

Sickness Absence Report April 2008 – March 2009

The Big Life Group

Sickness Absence Report - April 2008 to March 2009

INTRODUCTION

Following increasing levels of sickness absence throughout the group, the sickness absence and sick pay policies were amended during 2007 – 2008 to include trigger points and tighten processes for absence management.

The new Absence Management process was piloted in March and April 2008, and the policies were amended and distributed in May 2008. This seems to have improved our sickness levels tremendously. In January 2009, managers have been recording sickness not only on the attendance records but also on the new HR Database. The HR database will allow HR to print monthly, quarterly and annual reports for sickness absence across the group. From these reports HR will also be able to flag up any employee who has reached the trigger point for the absence management process and check that the appropriate action is being carried out.

National statistics in 2008 show that in the UK sickness absence costs employers directly, an average of £666 a year for every worker employed. Within the not for profit sector this figure was on average £741 a year for every worker employed. Indirect costs increase this figure further.

These costs, both direct and indirect, can be reduced dramatically if the organisation works in partnership with employees when managing sickness absence and return to work situations. A consistent and effective approach to absence management can lead to:

- Improved business performance
- Retention of valued staff
- Safe and healthy workplaces
- Better workplace relations
- Job satisfaction for employees
- Employee engagement

This report provides absence statistics for the period April 2008 – March 2009 and looks back to previous years' reports to make comparisons.

METHOD

Managers are asked to keep a record of all absence due to sickness. This includes accurate details of dates, length and reason for absence, and confirm that return to work interviews have been held after every sickness absence.

Attendance records, Return to Work Forms and Sickness Certificates are submitted to HR on a monthly basis. These forms are then kept on record centrally so that statistics on attendance can be produced where necessary. It also ensures HR is made aware of any problems and therefore able to advise accordingly. The return to work forms and certification are passed onto Absence Managers, in order for them to assist managers in

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managing employee absences which either reach the trigger points or where managers request staff to be entered into the absence management phase.

In previous years we have had high numbers of managers failing to supply attendance information to the HR department. This situation has improved enormously since 2006 – 2007 and with a quite a bit of chasing, this year, we have had a 100% return of attendance records. This improvement means that the figures within this report will be far more accurate and realistic than in previous years, ensuring the data and any comparisons can be afforded more significance.

YEAR	NO. OF RECORDS OUTSTANDING
2008 - 2009	0
2007- 2008	3
2006 - 2007	60
2005 – 2006	82
2004 – 2005	86

FINDINGS

NUMBER OF WORKING DAYS LOST OVER THE YEAR

The **total number of working days lost** due to sickness during the year April 2008 – March 2009 was just **983.5**. We can compare this to number of days lost in previous years, which shows that it is the lowest figure recorded to date.

YEAR	NO. OF DAYS LOST PER YEAR
2008- 2009	983.5
2007 - 2008	1502.5
2006 - 2007	2105
2005 - 2006	1608
2004 - 2005	1106

This highlights a dramatic improvement for the group as a whole. As these figures do not take into account the total number of employees, the following methods of measurement throughout the rest of the report can be relied upon for more accurate comparisons.

OVERALL RATE OF TIME LOST TO ABSENCE

We can get a much clearer picture of absence levels across the organisation by calculating an overall rate of time lost. This will give us an indication of the severity of the problem.

$$\frac{\text{Number of Hours/Days Lost to Absence}}{\text{Total Number of Possible Working Hours/Days}} \times 100 = 2.8\%$$

This means that **2.8% of working time was lost** as a result of sickness absence. We can compare this to percentage of working time lost in previous years.

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YEAR	RATE OF WORKING TIME LOST
2008- 2009	2.8%
2007 – 2008	3.3%
2006 - 2007	4.1%
2005-2006	3.7%
2004-2005	2.3%

This is a dramatic improvement for the organisation. The CIPD absence survey carried out in July 2008 found that the average level of sickness absence nationally was 3.5% of working time and 4.2% for the North West. Within the not for profit sector sickness absence made up 3% of working time.

AVERAGE NUMBER OF DAYS PER EMPLOYEE ACROSS THE ORGANISATION

YEAR	AVERAGE NUMBER OF DAYS PER EMPLOYEE
2008 - 2009	3.8
2007 - 2008	8.3
2006 - 2007	10.3
2005 - 2006	8.5
2004 - 2005	5

The average number of days per employee across the organisation was **3.8 days per employee**. This is a staggering improvement and well below the average figures provided by the CIPD.

The CIPD absence survey carried out in 2008 found that sickness absence nationally was equivalent to 8 working days per year and days for the 9.3 North West. Within the not for profit sector it was equivalent to 8.5 days.

FREQUENCY RATE

The statistics produced so far do not give us any indication of whether the overall rate of 2.8% is a result of a number of long-term absences or repeated short-term sick leave. Therefore, to give us a clearer picture it is helpful to look at the average number of spells of absence per employee.

The average number of spells per employee was calculated as follows

Number of Spells of Absence = **1.16 spells of absence per employee**
Number of Employees

This figure tells us that on average **each employee has had 1.16 spells of absence** over this 12-month period. Again, we can compare this rate to the average number of spells per employee in previous years. This has decreased since last year by a fantastic 38%.

YEAR	AVERAGE
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	NUMBER OF SPELLS PER EMPLOYEE
2008 - 2009	1.16
2007 - 2008	1.86
2006 - 2007	1.84
2005 - 2006	1.80
2004 - 2005	1.60

INCIDENCE (THE PROPORTION OF EMPLOYEES ABSENT DURING THE YEAR)

The proportion of employees absent during the year is calculated as

$$\frac{\text{Number of Employees Having One or More Spells of Absence}}{\text{Number of Employees}} \times 100 = 52.3\%$$

This figure indicates that **52.3% of employees have experienced some absence due to sickness** during 2008-2009. This also means that **47.7% of employees have had no sickness** during the year.

YEAR	PROPORTION OF EMPLOYEES ABSENT DURING THE YEAR	PROPORTION OF EMPLOYEES HAVING NO ABSENCE
2008 - 2009	52.3%	47.7%
2007 - 2008	75%	25%
2006 - 2007	66.66%	33.34%
2005 - 2006	76%	24%
2004 - 2005	61%	39%

The number of people having sickness absence has decreased by an astonishing 22.7% and the decrease in overall time lost shows the majority of employees are having shorter periods of absence.

DISRUPTION

Persistent short-term absence is generally more disruptive and expensive for organisations than the occasional bout of long-term absence.

As a step towards dealing with this problem it is helpful to use a method called the 'Bradford Factor'.

It is calculated by

$$\frac{\text{No of Spells of Absence During the Year}}{\text{No of Spells of Absence During the Year}} \times \frac{\text{No of Days Absent During the Year}}{\text{No of Days Absent During the Year}} = \text{Points Score}$$

Therefore 1 employee with 14 days absence over the year could be distributed as follows:

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1 occasion of absence of 14 days = $1 \times 1 \times 14$ = a points score of 14

7 occasions of absence of 2 days each = $7 \times 7 \times 14$ = a points score of 686

14 occasions of absence 1 day each = $14 \times 14 \times 14$ = a points score of 2744

As in previous years it has become clear when studying the data that certain employees displayed patterns of persistent short-term absence and also this year there were a number of employees who had spells of persistent short-term absence followed by a period of long term absence. This is an area that can be tackled in the future through the use of the processes within the Sickness Absence policy to be followed by managers for both short and long term absences.

The highest score for the **2008 - 2009** period was **5243**. We can compare this to the highest score in previous years.

YEAR	HIGHEST BRADFORD FACTOR SCORE	HOW THIS SCORE WAS REACHED
2008 - 2009	5243	7 x 7 x 107
2007 – 2008	2250	6 X 6 X 62.5
2006 -2007	5650	10 X 10 X 56.5
2005-2006	2500	5 X 5 X 100
2004-2005	3552	8 X 8 X 55.5

Other high scores over the 2008-2009 period were as follows:

$10 \times 10 \times 32 = 3200$

$12 \times 12 \times 17 = 2448$

$9 \times 9 \times 20.5 = 1660.5$

$7 \times 7 \times 21 = 1029$

Out of these employees, the person with the highest score has now left the organisation, the second highest score included pregnancy related sickness which is unavoidable and they should not be penalised for this, the third highest is being dealt with under the absence management procedures, the fourth person has a medical condition and the fifth person has left. This shows that some of the absence is unavoidable and as these repeat offenders have now left we should see further improvements next year.

CAUSES OF ABSENCE

Over the last 12 months (April 2008 – March 2009) the **most common cause of absence is recorded as STOMACH UPSETS with 48 incidents occurring** during the year.

This is followed by colds (27 occasions), stress, depression or anxiety (23 occasions), flu (17 occasions) and migraine (14 occasions).

We have had only 6 occasions of absence due virus/viral infections, which is a significant reduction since last year. However, we seem to have an increase in the number of occasions of colds which is a big increase since last year. Therefore, this could be down to how sickness is recorded. Stress, depression or anxiety has increased significantly since last year and is similar to the figures of the 2006-07 report. Nevertheless, it is worth pointing out that only one of these occasions is recorded as work related stress.

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The CIPD absence survey carried out in 2008 reported that the most common cause of sickness absence is minor illness such as cold, flu and stomach upset followed by stress, musculoskeletal, back pain and home or family responsibilities. The causes of sickness absence within our organisation are similar to the CIPD's findings.

It is also important to point out that we lost **139.5 days of working time where no reasons for absence were recorded**. We can compare this to previous years below.

YEAR	INCIDENCES OF REASON FOR ABSENCE NOT RECORDED
2008 - 2009	73 (139.5 days)
2007 - 2008	47 (77.5 days)
2006 – 2007	38 (155 days)
2005-2006	81
2004-2005	67

This has increased by 60%, therefore it is concerning that reasons are not recorded on every occasion of sickness absence as omitting to ask for and collect this information heightens the possibility of some of the absences not being genuine sicknesses.

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RECOMMENDATIONS

We have seen a remarkable improvement on last year's sickness absence levels and it is even more incredible to recognise that our absence figures are all below the national and regional averages reported by the CIPD. These improvements are as a result of the revised absence management procedure and the commitment managers have made to tackling absence. However, in order to maintain and improve these absence levels, the following recommendations have been put forward:

1. It is reported by the CIPD that the key element of managing absence effectively is accurate measurement and monitoring absence data. Therefore, it is crucial that we continue to monitor absences effectively and continue to improve the absence rates and the general well being of our employees. With the new HR Database now in place, Managers need to ensure that monitoring is accurate, timely and covers all of the required information including reason for sickness. This allows us to produce monthly, quarterly and annual reports for the group as a whole or just by department. Sickness absence information is still required to be completed by 1st of the month for the month prior for payroll purposes.
2. In order to prevent absences that are not due to genuine sickness and to report accurately on reasons for absence, managers need to ensure that when entering data into the HR Database that a reason for sickness absence is always reported on every occasion of absence. The target for the sickness and absence report 2009-2010 should have no reported absence as reason 'unknown'.
3. Return-to-work interviews can help identify short-term absence problems at an early stage. They also provide managers with an opportunity to start a dialogue with staff over underlying issues, which might be causing the absence. One should be carried out for every spell of absence, and then submitted on to the HR database. This allows managers along with the absence managers to study this data and look for patterns, areas of concern and where support is needed.
4. We have just recruited 3 new absence managers across the group, David Graham, Assistant Director, Sarra Munro, Assistant Director and Aydin Djemal, Centre Manager. They have all received training and are available for absence management meetings and discussions. The group areas they monitor will be published shortly. It is the managers responsibility still to realise when an employee has reached the trigger and should be referred. The calendar on the HR Database makes this much easier to do once absence data has been uploaded. Managers can also refer employees to this process before the triggers have been reached to ensure any concerns are dealt with as quickly as possible.
5. The Absence Management training course has been revised to give updates on current legislation and changes to reporting procedures. Attendance on this course throughout 2008-09 revealed that only 6 managers who have line management responsibilities attended. For managers who have already attended the training, they will need to attend the refresher course which will give updates on employment legislation, allow managers to share best practice and go over the policy and procedures.. Details of courses attended and dates of training should be recorded on the HR database, under training history so that HR can monitor who is due to attend the refresher course.

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6. A working group has been set up to review and revise the current wellbeing pack. Any feedback, suggestions and ideas to improve the pack are being collated through a questionnaire available to all managers. This information will then be taken back to the working group and suggestions will be utilised.

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CONCLUSION

As an organisation we are committed to supporting employees and managers in order to maintain and improve the group's sickness levels. The results of this report are incredible and it should be recognised that this is a significant improvement on previous year's figures and some of the best results we've had since we first started reporting on the information in 2004-2005.

The most successful tools to reduce employee absence are an early intervention by line managers and good communication. A large part of managing absence is about ensuring staff can raise issues that may be troubling them at an early stage so that they can be addressed before they escalate. Effective absence management is also about creating work environments where employees are more likely to want to come to work.

Absence Management training, support and advice will continue to be available to managers to ensure they are equipped and confident when managing absence.

Northgate Advice Line, the HR Officer and the Absence Managers are committed to working together with line managers to further improve our absence rates.

Managers need to learn to utilise all of these resources and support mechanisms effectively in order to deal with all absences that occur within their teams.

Other important policies such as the Flexible Working Policy, the Well-Being Policy, the Health and Safety Policy and the Grievance Policy are all in place and regularly reviewed and updated to promote employee well being, improve staff morale and motivation and encourage a healthy work-life balance.