



Annual survey report 2010

Executive summary

in partnership with

A blurred, black and white photograph of a crowd of people walking away from the camera on a city street. The image is overlaid with a semi-transparent pink horizontal band.

ABSENCE MANAGEMENT

2010



EXECUTIVE SUMMARY

The CIPD's 2010 *Absence Management* survey, in partnership with Simplyhealth, shows that employee absence levels remain highest in the public sector at 9.6 days per employee. This figure is markedly higher than in the private sector (6.6 days per employee) and in the manufacturing and production and non-profit sectors, where absence levels are found to be at 6.9 and 8.3 days per employee respectively.

Overall, our survey of 573 organisations from across the UK suggests that organisations are employing more methods to manage absence. However, fewer than half of employers monitor the cost of absence, which is a crucial step in reducing absence rates, especially in times of tight cost control. Among the most effective methods of managing both short- and long-term absence are return-to-work interviews, trigger mechanisms to review attendance and disciplinary procedures for unacceptable absence. The importance of line managers having the information, skills and responsibility for managing absence was also rated as a highly effective method of managing short-term absence.

Although the highest levels of absence are reported in the public sector, employers in this sector are far less likely to take action through restricting sick pay and using appropriate levels of disciplinary action. Seventy-seven per cent use disciplinary action, compared with 94% in manufacturing and production, with similar levels recorded in private sector services and in the non-profit sector, which has far lower absence rates (75% and 74% respectively). Occupational sick pay is most generous among public sector employers, where 64% provide full pay for more than 20 weeks, compared with about one-quarter (27%) in the manufacturing and production and non-profit sectors and just a fifth (20%) in private sector services.

The public sector is, however, most likely to adopt procedures designed to reduce sickness absence through

promoting good health, (60% compared with 32% in manufacturing and 28% in private sector services) and flexible working (75% compared with 35% in manufacturing and 42% in private sector services).

Our survey reveals that despite the pressure on organisations to cut costs, overall 22% of organisations have increased their well-being spend this year, with only 9% reducing it. The findings show that those organisations who evaluate their well-being spend are more likely to have increased their spend this year, and are also more likely to increase it in 2011, suggesting that investing in well-being pays off.

An increased focus on well-being across the sectors is reassuring, given that the recession and the subsequent recovery has taken its toll on absence. Over a third of employers reported that stress-related absence has increased over the past year, while a similar number (38%) noted an increase in reported mental health problems, such as anxiety and depression – a noticeable rise since the previous survey, when one-fifth reported an increase. An increase in mental health problems was also linked to a greater number of people coming to work ill in the last 12 months. Ensuring the well-being of staff is of paramount importance in times of uncertainty and there is a limit to how long employees can work under pressure before their health suffers.

Overall our findings suggest that organisations are taking a more proactive approach to absence management. However, there is still more that can be done to decrease absence levels and promote the health and well-being of the UK workforce, particularly in the public sector where many employers are in for difficult times ahead. Faced with budget cuts, they are likely to anticipate redundancies, organisational change and increased workloads. Ensuring line managers have the skills required to manage absence and to provide appropriate support to employees is particularly vital over the next year.

The full findings from the 2010 Absence Management Survey can be accessed by visiting cipd.co.uk/2010absencemanagementsurvey