Managing Absence

Expert knowledge means success

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Introduction

Good businesses ensure they have appropriate systems in place to manage staff absence. Unexpected absences affect productivity and profits and, if they become a regular occurrence, are likely to lower morale and motivation.

However, you can improve absence rates and minimise the impact of absence by putting effective policies and procedures in place. These should be backed up by pleasant working conditions, active management and good motivation.

Monitoring and investigating the causes of absence can also help you identify factors contributing to absence levels, e.g. unsafe work practices.

This publication will help you to understand the causes of absence, monitor and measure the effect of absence rates and set up the right policies and procedures to control it.

The need for absence and sickness policies and procedures

Absence and sickness policies and procedures should set out clearly how you will deal with and monitor absence/sickness and detail the rights and obligations of your workers.

These will help your workers to recognise that you treat these issues seriously and that they have certain responsibilities to fulfil. They should also help you prevent small problems developing into larger ones and may assist you in identifying and tackling underlying problems such as poor working conditions, work-life balance issues or lack of adequate training/career development.

You may also find that monitoring reasons for absences makes it easier for you to identify and deal with different types of absence appropriately. For example, you

should treat an employee on long-term sick leave or who has a drug/alcohol addiction differently from an employee who regularly calls in sick on a Friday.

Reasons for unauthorised absence can sometimes be work-related, e.g. due to bullying or harassment, or external, e.g. due to marital problems. Work-related reasons could stem from poor working conditions.

Consider improving them by:

- offering flexible working patterns, training and promotion opportunities, staff incentives etc.;
- examining job design;
- using temporary workers during busy periods;
- developing policies and procedures to tackle anti-social behaviour.

However, remember that many unauthorised absences are due to unforeseeable sickness or accidents and that you also need to plan for authorised absences resulting from contractual and legal entitlements such as holidays or parental leave.

Having absence and sickness policies and procedures in place can bring clear business benefits. These include improved productivity, profit-making and morale, higher retention rates and motivation, as well as lower insurance costs. You may also find that your reputation is improved and that this in turn aids recruitment.

Basic principles of managing absence and sickness

There are a number of steps you should take to manage absence and sickness effectively:

- Produce clear written guidelines for employees, e.g. setting out leave entitlements, and procedures for reporting absence.
- Include terms in employees' contracts of employment giving you express permission to hold absence records.
- Record accurately and monitor absence.
- Train managers on how to handle absence.
- Set targets for absence levels.
- Conduct return-to-work interviews after absences, interviewing sensitively to find out if there are underlying causes,

Absence management survey

The Chartered Institute of Personnel and Development conduct an annual absence management survey. The 2008 survey revealed that:

- The average level of employee absence reduced slightly to 8 days per employee per year from 8.4 days for the previous 12 months.
- Absence levels in the public sector remain the highest at an average of 9.8 days per employee, per year but have reduced slightly compared with the previous year when the absence level was 10.3 days.
- The average cost of absence has increased to £666 per employee per year, from the **previous year's figure** of £659 per employee per year.
- The main cause of short-term absence for both manual and non-manual workers is minor illness such as colds, flu and stomach upsets.
- The main causes of long-term absence among manual workers are acute medical conditions, followed by back pain, musculoskeletal conditions, stress and mental health problems.
- Among non-manual workers, stress is the number-one cause of long-term absence, followed by acute medical conditions, mental health problems such as anxiety and depression, musculoskeletal conditions and back pain.

Read the survey at:
www.cipd.co.uk/NR/rdonlyres/6D0CC654-1622-4445-8178-4A5E071B63EF/0/absencemanagementsurveyreport2008.pdf

e.g. domestic problems.

- Provide for special equipment if appropriate, e.g. ergonomic chairs for employees with back problems.
- Check the attendance records of applicants during recruitment.
- Provide opportunities for discussing problems relating to attendance in performance appraisals.
- Develop other initiatives to encourage good attendance, e.g. improvement of working conditions, introduction of flexible working, provision of counselling and healthcare/prevention facilities.

Medical reports

You may wish to gain further information on a worker's ill health by obtaining a medical report. However, you will need their permission.

A worker can refuse this request or ask that corrections be made to their report. A GP may also refuse to disclose this information if they believe it will cause serious physical or mental harm to the individual or reveal the identity of another person.

You can ask a worker to attend an examination with a company doctor or Occupational Health Service if you wish to get a second opinion. They can refuse to do so, but you should inform them in writing that a decision regarding their future will be taken on the basis of the information available and that it could result in dismissal.

When dealing with medical reports, you need to respect individuals' privacy and comply with data protection legislation.

Measuring and monitoring absence and sickness

Setting up procedures for measuring absence and sickness in the workplace allows you to find out:

- how much working time has been lost;
- where absence occurs the most, e.g. among particular types of worker or department;
- how often individual employees are absent;
- whether there is a pattern of absence, e.g. where an employee regularly calls in sick on a Friday.

You can examine figures on absence and sickness to discover the scale and nature of the problem. It will also show whether the absence is:

- short-term certificated or uncertificated;
- long-term sickness;
- unauthorised.

Use the information collected to see any trends, e.g. high levels of absence in a department where motivation is a problem, where an employee covering for others is feeling stressed due to heavy workloads, or where someone is being bullied or harassed.

You can then take appropriate action to improve the situation. For instance, if absence is due to stress, examine the workload and consider reallocating work. If stress is due to harassment or bullying, consider disciplining the workers responsible

Return-to-work interviews can be an effective way of collecting absence data. Carried out sensitively, they can help establish:

- if there is a hidden real reason for a worker's absence, e.g. workplace bullying or domestic problems;
- if they are ready to return.

Legal requirements

Employers are required to keep information on absence and sickness. However, this information is kept for statutory sick pay purposes only and should not contain reasons for absence.

In order to hold more detailed absence records - e.g. for the purposes of monitoring absence levels - you need employees' permission as this information is sensitive personal data. You can achieve this by setting out the policy in the terms and conditions of employment.

Measuring absence

The most common measure of absence is the lost time rate. This shows the percentage of the total time available which has been lost because of absence from all causes in a given period.

$$\frac{\text{Total absence (hours or days) in the period}}{\text{Possible total (hours or days) available in the period}} \times 100 = \text{Lost time rate}$$

For example, if the total absence in the period is 124 hours, and the possible total is 1,550 hours, the lost time rate is:

$$\frac{124}{1,550} \times 100 = 8\%$$

The lost time rate can be regarded as an overall measure of the severity of the problem. If calculated separately by department or group of workers, it can show up particular problem areas. Total time lost, however, may consist of a small number of people who are absent for long periods, or a large number absent for short spells. A measure of 'frequency' is needed to show how widespread the problem is, so that companies can formulate appropriate plans to reduce it. The frequency rate shows the average number of spells of absence per worker (expressed as a percentage) irrespective of the length of each spell.

$$\frac{\text{Number of spells of absence in the period}}{\text{Number of workers in the period}} \times 100 = \text{Frequency rate}$$

If the organisation wishes to monitor the number of workers absent at all during the period the individual frequency rate can be used:

$$\frac{\text{Number of workers having one or more spells of absence}}{\text{Number of workers}} \times 100 = \text{Individual frequency rate}$$

For example, in one month an organisation employed on average, 80 workers. During this time 12 workers had periods of absence: one was away three times, two were away twice and nine were away once, a total number of 16 spells of absence. The frequency rate was therefore:

$$\frac{16}{80} \times 100 = 20\%$$

The individual frequency rate was:

$$\frac{12}{80} \times 100 = 15\%$$

Another individual index of absence, developed by Bradford University, highlights repeated short-term absence by giving extra weight to the number of absences. It is given by the formula:

Index (I) = S x S x H, where: S = the number of absences; and H = total hours absent in any given period

For example:

Worker with two periods of absence totalling 10 days (80 hours): I = 2 x 2 x 80 = 320

Absentee with six periods of absence totalling 10 days (80 hours): I = 6 x 6 x 80 = 2880

Organisations can use the indicator to provide a trigger point for investigation. It is important, however, to examine the particular circumstances leading to a high score before action is taken.

Source: ACAS

What to include in absence and sickness policies

Develop your absence and sickness policy/procedures in consultation with line managers and employee representatives. If your business recognises a trade union, you should also involve them.

An absence and sickness policy could include the following:

- When time off might be permitted, e.g. jury service leave and time off for emergencies involving dependants. See our guide on allowing time off work.

- How the worker should notify you if they are ill, late for work, or absent for other reasons.

- When they should submit a self certificate or medical certificate. Note that under statutory sick pay rules self certification is only required from the fourth day, and a medical certificate from the eighth day, of an absence.

- Statutory - and any contractual - sick pay arrangements. This should also be covered in the written statement of terms and conditions of employment. Use our interactive tool to create a written statement of employment.

- Possible procedures for using the employer's own doctor/medical adviser.

- If applicable, the need to attend a return-to-work interview.

- Consequences of not complying with the policy, e.g. when disciplinary measures will be taken.

- Who is responsible for keeping attendance records.

- Reference to any other relevant policies, e.g. alcohol/drug misuse, health and safety, discipline and grievance, annual leave, maternity/adoption/paternity/parental leave.

You may also want to include the following points:

- If you have good reason to believe an employee is abusing the system, you may take disciplinary measures against them.

- While those genuinely absent for illness will be treated sympathetically, excessive sickness can result in dismissal after proper procedures have been followed. For information on dealing with employee illness fairly, see the page in this guide on employee absence as a capability issue.

There are other options you may want to consider, including:

- offering a counselling service;

- setting up rehabilitation programmes for long-term sickness;

- offering attendance bonuses or incentives - make sure these don't discriminate, e.g. against those who are disabled or pregnant or people working part time or with other flexible working arrangements;

- appointing an absence case manager.

Employee absence as a capability issue

Where an employee genuinely suffers from long-term ill health, or frequent related bouts of short-term sickness which interfere with their job performance, it's best to treat the absence as a capability issue, rather than as misconduct.

Deal with such issues very sensitively and:

- investigate, measure and monitor their absence record;

- consult regularly to find out about their health and likelihood of return to work;

- set time limits on assessing the situation and tell the employee;

- let them know if their job is at risk, and why;

- obtain medical reports - you'll need the employee's permission;

- consider adjustments to their job to allow them to return to work and/or do their job more easily;

- To avoid an unfair dismissal claim, only dismiss as a last resort. Make sure you have followed fair and proper procedures. See our guides on handling discipline and grievance issues, dismissal and when an employee leaves through ill health.

Keep in mind the following:

- Check if the illness amounts to a disability - if so, you may need to make reasonable adjustments so the employee can carry out their job. For the definition of disability, see our guide on how to prevent discrimination and value diversity.

- Discount any periods of absence related to a pregnancy-related illness when taking action over someone's absence record. For the rights of pregnant employees, see our guide on pregnancy at work.

- An eligible employee may be entitled to statutory sick pay for up to 28 weeks - as well as any contractual sick pay. See our guide on pay - an overview of obligations.

Absence related to drugs and alcohol

Treat employees addicted to drugs or alcohol similarly to employees with any other serious illness. However, if an employee won't accept they have a problem or seek help, the issue may become one of unacceptable conduct.

Where the issue is purely one of conduct, i.e. the employee is not addicted to alcohol or drugs but their drug/alcohol consumption is leading to regular absence/lateness, the employee should become subject to the disciplinary procedure.

Employee absence as a conduct issue

Where an employee is often absent or late for unexplained/unconvincing reasons, this becomes a conduct issue and you may wish to take disciplinary action.

Be aware though that sickness, domestic problems or travel difficulties leading to absence or lateness may not necessarily amount to misconduct. In cases of genuine sickness, particularly if the sickness is pregnancy related, disciplinary action should not be taken.

Investigations before taking disciplinary action

Prior to taking disciplinary action, you could:

- ask absent employees to phone in at a given time each day;
- ensure line managers follow up any unexplained absence;
- conduct return-to-work interviews.

Where employees are finding it difficult to manage home and work responsibilities, consider introducing flexible working arrangements. Note that parents of children under six - or 18 for a disabled child - along with carers of adults have a right to request flexible working. You must consider such requests seriously.

Taking disciplinary action

The employee should - except in the most serious of cases - be given an opportunity to improve. Usually warnings, both oral and written, are sufficient.

If the situation does not improve, you may have to consider dismissal, but only as a last resort and after proper and fair procedures have been followed.

The Bradford Factor[1]

The pros and cons of the Bradford absence review technique

One of the most common trigger mechanisms when dealing with absence is the Bradford factor. The use of this technique was first mentioned in IDS Studies in the 1980s. Its exact origins are something of a mystery, but it is believed to have had some connections with Bradford University's School of Management, hence its name. Although this has never been confirmed, the name has stuck and it is popular shorthand for this type of approach to absence management.
The Bradford factor is a way of illustrating how disruptive frequent short-term absence – around weekends for example – can be, relative to occasional longer spells of absence. Bradford scores are a way of identifying individuals with serious absence and patterns of absence worthy of further investigation. It helps highlight causes for concern and often is one of the first steps in an attendance procedure.

Go to the calculator section on the Bizezia website (www.bizezia.com) to test the impact of the Bradford Factor

The Bradford factor calculation is as follows:
S x S x D = Bradford points score
Where: S is the number of occasions of absence in the last 52 weeks and D is the total number of days' absence in the last 52 weeks.

So, for employees with a total of 14 days' absence, for example, in one rolling 52-week period, the Bradford score can vary enormously, depending on the number of occasions involved.

So, for example:
- one absence of 14 days is 14 points (ie 1 x 1 x 14)
- seven absences of two days each is 686 points (ie 7 x 7 x 14)
- 14 absences of one day each is 2,744 points (ie 14 x 14 x 14)

Although a rolling year is common, other timescales such as 13 weeks may be used, with the associated points total correspondingly lower.

Tackling absence problems – How to get it right

Measure absence to find out:
- how much time is lost
- where absence occurs most
- how often individual employees are absent.

Monitor absence by:
- obtaining the employee's consent to keep details of individual records of sick absence, which are 'sensitive personal data' under the Data Protection Act 1998;
- keeping accurate attendance records which show individual instances of absence, together with duration, reason and where in the company the absentee works;
- ensuring that records can be easily analysed by section or department, month or year;
- assure staff that any sensitive personal data will be kept for only as long as necessary and will only be assessed by named departments or individuals;
- making sure that absence measurement figures show the scale and nature of the problem – whether there is an absence problem and which of the main categories of absence are involved:
  - **long**-term sickness
  - **short**-term certified or uncertified sickness
  - **unauthorised absence and lateness.**

Reduce absence levels by paying special attention to:
- working conditions
- job design
- payment systems
- communications and induction and training
- welfare
- employment relations
- health and safety (including stress)
- flexible working arrangements.

Deal with short-term certificated or uncertificated sickness by:
- interviewing employees on their return to work;
- making arrangements for medicals where necessary;
- having a policy on the provision of certificates to cover sick absence, although GPs are not obliged to provide patients with certificates for illnesses of seven days or less;
- ensuring employees are told if their level of absence is putting their job at risk.

Deal with long-term sickness by:
- discussing the problem with the employee concerned;
- considering alternative work or working arrangements, whether the job can be covered by other employees or temporary replacements and how long the job can be kept open (be aware of the requirements of the Disability Discrimination Act 1995, which applies to all employers);
- **seeking medical opinions from the employee's GP or a** company doctor.

Deal with authorised absence or lateness by:
- requiring absent employees to phone in by a given time on each day of absence;
- ensuring that the supervisor has an informal talk with the employee on the day after absence if no explanation is presented;
- taking disciplinary action if the unexplained absence continues.

Source: ACAS – Tackling absence problems
www.acas.org.uk/media/pdf/5/3/S07_1.pdf

Useful Links

Acas Helpline
+44 (0)8457 47 47 47
Acas provide the following useful guides:
Tackling absence problems
www.acas.org.uk/media/pdf/5/3/S07_1.pdf

Managing attendance and employee turnover
www.acas.org.uk/index.aspx?articleid=1183

Health and employment
www.acas.org.uk/media/pdf/n/9/B11_1.pdf

Disciplinary and Grievance procedureswww.acas.org.uk/media/pdf/l/p/CP01_1.pdf

Analysing and measuring absence
www.acas.org.uk/index.aspx?articleid=1190

Managing short-term sickness
www.acas.org.uk/index.aspx?articleid=1187

Personnel data and record keeping
www.acas.org.uk/index.aspx?articleid=717

Access to Work
Find out about the Access to Work scheme for disabled people
www.jobcentreplus.gov.uk/JCP/Employers/Our services/Programmes/Disabilityserviceshelpfor employers/Accesstowork/index.html

British Heart Foundation
+44 (0)20 7935 0185
Download a guide to workplace health initiatives and award schemes
www.bhf.org.uk/thinkfit/pdf/bhf_initiatives_awards.pdf

Chartered Institute of Personnel and Development
+44 (0)20 8612 6200
Find a toolkit for managing absence and sickness
www.cipd.co.uk/absencemanagementtool

Read about managing stress at the workplace
www.cipd.co.uk/subjects/health/stress/_Instrswrk.htm

Further Information

This guide is for general interest - it is always essential to take advice on specific issues.

We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

Equality and Human Rights Commission Helpline - England

+44 (0)845 604 6610
Read about managing disabled employees in small businesses
www.equalityhumanrights.com/Documents/DRC/Useful%20Documents/top%20tips%20small%20employers.pdf

Read the code of practice on disability in employment and occupation
www.equalityhumanrights.com/Documents/Disability/Employment/Employment_code.pdf

Health & Safety Executive

+44 (0)845 345 0055
Find guidance for employers on managing sickness and absence and return to work
www.hse.gov.uk/sicknessabsence/guidancehome.htm

Find guidance on how to manage drug and alcohol problems at work
www.hse.gov.uk/alcoholdrugs

HMRC Employer Helpline

+44 (0)8457 143 143

National Institute for Health and Clinical Excellence

+44 (0)20 7067 5800

Reference:

[1] Extract from IDS HR Study 810