

ANNUAL SURVEY REPORT
PUBLIC SECTOR SUMMARY

Absence Management 2015



The CIPD is the professional body for HR and people development. The not-for-profit organisation champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has 140,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Overall summary of findings

The findings of the CIPD's 2015 *Absence Management* survey, conducted in partnership with Simplyhealth, show that the average level of employee absence has increased slightly compared with last year, from 6.6 to 6.9 days per employee, although it remains lower than in 2013 (7.6 days). There is, however, considerable variation in absence levels across and within sectors.

Organisations use a combination of methods to manage absence, but a focus on monitoring and deterring absence (return-to-work interviews, trigger mechanisms to review attendance, giving sickness absence information to line managers and disciplinary procedures for unacceptable absence) remains most common. Illegitimate absence remains a common cause of short-term absence; moreover, a greater proportion include it among their top causes of long-term absence compared with previous years.

Many organisations make efforts to accommodate personal/non-work needs and preferences as part of their absence management approach. Just under three-quarters provide leave for family circumstances and nearly two-thirds use flexible working. These practices reduce the conflict between work and family responsibilities and our findings suggest that illegitimate absence is less common where these practices are employed.

Most also provide some form of well-being or health promotion benefit to their employees and this year we have seen a small increase in the proportion introducing or revising well-being benefits. Nevertheless, organisations fall into two camps when it comes to how embedded employee well-being is in their culture and practices. Over two-fifths report long working hours are the norm and that operational demands take precedence over employee well-being considerations. These organisations are more likely to report increases in stress-related absence, mental health problems and 'presenteeism'. In contrast, organisations that achieved their 2014 absence target are significantly more likely to use well-being benefits and health promotion activities than those that don't.

Most organisations are active in their efforts to reduce absence using a range of policies and practices. To have the desired impact these need to be targeted to the requirements of the organisation and the necessary management skills for implementation need to be in place. Our findings also point to the value of moving from a responsive approach to a more holistic and preventative one.

Public sector summary

Absence has increased

The average level of public sector absence increased from 7.9 days per employee in 2014 to 8.7 days this year. While the private services and non-profit sectors also saw increases, they were comparatively smaller. The manufacturing and production sector experienced a small decline in its average level of absence.

Stress, mental ill-health and musculoskeletal injuries are common causes of absence

As we've found in previous years, stress in particular, but also mental ill-health and musculoskeletal injuries, are more common causes of absence in the public sector than the private. Moreover, half of the public sector report an increase in stress-related absence over the past year and nearly two-thirds an increase in reported mental health problems.

Illegitimate absence is less common

In contrast, the public sector continues to be less likely than the private to include illegitimate absence and home/family/carer responsibilities among their top causes of absence. This may be at least partly attributable to more widespread flexible working practices in the public sector.

Greater attention to managing absence

Public sector organisations tend to take a more formal approach to managing absence than those in the private sector. They are more likely to collect absence data (95% versus 84%), monitor the cost of employee absence (49% versus 34%) and have a target in place to reduce absence (59% versus 29%). They are also more likely than the

private sector to report attendance is driven by the board, although this is the case in just one in six public sector organisations.

More efforts to improve absence practices

Over two-thirds of the public sector have made changes to their absence management approach in the last 12 months (compared with 57% of the private sector), suggesting they are proactive in developing their absence practices.

Most organisations use the absence data they collect to identify 'hotspots' where certain issues are prevalent and take action to address these. In addition, the public sector are particularly likely to report their data externally (55% versus 15% of the private sector) and to use the data to inform their well-being activity (68% versus 43%).

A wider range of approaches to manage absence

Public sector organisations use a range of methods to manage absence. As in the private sector, those methods that focus on monitoring and deterring absence are most common. The public sector are less likely, however, to restrict sick pay for short-term absence than the private sector (25% versus 46%), although they are equally likely to do so for long-term absence (42% versus 43%).

Leave for family circumstances and flexible working remain among the most common methods used to manage absence. Just half of the public sector focus on avoiding absence through health promotion and two-fifths through

well-being benefits, although all these methods are more common in the public sector compared with the private. The public sector are also more likely to provide stress counselling, employee assistance programmes, occupational health services and rehabilitation programmes, make changes to working patterns or environment and have capability procedures.

Greater focus on addressing stress

Most public sector employers are taking steps to identify and reduce stress in the workplace (68% versus 51% of the private sector) and they use a wider range of methods to do so than their counterparts in the private sector. Nevertheless, the proportion of public sector organisations offering stress management training for the whole workforce declined this year (41%; 2014: 51%; 2013: 49%; 2012: 47%). Moreover, over a quarter of public sector organisations that rank stress in their top five causes of absence are not taking any steps to address it.

More training for managers to support mental health problems

The public sector is more active than other sectors in promoting and supporting employees' mental health using a range of methods to do so. Provision of a counselling service is the most common support mechanism, but half of public sector employees also use flexible working options/improved work-life balance, employee assistance programmes and occupational health specialists. In addition, nearly half of the public sector are increasing awareness of mental health issues across the workforce as a whole compared

with just a fifth of the private sector. The public sector are also more likely to provide training to help managers effectively manage and support staff with mental health problems (44% versus 23% of the private sector).

Greater focus on promoting health and well-being

The public sector are more likely than the private to use well-being benefits and health promotion as part of their approach to manage absence. Our findings suggest that a more proactive approach can make a difference. Organisations that achieved their 2014 absence target are significantly more likely to use well-being benefits and health promotion activities than those that don't.

Half of the public sector have a formal well-being strategy, plan or programme compared with a fifth of the private sector. A further quarter don't have a formal strategy or plan but have well-being initiatives. Nevertheless, public sector organisations vary in how embedded employee well-being is in their culture and practices. Nearly three-fifths assert that employee well-being is on senior leaders' agendas and over half that line managers are bought into the importance of well-being. Just two-fifths contend that employee well-being is taken into consideration in business decisions. In contrast, half report that operational demands tend to take precedence over well-being considerations and that long working hours are the norm. These organisations are more likely to report they are more reactive than proactive on health.

Ongoing challenges

As we've found in previous years, public sector organisations are more proactive than their private sector counterparts when it

comes to managing absence and promoting health and well-being. Yet absence has increased more in this sector than any other and public sector absence levels and costs remain considerably higher than those in the private sector. On average, public sector employees had three days more absence than their private sector counterparts and the median cost of absence per employee was £360 more.

Some of the difference between the public and private sector can be attributed to size differences. Public sector organisations tend to be larger than those in the private sectors and larger organisations tend to have higher levels of absence (and use a wider range of policies to address their issues). Nevertheless, differences in absence levels, costs and practices persist even when size differences are taken into account.

Considerable variation within the public sector

While the public sector may be considerably more proactive than the private, there is considerable variation within the sector in approaches to absence management and health promotion. As we have seen above, over a quarter of public sector organisations that ranked stress in their top five causes of absence are not taking any steps to address it. The public sector is also divided in how embedded employee well-being is in their culture and they vary in their efforts to support employees with mental health problems.

Lack of integration and evaluation

Most public sector organisations have some form of well-being initiatives; however, our findings suggest that these are not always integrated with efforts to promote attendance and reduce absence. Only two-fifths, for example, include well-being benefits among their

absence management approaches and half include health promotion. Four-fifths do not evaluate the impact of their well-being spend.

Long working hours are a concern

The proportion of organisations that report long working hours is the norm is also a concern. High workloads are the most common cause of stress at work, which is a significant cause of absence. Ongoing cuts in many public sector organisations are likely to exacerbate the strain on employees. This highlights the imperative for organisations to manage the changes required effectively, to provide adequate support and closely monitor the impact on employees.

Line managers need training in absence-handling

Line managers can play a critical role in pre-empting threats to well-being and ensuring effective and timely interventions. They take primary responsibility for managing short-term absence in three-quarters of public sector organisations and in three-fifths they also take responsibility for long-term absence. Nevertheless, over a fifth of public sector organisations give line managers primary responsibility for managing (long- or short-term) absence but do not train them in absence-handling. Just half of the public sector believe their line managers are bought into the importance of well-being.

Moving forward

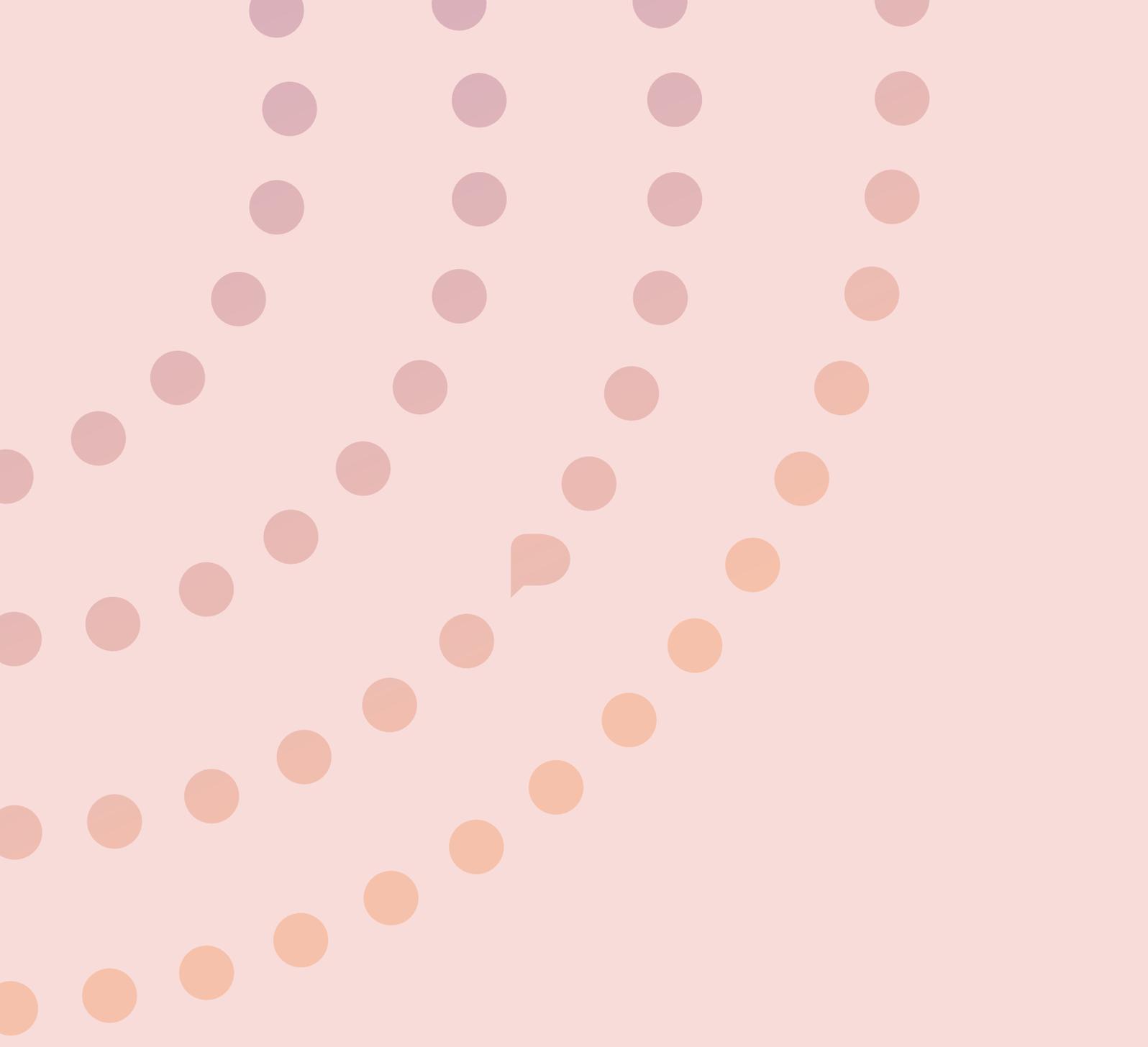
Almost all public sector organisations (95%) believe it is possible to reduce their current level of absence. Nevertheless, just a quarter of those with a target achieved their desired reduction in 2014 (a further 30% almost achieved their target).

To move forward the public sector will need to develop a

more integrated approach to managing absence and promoting attendance. Ongoing monitoring and evaluation of absence data and initiatives is required to ensure policies and practices are tailored to organisational and employee needs. While many public sector organisations use absence data to identify and address particular issues or to inform well-being activity, fewer take a more holistic approach, combining their absence data with other data sets (for example engagement survey data) to explore trends and issues, although those that did were twice as likely to achieve absence targets in 2014.

Organisations also need to ensure that policies and practices are clearly communicated and understood, embedded in the culture and consistently applied throughout the organisation. Training line managers can play a critical role in ensuring they have a clear understanding of policies and responsibilities and help develop the confidence and interpersonal skills required to implement procedures sensitively and fairly.

Cultivating a healthy culture while managing cuts and change is perhaps the greatest challenge for the public sector. It requires commitment from senior leaders and managers and, for many, a reassessment of priorities as well as considerable changes in work culture and organisation. Nevertheless, the high costs of absence in the public sector provide a strong imperative for action. Moreover, the benefits of genuine investment in employee well-being are not limited to improved attendance and reduced absence costs, but also improved motivation, engagement and retention.



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