

ANNUAL SURVEY REPORT
PUBLIC SECTOR SUMMARY

Absence Management 2016



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 more than 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 CIPD's 2016 *Absence Management* survey, conducted in partnership with Simplyhealth, show that the average level of employee absence has fallen to 6.3 days per employee per year, its lowest level for seven years. There has been a corresponding fall in the median cost of absence per employee (£522). Nevertheless, there is considerable variation in absence levels and costs across and within sectors.

The main causes of absence are similar to previous years. Minor illness remains the most common cause of short-term absence, followed by stress. Stress, acute medical conditions and mental ill health continue to be the most common causes of long-term absence. Moreover, nearly a third of organisations report an increase in stress-related absence over the past year and two-fifths a rise in reported mental health problems. A quarter of organisations report that non-genuine absence is among their top five causes of short-term absence.

This year we have seen a notable reduction in the range of approaches organisations are using to manage absence. Fewer organisations are using return-to-work interviews, risk assessments to aid return to work, capability procedures or health promotion to manage long-term absence and fewer are providing leave for family circumstances to manage short- or long-term absence.

At the same time, nearly half of respondents report their organisation's focus on well-being has increased. Moreover, compared with last year, a higher proportion report that over the last 12 months they have improved communication to staff about the well-being benefits on offer, made significant changes to enhance the physical working environment to promote well-being, introduced or revised how they monitor employee usage of offerings and introduced or revised measures to evaluate the business benefits of individual offerings. Our findings also show a considerable increase in the proportion of respondents that report their organisation has taken steps to discourage 'presenteeism' over the last 12 months.

Despite the increased focus on well-being, more organisations report long working hours are the norm, a concerning trend as workload is reportedly the most common cause of stress-related absence and long working hours is also somewhat associated with increases in reported mental health issues. Moreover, organisations remain divided regarding how embedded employee well-being is in their culture, leadership and practices. Our findings suggest that many would benefit from a more strategic, integrated and co-ordinated approach to attendance and well-being.

Public sector summary

This summary examines findings from CIPD's *Absence Management* survey 2016 for a fuller understanding of the public sector's approach to managing absence and the challenges it faces.

Absence has decreased but only slightly

The average level of public sector absence has decreased slightly compared with last year (2016: 8.5 days per employee; 2015: 8.7 days per employee¹), but the reduction is small compared with that experienced by non-profit organisations (a decrease of 0.9 days per employee) or the private sector (a decrease of 0.5 days per employee). Moreover, the overall trend for absence in the public sector shows considerable fluctuations over the last few years. The median level of absence in the public sector is 3.3 days higher than in the private sector and 1.6 days higher than in non-profits.

The cost of absence has increased

Despite the small reduction in absence levels, the median cost of absence in the public sector has increased from £789 per employee in 2015 to £835 this year. It remains considerably higher than in other sectors (private sector: £500; non-profits: £510).

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

Stress, musculoskeletal injuries and mental ill health are the top causes of absence in the public sector (after minor illness for

short-term absence) and 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 – more than twice as many as in the private sector. This disparity may reflect differences in the nature of work across sectors, the demographics of employees, and/or sectoral differences in awareness of stress and mental health.

Illegitimate absence is less common in the public sector

As in previous years, public sector organisations are less likely than those in other sectors to include home/family/carer responsibilities or illegitimate absence among their most common causes of absence. This may be at least partly attributable to more widespread flexible working practices in the public sector.

Greater priority given to managing absence

More than two-fifths of public sector organisations (compared with just one fifth of the private sector) report that absence management is among their top three greatest people management priorities and is a key focus for their organisation. Public sector organisations are more likely than those in the private sector to collect absence data (95% vs 78%) and monitor the cost of employee absence (55% vs 27%).

Line managers have a greater role in managing absence

Line managers are more likely to have responsibility for managing absence in the public sector: 72% report they have responsibility for short-term absence and 63% for long-term absence. Three-fifths of the public sector train managers in absence-handling but fewer provide them with tailored support (36% for short-term absence, 43% for long-term). While these figures are similar to last year, this year more organisations (across all sectors) include giving line managers primary responsibility for managing absence and giving sickness absence information to line managers among their most effective methods for managing absence.

The public sector is also more likely than the private to use nominated absence case managers/management teams (22% for short-term absence, 36% for long-term).

A wider range of approaches to manage absence

Public sector organisations use a wider range of methods to manage absence compared with other sectors. The use of occupational health services, along with methods that focus on reviewing, monitoring and deterring absence are among the most common, although the public sector is less likely to restrict sick pay for short-term (but not long-term) absence (23% vs 45% of the private sector).

Leave for family circumstances and flexible working also remain among

¹ The 5% trimmed mean is reported to reduce the influence of some extreme outliers.

the most common methods used to manage absence, although (as in the private sector) the proportion reporting they provide leave for family circumstances has declined compared with previous years, despite a rising number of carers in the workforce.

The public sector is considerably more likely than other sectors to manage absence through health promotion initiatives. It is also more likely to provide occupational health services, employee assistance programmes, make changes to working patterns or environment, have capability procedures, risk assessments to aid return to work, stress counselling and rehabilitation programmes.

More active in addressing stress

Over three-quarters of public sector employers are taking steps to identify and reduce stress in the workplace (78% vs. 57% of the private sector) and they use a wider range of methods to do so than organisations from other sectors. Nevertheless, fewer public sector organisations are providing stress management training for the whole workforce compared with previous years (2016: 31%; 2015: 41%; 2014: 51%; 2013: 49%; 2012: 47%). Moreover, 21% of public sector organisations that rank stress in their top five causes of absence are not taking any steps to address it.

Most active in increasing awareness of mental health issues

Over half of the public sector has a policy which covers mental health (compared with 28% of the private sector), although only a small proportion has a standalone mental health policy. A further 10% are currently developing a policy. Only 7% of the public sector are not taking any action to support employees with mental health problems. The public sector's most

common efforts include counselling services (73% compared with 29% of the private sector), flexible working options/improved work-life balance (65% compared with 47% of the private sector) and increasing awareness of mental health issues across the workforce as a whole (59% compared with 21% of the private sector).

More than three-fifths of the public sector agree that their organisation encourages openness and awareness about mental health, actively promotes good mental well-being and is effective at supporting people with mental health problems. Views are more negative regarding the confidence and competence of managers to spot the early warning signs of poor mental health and have sensitive discussions with staff. Despite the high prevalence of mental-health-related absence in the public sector, less than two-fifths report they provide training for managers to more effectively manage and support staff with mental health problems while just over a quarter provide tailored support or mentoring for managers when required.

More strategic approach to health and well-being

Over half of the public sector report their organisation's focus on well-being has increased compared with the previous year and more report they have a formal well-being strategy, plan or programme (66% compared with 55% in 2015). There have been few changes in the well-being benefits on offer (with the exception of an increase in the proportion offering mindfulness: 46% compared with 26% in 2015); however, this year, a higher proportion report that over the last 12 months they have improved communication to staff about the well-being benefits on offer, made significant changes

to enhance the physical working environment to promote well-being, introduced or revised how they monitor employee usage of offerings and introduced or revised measures to evaluate the business benefits of individual offerings.

Greater focus on addressing 'presenteeism'

Two-fifths of public sector respondents have noticed an increase in people coming to work ill in the last 12 months. This year more public sector organisations are taking steps to address this issue (42% compared with 33% in 2015).

Ongoing challenges

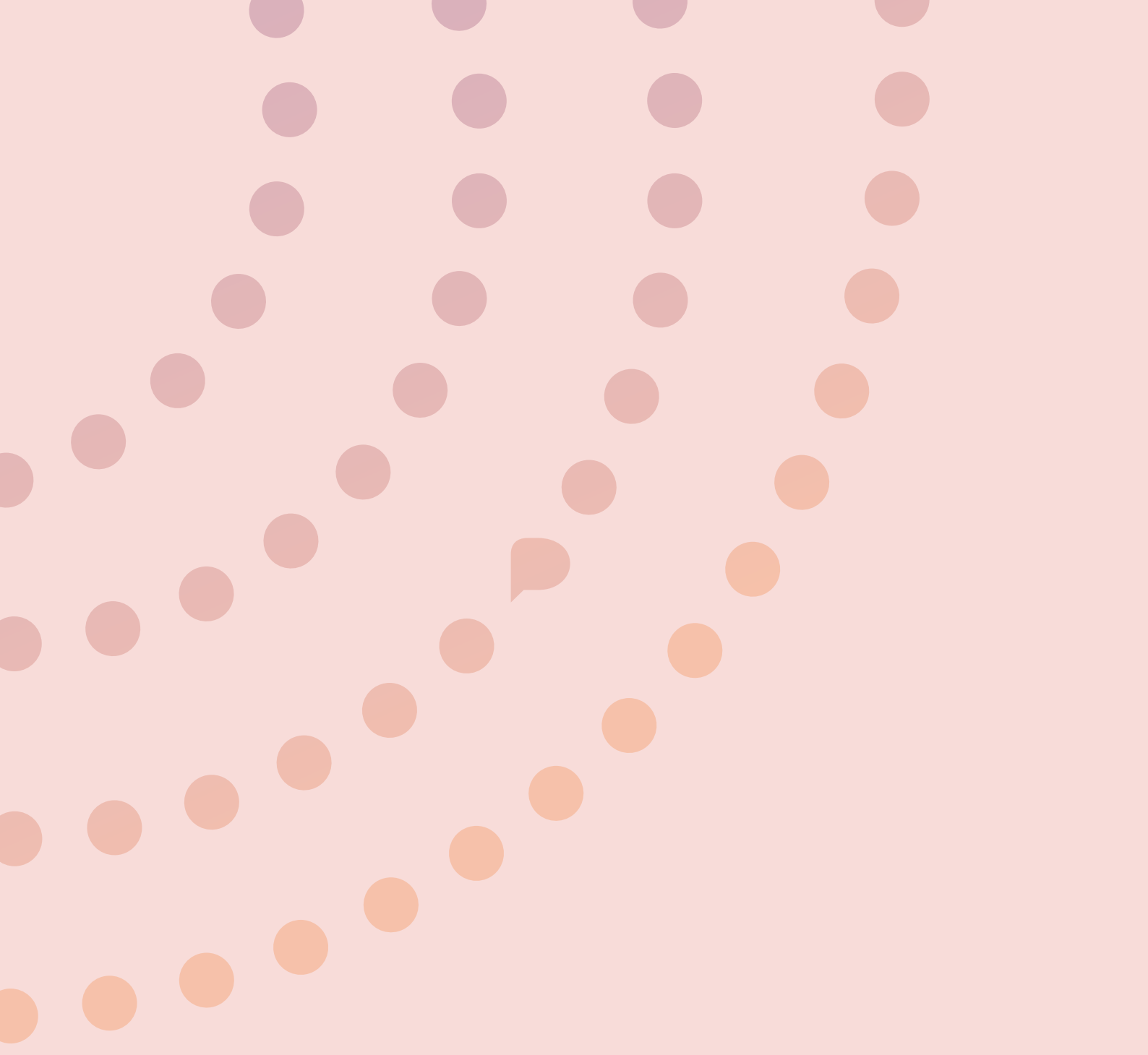
As we've found in previous years, the public sector have more formal policies, processes and initiatives to manage absence, identify and reduce stress, support mental health and promote well-being. This year they have increased their focus on well-being and more have taken steps to address presenteeism. Yet this sector shows the smallest reduction in absence compared with last year and considerable fluctuations in absence levels over the last few years.

Moreover, despite all their initiatives and the increased focus on well-being this year, more than half of public sector organisations report their organisation is much more reactive than proactive regarding health and well-being. Our findings also point to a lack of wider organisational support and buy-in. Just half report that employee well-being is taken into consideration in business decisions, that employee well-being is on senior leaders' agendas or that line managers are bought into the importance of well-being. Fewer agree that senior leaders support the organisation's focus on mental well-being through their actions and behaviour. Very few report that

attendance is driven by the board, even where absence management is currently the top people management priority.

The problems of the public sector may have been exacerbated by the cuts and changes of the austerity drive over the last few years. Our findings show that public sector organisations are more likely than those from other sectors to report that heavy workloads and considerable organisational change/restructuring are the main causes of stress at work. Worryingly, an increased proportion of the public sector this year report that long working hours are the norm, at least to a moderate extent (64% compared with 48% in 2015). To make sustainable progress in reducing absence the causes and not just the symptoms of absence need to be understood and addressed.

These findings suggest that many would benefit from a more coordinated and integrated approach. A healthy working culture and environment requires the commitment of senior leaders and managers. Managers, who often have responsibility for managing absence, also need to be equipped with the confidence and competence to manage absence and spot the early warning signs of ill-health. Initiatives to get people back to work need to be complemented by a healthy working environment and supportive culture.



CIPD

Chartered Institute of Personnel and Development
151 The Broadway London SW19 1JQ United Kingdom
T +44 (0)20 8612 6200 **F** +44 (0)20 8612 6201
E cipd@cipd.co.uk **W** cipd.co.uk

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