Absence Management

> *Absence refers to an individual not being at work at a time when they would normally be expected to be present. This can be for many reasons both acceptable and unacceptable. Absence management refers to the processes and procedures adopted by management to identify and wherever possible control and minimise avoidable absence.*

The levels of attendance at work can be viewed as a reflection of the general wellbeing of an organisation as well as the individuals that work within it. That is because it can be viewed as having causes beyond the immediate health issues of the employees concerned and therefore as a reflection of what goes on within the organisation. For example, people may stay away from work because they are being bullied, or they are under too much pressure, or their boss has an aggressive management style. It is also possible that stress at work can cause physical or psychological problems for employees and in turn this will make it impossible for employees to attend work. It is a significant problem for UK employers. For example, it has been suggested that the cost to UK employers in 2002 was £11.6 billion. The employee reactions might include a lowering of morale among workers having to cover for absent colleagues and management's loss of credibility by not dealing effectively with people considered to be 'pulling a fast one'. It has been suggested that approximately 26 million requests are made each year for medical sick-notes, of which about 9 million are perhaps not genuine.

The CIPD (2008) annual survey of absence found that during the previous 12 months the levels of absence in both the public and private sectors had reduced. In the public sector it was reported as 9.8 days per employee and in the private sector as 8.4 days per employee. The average cost of absence was reported as being £666 per employee per year, up by about £7 on the previous year. The survey also found that the main causes of short-term absence for all employees were minor illnesses such as colds, flu and stomach upsets. Among all workers these were followed by back pain, musculoskeletal injuries, and stress together with home and family responsibilities. The main causes of long-term

absence reported among manual workers were acute medical conditions, back pain, musculoskeletal conditions, stress and mental health problems. Among non-manual workers stress was reported as the major cause of long-term absence, followed by acute medical conditions, mental health problems (anxiety and depression), musculoskeletal conditions and back pain.

A number of sources suggest that absence from work can result from a number of factors that can be categorised under the following headings:

1   *Job content and context*   This can include factors such as the design of the job; work output pressures; the stress levels associated with work; work group dynamics; management style; company procedures and policies; nature and type of employment contract (permanent or fixed/short-term); and group/organisational norms with regard to attendance.
2   *Employee values*   The level of responsibility that the individual feels towards the job; customers; the work group; management; and the organisation. The personal values that an individual holds in relation to regular attendance under particular conditions (their personal work ethic).
3   *Employee characteristics*   Factors such as age; education; family circumstances and background; and personality.
4   *Pressure to attend work*   Factors such as economic and market conditions; company wage policies and incentive arrangements; company disciplinary and other absence management policies and practice; work group norms and dynamics; and level of organisational commitment.
5   *Ability to attend work*   Factors such as illness (short- or long-term); accidents (at work or outside); family responsibilities and commitments; and transport difficulties.

Each of the first four categories will impact on the motivation (or likelihood) that the individual will attend work on a regular basis, whilst the fifth will impact on the ability of an individual to actually do so.

There are a number of statistics that can be calculated to measure absence rates, including the following:

1   *The Lost Time Rate*   This reflects the percentage of total working time (hours or days) available in a given period (week, month, quarter or annual) which has been lost due to absence. It can be calculated

absence management

5

for the company, department, team or individuals to identify relative absence rates:

Total absence (hours or days) in the period × 100
Possible total (hours or days) in the period

2   *The Frequency Rate*   This reflects the number of absences on average taken by employees, expressed as a percentage of the total number of employees:

Number of spells of absence in the period × 100
Number of employees

So, for example, where an organisation employs 250 workers, and during this time there was a total of 25 occurrences of absence, the frequency rate would be:

$\frac{25}{250}$ × 100 = 10%

Replacing the total number of occurrences of absence with the number of employees having at least one spell of absence in the period, this calculation produces an individual level frequency rate. So, for example, by using the same organisation from the example above which employed 250 workers, and calculating that during the review period there was a total of 18 employees who each had at least one occurrence of absence, the frequency rate would be:

$\frac{18}{250}$ × 100 = 7.2%

3   *The Bradford Factor*   The Bradford Factor identifies frequent short-term absences by individuals, by measuring the number of spells of absence. The formula is:

Absence score = (Spells of absence × Spells of absence) × Total duration of absence

This measure considers both the number and duration of absences, but gives a heavier weighting to the number of spells of absence. It is also usually calculated over a one year time period. For example:

- 15 one-day absences: (15 × 15) × 15 = 3375
- 5 two-day absences: (5 × 5) × 10 = 250
- 2 five-day absences and 4 three-day absences: (6 × 6) × 22 = 792

The issue common to each of these measures of absence is that the results in themselves don't provide an absolute indication of the existence of a problem; they simply provide a measure of the magnitude of the occurrence. It is for each organisation to decide for itself what 'level' of absence is acceptable and at what point some form of action will become necessary to deal with the implications that such figures indicate. In that sense the results of these calculations provide a comparative measure – one that gains significance from a comparison with the same results obtained from somewhere else or at another time: for example, the same data from a previous year (or years); the same data from a benchmark company; the same data from the same industry or locality. Each of these comparisons provides a basis for decision making in relation to the absence data collected.

Traditionally, absence will have been dealt with through the disciplinary processes that an organisation has available to it. The underlying logic here is that the contract of employment requires absolute attendance unless a serious issue prevents it. From the discussion above it should be clear that there are many reasons for absence and that a more sophisticated approach is required that would take account of the wide variety of potential causes. One approach to guiding the development of an absence strategy involves the following stages:

- *Assess the absence problem*   Use appropriate and accurate records (perhaps by adopting the measures outlined above) to monitor general and specific incidences of absence. Also engage in benchmarking absence levels against other organisations and industries.
- *Locate specific absence problems, areas or individuals*   Not everyone or every department will have significant absence problems and so it is necessary first to identify where high absence levels exist and who takes the most time off work, and more importantly for what reason.
- *Identify and prioritise absence causes*   This process does not automatically indicate that everyone so identified will be subjected to disciplinary action. It might identify sections in which the stress levels are very high due to work pressures or other factors; it might identify areas of work activity with particular safety problems; it might also identify areas of poor job design. There are many possible reasons for absence and it is necessary to begin to find out what lies behind this before deciding on appropriate courses of action.
- *Evaluate current absence control methods.*

absence management

7

- *Redesign (if necessary) the absence control procedures* Set targets for absence levels and absence reduction and determine action levels. Establish procedures and guidelines for return to work interviews and 'during absence'/progress reviews. Consider the impact of absence on performance management; career development; and incentive payment practices.
- *Implement the absence control policy and procedures* Form clear procedural links between the disciplinary procedure and its appropriate application for instances of absence. Disciplining for absence (including dismissal) can be a potentially fair action but only if it is undertaken in an appropriate manner and based on sound information.
- *Monitor the effectiveness of the procedure* Monitor absence levels and take appropriate action within the established procedures.
- *Provide training and support for line managers.*
- *Consider health promotion and occupational health involvement in work design and employee support.*
- *Consider various support issues* These could include flexible working; job sharing; part-time working; tele-working; and medical insurance as ways of minimising the disruptive effects (for employees and employers) of some forms of absence.

The CIPD (2009) suggest that absence policies should clearly set out employees' rights and obligations when taking time off from work due to sickness by:

- Providing details of contractual sick pay terms and its relationship with statutory sick pay.
- Outlining the process employees must follow if taking time off sick, covering when and whom employees should notify if they are not able to attend work.
- Including when (after how many days) employees will need a self-certificate form.
- Containing information on when they will require a medical certificate (sick-note) from their doctor to certify their absence.
- Mentioning that the organisation reserves the right to require employees to attend an examination by a company doctor and (with the employee's consent) to request a report from the employee's doctor.
- Outlining the role of any occupational health department or provision (if such exists) in developing proactive measures to support staff health and wellbeing.

- Including a provision for return to work interviews (identified as one of the most effective interventions to manage short-term absence).
- Including an indication of company intentions with regard to maintaining contact with sick employees and also to facilitating effective return to work strategies.

When seeking to manage absence levels care should be taken to avoid presenteeism, which refers to situations where individuals will feel pressured to attend work when they should not do so and to stay at work beyond their normal working hours. Common difficulties with effective return to work arrangements include a lack of consultation with employees, their trade union, HR staff and line managers; a lack of training in making work/job adjustments possible; and little or no budget allocations for such adaptations or return to work processes. It is often difficult to persuade other departments to absorb workers for whom special provision might be necessary or who have been out of the workforce for some considerable time. Wellness management is a topic beginning to emerge in organisations which includes a range of services, processes and facilities to promote good health. Benefits can result in resourcing, the psychological contract, duty of care and productivity aspects of HR activity.

See also: *behaviour management; counselling, coaching and mentoring; discipline and grievance; employee empowerment and engagement; incentive schemes; organisational culture; quality of working life and the psychological contract*

BIBLIOGRAPHY

ACAS (2009) 'Managing attendance and employee turnover'. Advisory booklet. London: ACAS. Available at http://www.acas.org.uk/

CIPD (2008) '*Absence management*'. Annual Survey Report. Available at http://www.cipd.co.uk/NR/rdonlyres/6D0CC654-1622-4445-8178-4A5E071B63EF/0/absencemanagementsurveyreport2008.pdf (last accessed July 2009).

CIPD (2009) 'Absence measurement and management'. *Factsheet*. Available at www.cipd.co.uk (last accessed July 2009).

Incomes Data Services (2009) *Absence Management*. HR Studies, No. 889. London: IDS.

absence management