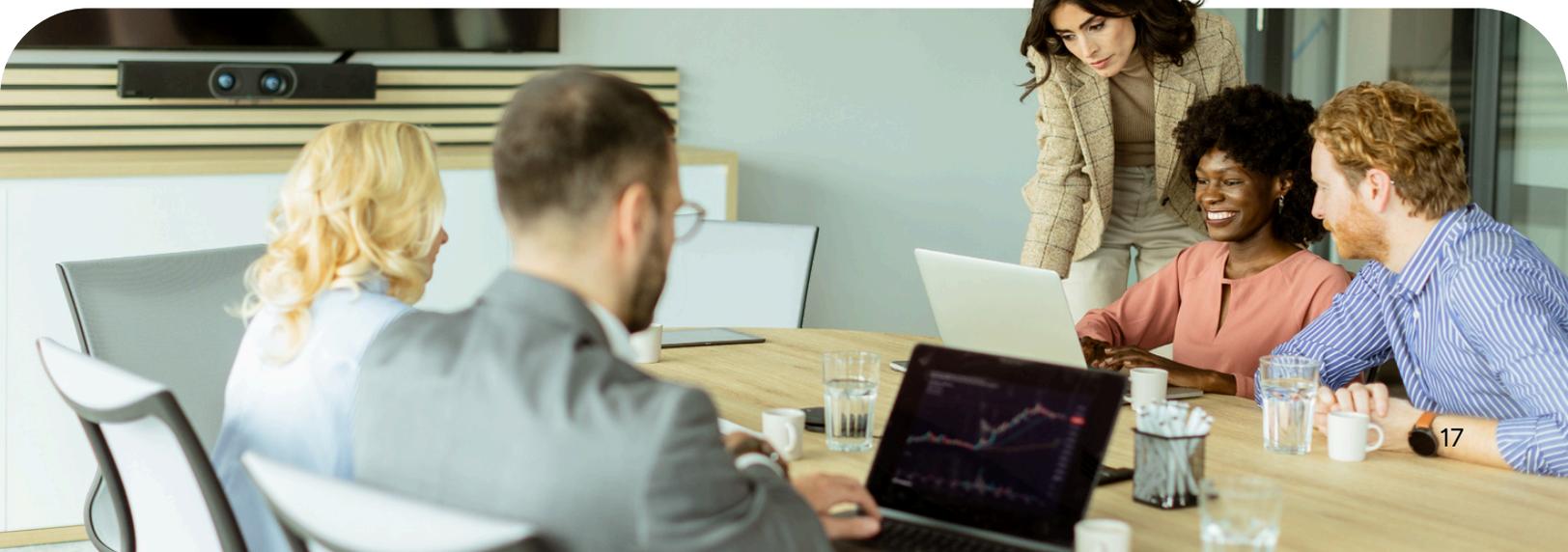
HR Leadership: Focus on capacity relief, consistent decision-making, and confidence that the team can handle growing workloads without burnout.



Executives: Highlight retention, employer brand protection, and the operational resilience needed to support growth and change.



Legal and Compliance: Emphasize audit-ready documentation, well-documented ADA and PWFA interactive processes, and reduced legal exposure as laws continue to expand.



What the Status Quo Costs You

When leave programs rely on manual processes or partial solutions, the costs add up quickly.

- **Capacity strain:** For many organizations, leave volume has grown more than 120% over three years, but most teams are still staffed for far lower demand.
- **Compliance exposure:** A single complaint or lawsuit can cost \$78,000 in defense fees and more than \$300,000 in potential damages.
- **Talent loss:** After a poor leave experience, 36% of employees start looking for a new job and 14% leave entirely. Replacing an employee typically costs 50-200% of their salary.

Negative workforce impacts:

- 22% report lower productivity after a poor leave experience.
- 42% feel less motivated after returning.
- 24% warn others against working for their employer.
- HR time is consumed by paperwork instead of people and strategy.

Doing nothing is not neutral if you have manual processes, tech solutions that aren't purpose-built, or an outsourcing arrangement that isn't working out. It is a decision to absorb these costs year after year.

What Modern Leave Management Delivers

A purpose-built leave platform creates value in two practical ways: efficiency gains and risk avoidance. Most organizations see:

- Up to 66% less time per case through automation.
- 30-40% fewer inbound questions with employee self-service.
- The ability to handle higher volume without adding proportionately more headcount.

Time Savings Example

500 leave cases per year

- Manual process: ~2,000 hours annually
- With intelligent automation: ~750 hours
- **Savings:** 1,250 hours, or about **0.6 FTE**

On top of that, modern platforms help prevent costly compliance errors, reduce avoidable turnover, and coordinate state-paid benefits correctly so companies do not overpay.

ROI Snapshot

5,000 employees | 250 leaves per year

- Year 1 investment: ~\$75,000
- Conservative value returned: ~\$647,000
- **Payback:** Less than two months

Use the [AbsenceSoft ROI Calculator](#) to translate your own workforce data into a clear financial story.

Next Steps

- 1 Document your current state**
Volume, time spent, pain points, and risk areas.
- 2 Define what's non-negotiable**
Compliance coverage, automation, employee experience, and visibility.
- 3 Choose your model**
Insourced, outsourced, or hybrid, and validate the technology behind it.
- 4 Quantify the ROI**
Use conservative assumptions and focus on time, turnover, and risk.
- 5 Plan for execution**
Timeline, ownership, and communication.

Questions to Ask Yourself



What leave experience do we want employees to remember?



How much control and visibility do we need?



Can our current approach scale another two years?



If we outsource, what platform is actually running the program?



How will we measure success in six months?

Better leave management gives HR the infrastructure to keep up, stay compliant, and support employees during the moments that matter most. The right solution reduces risk, restores capacity, and pays for itself faster than most teams expect.



Why AbsenceSoft

AbsenceSoft is purpose-built to handle the full reality of modern leave and accommodations. While many solutions automate pieces of the process or specialize in a narrow slice of compliance, AbsenceSoft is designed to manage the entire lifecycle, at scale, in one system.

Organizations choose AbsenceSoft because it actually does what most platforms promise but cannot deliver: end-to-end compliance, intelligent automation, and a consistent employee experience across leave and accommodations.



Conclusion

Leave management has reached an inflection point. With sustained volume increases, expanding regulatory complexity, and employee experience on the line, the question is no longer whether to modernize, but how quickly and how thoughtfully.

The cost of inaction is already visible:

- Overextended HR teams
- Growing compliance exposure
- Poor leave experiences that drive turnover
- A competitive disadvantage in attracting and retaining talent

At the core of the platform is the AbsenceSoft Compliance Engine™ (ACE), which comes pre-configured with more than 200 federal and state leave and accommodation laws, verified by Littler and updated in real time. That means HR teams are not rebuilding workflows, tracking legislation manually, or relying on partial coverage as laws change.

More than 350 organizations, including Fortune 10 employers, trust AbsenceSoft to manage leave and accommodations for over seven million employees. It is also the only leave management vendor offering LeaveLab, a community where HR professionals can learn, share, and stay current as regulations and best practices continue to change.

The opportunity is just as clear:

- Turn administrative burden into strategic capability
- Protect the organization with defensible, auditable processes
- Deliver experiences that build trust and loyalty
- Create a scalable foundation that can grow with the workforce

Whether leave is managed in-house, outsourced, or co-sourced, success depends on the same foundation: purpose-built technology that can handle complexity without shifting risk back onto HR.

Next step: [Schedule a demo](#) to see what modern leave management looks like in practice. Explore how AbsenceSoft supports compliant, scalable leave and accommodations programs, whether deployed directly or through certified TPA partners.