

**“Managing Attendance”**

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**A dissertation submitted in fulfilment for a BA  
in Human Resource Management**

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## Authorship Declaration

I hereby certify that this material, which I now submit for assessment of the of the programme of study leading to the award of a BA in Human Resource Management is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

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## Abstract

Absenteeism affects all organisations whether they are public, private, large or small. In this dissertation I plan to look at how organisations can measure attendance within their organisation. By addressing the costs both direct and indirect of absenteeism in the workplace I hope to persuade you that organisations do need to manage their attendance.

I will describe the different reasons for the absenteeism in the workplace and highlight the many options available to both manage problem attendance and to encourage attendance. I will do this through a process of primary and secondary research.

I will base my primary research on An Post. The organisation has had a history of attendance problems and has recently introduced attendance management programmes. Through a series of qualitative interviews with managers who have first hand experience in managing attendance. I will assess whether these programmes have been a success.

For my secondary research I will also carry out a review of the relevant literature that has been published on this issue. From these methods of research I hope to prove the importance of managing attendance within the workplace and provide an insight into the best methods for managing attendance.

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## **Chapter 1 - Introduction**

‘Attendance Management is the process of minimising lateness and absenteeism.’

Armstrong (1999:79)

Absenteeism is a huge cost to Irish Companies and according to the Irish Business Employers Confederation (IBEC) Irish companies are losing millions of Euro every year due to absenteeism in the workplace, with the public sector having a particularly high level. Flood (2002) estimated the additional wages and benefits costs for Irish employers to be in excess of €635 million in 2001.

It is up to each individual company to define what absenteeism means in their own organisation. However, absenteeism is defined by IBEC as ‘an unscheduled disruption to the work process due to days lost as a result of sickness or any other non-statutory leave’ IBEC (1996)

According to IBEC (1996) any definition of absenteeism should include sick leave, excused time off, such as bereavement, exam or study leave and unexcused time off. It is up to each individual company to define absenteeism from their point of view, but they should not include statutory entitlements such as annual leave, public holidays, protective leave or days lost due to strikes or layoffs/redundancies in their figures. However an organisation defines absenteeism, it should be used consistently throughout the whole organisation so that comparisons can be made over time.

### **Measuring Absenteeism**

According to Evans and Walters (2002) the first step in controlling absence in your organisation is measurement. As IBEC (2002) states the ideal rate for absenteeism would be zero percent, however in reality organisations must allow for some absenteeism levels, however organisations need to measure the levels to ensure that attendance is not nor does not become a problem within the organisation. By measuring attendance patterns organisations can also look at trends within the organisation and determine whether there

are any particular causes for the absence levels. However, ultimately as outlined by Evans and Walters (2002) measuring absence can provide evidence to senior managers within an organisation on the costs of absenteeism to the organisation and why it is important to invest in effective absence management programmes.

There are a number of ways of measuring absenteeism levels within an organisation either by measuring the time lost or the frequency of absences. However, the severity or the 'Lost Time Percentage Definition' as it is known as is the one that is used by IBEC and the most commonly used measurement tool in Ireland.

IBEC (1996 and 2002)

The following formula...shows the percentage of time lost due to absenteeism as a percentage of the total time available for work.

$$\text{Total time lost} = \frac{\text{number of days of absenteeism in the period under review} \times 100}{\text{Total number of employees} \times \text{total number of work days available}}$$

Work days = 365 days minus Saturdays and Sundays (unless part of the working week) minus annual leave, minus public holidays, minus any other days the organisation is closed.

## Costs of Absenteeism

Absenteeism has many costs to an organisation both direct and indirect costs. Direct costs include the costs of sick pay schemes, wages of replacement staff and overtime costs, recruitment and selection costs, training costs and administration costs. Delays in production and or delivery of services are another cost which can affect both an organisation's good name and reputation are more difficult to quantify.

Indirect costs are more difficult to measure. ‘It forces managers to deal with problems of morale, discipline, job dissatisfaction, job stress, team spirit, productivity, turnover, production quality, additional administration and overheads.’ Tylczak (1990:9)

According to Evans and Walters (2002) in a recent survey two thirds of the respondents felt that they were only able to estimate the direct costs with only 5 per cent able to estimate indirect costs. Hugo Fair (1992) devised a form for calculating the direct wage costs of absence. In the example I will show the possible costs of an organisation with 1000 employees.

### Sample form for calculation the Cost of absenteeism

Enter number of employees	1000	(a)	
Enter average weekly wage	€400	(b)	
Multiply (a) x (b)	€400,000	(c)	
Multiply (c) x 52	€20,800,000		= total paybill
Enter total absence days per year	11,000	(d)	
Enter total number working days per year	229	(e)	
Divide [(d) x 100] by [(a) x (e)]	4.8%	(f)	= absence rate
Multiply (b)/5 x (d)	€880,000	(g)	

€880,000 is the additional wage cost for the organisation assuming employees are absent on average 11 days a year

### Potential cost savings

Target reduction in total days absent per year	2000 days	(h)	
Divide (h) by (d)	.18	(I)	
Multiply (I) by (g)	€159,984		



€159,984 is the potential savings the organisation could make if the days absent decreased from an average of 11 days to an average of 9 days per employee

This example shows the substantial savings that reducing the average absence levels from 11 days per working year to 9 days per year has on basic wage costs and in reality the potential savings from reducing absence levels are substantially higher when you consider both the direct and indirect costs.

### **Causes of Absenteeism**

Absenteeism does not occur for one single reason it occurs for numerous reasons. According to a recent CIPD (2003) study the majority of absenteeism tends to be caused by numerous short-term absences usually for minor ailments such as headaches, stomach bugs etc. 'Absence research has indicated that a relatively high proportion of absence within any particular work force can be contributed to a relatively small proportion of the workforce.' Evans and Walters (2002:9)

Other factors that can influence absenteeism include:

Job dissatisfaction. This can contribute to high absenteeism because jobs in production companies which have repetitive tasks are proving to have higher absenteeism levels. According to Evans and Walters (2002) employees who are unhappy in their job seek to avoid it by staying away from work more often.

Adjustment to work is another reason outlined by Evans and Walters (2002) in which absence is looked as a part of the socialisation process and outlines how an individual adopts their own attendance pattern to the absence norms and cultures within the organisation. Other organisations, particularly in the Public Sector, seem to have cultures where an 'absence mentality' is prevalent employees may think that they are 'entitled' to take so many sick days every year.

CIPD (2003) survey has shown that absence rates can vary depending on the type and size of the company, with Private Services organisations tending to have the lowest levels of absenteeism at 3.1%, manufacturing organisations at 4.3% and the public sector on average has the highest absenteeism rate at 4.6%. The survey also showed that absence rates for smaller organisations are on average lower than larger organisations.

Evans and Walters (2002) describes how 'economic decision making' is another reason for absences. This focuses on the idea that individuals weigh up the costs and benefits of the absence. For example on a particular day an employee may rather spend it with their family or friends rather than attending work, even if it means losing out on a day's pay.

The age of an employee is another factor that influences the attendance rate of employees. According to Evans and Walters (2002) research has shown that younger employees tend to have shorter frequent absences whereas employees particularly those over 50 are more likely to have fewer but longer absences.

Gender is another factor that influences attendance patterns of employees, it has emerged that females generally have higher rates of absence than male employees. The Incomes Data Services (IDS) (2004) highlights that in the UK Civil Service 'on average, women have 2.8 more working days of sickness than men' IDS (2004:3). According to Evans and Walters (2002) some absences could be contributed to family commitments, as women tend to be the main carers responsible for young children and/or sick relatives. They also mentioned that on average people in more senior positions tend to have less absences and women tend to occupy lower positions within organisations, with fewer women reaching the senior levels.

According to Evans and Walters (2002) there are some job related factors that can influence attendance levels within an organisation and these include stress, frequency of job moves and management style.

Stress is something that can affect all levels of employee within an organisation. Poor working conditions, changing working patterns; either under working or over working employees, role ambiguity where employees are not sure what is expected of them, career dissatisfaction, unhappy working relationships and also factors outside the workplace all can lead to stress related absences.

There is also evidence to show that when employees are frequently moved around in an organisation that this can lead to higher absence levels as an individual's social needs to belong to a place may not be met.

The style of a manager can also affect attendance as employees who can discuss problems with their manager are less likely to go absent than someone who does not feel that they can approach their manager.

Organisations can contribute to the attendance problems in the workplace by having systems in place that seem to encourage absenteeism rather than discouraging it, such as sick pay schemes that cover unlimited periods. A lot of organisations do not seem to be willing to tackle absenteeism, they do not have the systems in place to monitor attendance or procedures in place for dealing with problem cases.

Finally we need to recognise that people are absent for genuine reasons, people do catch colds, break legs and suffer from various illnesses. It is important to remember not to assume a thing and Sargent (1990:19) notes

If we take the maximum amount of interest in employees, we are more likely to know whether their absence from work is caused by genuine factor or by others, which need, and indeed merit further investigation.

## Chapter 2 - Maximising Attendance

‘No two organisations are the same and any absence management approach must be built on solid foundations. This can only be attempted once the employers know the extent of the problem they are dealing with.’ IDS HR Studies (2004)

‘Maximising attendance is about creating an environment in which people want to come to work’ and is about ‘considering the underlying causes of absence, such as management style, work conditions and personal issues’ and ‘dealing with each case individually’.

The Work foundation (2002)

With a measurement system in place we are a step further to monitoring attendance patterns and determining the causes of absenteeism within the organisation. Evans and Walters (2002) recognises the fact absences fall into different categories ranging from genuine ill-health to lack of motivation these require different approaches. There are generally two approaches to managing attendance within an organisation and these are developing policies that manage and discourage absence but at the same time positively encourage attendance and these can include:

One step is to actually have a formal attendance management policy that outlines all expectations and procedures to be followed. This should be in writing and communicated to all employees as early as possible some even suggest during the recruitment process. Evans and Walters (2002) suggests that policies and procedures must strike a balance between the steps taken by the employer to combat high levels of absenteeism and what the organisation will do to encourage attendance and to highlight the facilities to assist those people with genuine health problems. The organisation then usually sets a target for example to reduce current absent rates by one percent.

## **The Roles of those involved**

Improving attendance needs the joint effort of the Human Resources Department, line managers, health services within the organisation and each individual employee within the company. Trade union buy ins will also be required within unionised organisations. All these people play a role in improving attendance within the organisation.

The Human Resources department once they identify the problem and main causes effecting absenteeism and get buy in from the Senior Management. They then need to ensure that there are procedures in place for recording attendance levels and that procedures are in place for monitoring attendance patterns. However, the department needs to make sure that they highlight the fact that managing attendance is not just their job, that it is everyones job. According to IDS (2004) the role of Human Resources is moving away from 'policing' to providing support services to the line manager who should have the relevant training to deal with any problems directly. They are also usually responsible for monitoring and compiling attendance management statistics centrally.

Line Managers need to play a key role in managing attendance levels in their own area. They are responsible for supervising their own staff and as such they should ensure that the follow the organisations attendance policies. They are in contact with their own staff on a daily basis and the person that individuals report their absences to, so they will be the first to become aware if the attendance levels of an individual is a problem. Line Managers can call on the support services of the Human Resources department and Occupational Health services within the organisation when needs be.

The IDS (2004) highlights the importance that the Occupational Health Service plays to attendance levels within the organisation, whether it is through an on site body or external consultants. They can deal with long-term absences due to illness by maintaining patient confidentiality but by also communicating the relevant details to the person's line manager and the Human Resources Department. In organisations they can be responsible

for providing pre-employment medicals to new recruits, ensuring that the organisation complies with Health and Safety legislations as well as equality legislation (not discriminating against someone who may have a disability). They can also develop initiatives that encourage good health among the workforce.

Evans and Walters (2002) highlights the fact that evidence has shown that organisations involve trade unions and employees when developing attendance management programmes. They include trade unions and employees to ensure that any attendance management/ absence control programme is fair and also to get buy in when it is developed and because it is other employees that have to cover for their colleagues when they are absent. Another reason that it is important to include employees when developing attendance programmes is to try and assess the main causes of absence and in doing so hopefully coming up with solutions to the problem. It also helps to create awareness among employees about the importance of their own attendance at work. The organisation that I studied involved the unions from the initial stage of developing their attendance programmes to ensure that there was a buy in when their programmes were introduced and thus preventing any source of conflict.

The organisation should outline in its policy which should be communicated to staff at induction stage the way they should report their absence, whether they should call their supervisor within a certain time limit, when they need to furnish doctors certificates and when the Occupational Health Services get involved. According to the CIPD and IBEC literature there tends to be two different types of absences. The first type which is frequent short-term absences and the second is long-term absences (four weeks or longer) due to a medical condition. Organisations tend to treat these absences differently.

### **Managing Short-term Absences**

CIPD (2003) survey states that over 60% of organisations questioned and a survey by The Work Foundation (2002) that 77% of organisations surveyed cite return-to-work interviews as the most effective way to combat short-term absences. The return-to-work

interview is usually conducted by the Line Manager on the employees return to work. It is important to note that they are not a disciplinary procedure. Evans and Walters (2002) highlight that they are concerned with identifying the cause of the employees' absence and provide an opportunity for the employee to highlight any problem they may have. They also are used to alert employees to the fact that they were missed and create awareness that attendance is important to the organisation. They also give the line manager a chance to communicate any news or changes the employee may have missed during their absence. It is important that these interviews are carried out consistently and fairly after every absence. The line manager should raise any issues they may have with the employee and allow the employee to raise any issues they have. The Line Manager should also restate the importance of good attendance and highlight any disciplinary issues that may arise for persistent attendance problems. It is also suggested that written records are kept, these could be returned to the Human Resources department and may be needed should disciplinary issues arise.

The CIPD (2003) survey also highlights the fact that almost 40% of the public sector in the UK mentioned the effectiveness of trigger methods when reviewing short-term attendance problems.

As highlighted by Evans and Walters (2002) these programmes tend to be carried out department and organisation wide and an employee enters the programme when they trip the 'trigger'. They can be based on the length of absence, the frequency of absences or a combination of both frequent and lengthy absences. Some programmes are triggered by particular patterns such as absences on Mondays. Programmes often consist of a number of different stages ranging from informal interviews at the beginning of the process, leading to referral to the Occupational Health Services were necessary and to disciplinary procedures up to and including dismissal when attendance levels don't improve.

## **Managing Long-term Absences**

It is important to deal with long-term absences differently as the person may have a serious illness. The IDS (2004) advises us that it is important to maintain contact with people out on long-term absences to prevent them from feeling isolated due to their illness, to show the individual that the organisation is concerned about their welfare, values them as employee. Failure to contact a person who is absent for a long-term can show how little value the organisation places on attendance patterns. The process for dealing with long-term absences is also in stages for example the organisation may visit the person, obtain detailed medical information regarding the persons illness and to encourage employees to return to work as soon as they feel ready to. Many organisations put Rehabilitation Programmes in place to help employees re-adjust to work life and long absences. These programmes could include reduced working hours to begin, lighter duties or redeployment to a different position within the organisation. As a last resort organisations may opt to pay an employee medical severance or to allow the employee to retire on ill health grounds.

## **Encouraging Attendance**

Evans and Walters (2002) advises of the importance of encouraging attendance rather than just developing policies to discourage absenteeism.

They highlight the fact that at the recruitment stage that you can check applicant's previous attendance records in their previous employment and screen these people out of the selections process, according to the CIPD (2003) this was used by 41.6% of the organisations that they surveyed. Using pre-employment medicals is another method although it is important that these are carried out by professionals reflecting the needs for the position and ensuring that practices are within legal guidelines and not contravening the Employment Equality Act. Organisations need to ensure that the importance of regular attendance and any policies are fully explained during an employees induction. Organisations should also consider sending a copy of the policy to any person who has



been offered a position within the organisation just ensuring that the potential new employee is aware of the organisations view on attendance.

As highlighted earlier employee dissatisfaction can contribute to attendance problems within the workplace. Organisations could review information from exit interviews to see if they can get an insight into reasons that employees may be dissatisfied within the organisation and then further decide whether there are any initiatives that they could introduce to deal with it.

According to The Work Foundation (2002) survey some flexible work practices were thought to reduce absence levels in the work environment with flexible working hours, flexible annual leave and occasional home working being the most successful. Evans and Walters (2002) notes that this could be due to the fact mentioned that some absences were caused by domestic and travel problems. Due to the increasing number of employees combining work with family life organisations could look into introducing more flexibility within the workplace to try and accommodate these people and improve their work-life balance.

Job re-design and team working are also discussed by Evan (2002) as possible ways to improve attendance. This could be done by enriching jobs, delegating decision making to the individual employee and in turn increasing the persons motivation to attend work. Team working is another method used and according to Rhodes and Steers (1990) autonomous work groups are more likely to impact attendance patterns because absence is likely to effect the group the groups are more like to place pressure on their own team members to attend work.

Evans and Walters (2002) highlights that attendance bonuses improved sick pay entitlements and recognition for good attendance can all be used to try and improve attendance levels within the organisation.

Attendance bonuses can be individual or group based and are usually paid either quarterly or twice yearly if attendance limits are not surpassed. Attendance bonuses have had their critics with some people questioning the logic of paying people twice for their attendance. Issues were also raised about the fact that it may encourage people who are sick to attend work and may result in people passing on viruses to their work colleagues. However, in a recent CIPD (2003) survey only 16.6% of respondents used attendance bonus or incentives.

According to Evans and Walters (2002) there has recently been a trend to restrict sick pay schemes in an attempt to improve attendance within organisations. This was due to the fact that some sick pay schemes seemed to encourage absenteeism. According to CIPD (2003) survey nearly half the organisations surveyed had policies restricting the allowed sick pay for frequently absent employees and they found this to be an effective tool.

Evans and Walters (2002) indicates that employee recognition is another form used to improve attendance. It involves rewarding attendance patterns using methods other than cash and can include; vouchers, letters of appreciation being sent to employees with no absences in a given period or even extra holidays for staff with no absence levels. The organisation I studied occasionally has prize draws for staff who have not incurred any sick absences in a given period. These draws have been well received and helped contribute to a culture where attendance is welcomed and appreciated.

According to IBEC (2002) another way to improve attendance within the organisation is to use the Occupational Health Service within the organisation to promote a healthy workforce. Some organisations develop Employee Assistance Programmes, which provide confidential counselling services to employees who may need assistance. Other initiatives included health screening; stress work shops; ergonomically designed work spaces; on site gyms; healthy eating options in staff canteens; organising health fairs in the work place and some organisations arrange for flu jabs for their employees.

When deciding on attendance policies in the work place organisations need to be aware that there are many to choose from. They need to be aware that there are different reasons for employee absences, which may underline other problems rather than illness. It is also important to note that attendance cannot be improved over night and any policies devised need to be embedded into the organisation. Another thing to remember is like all practices Absenteeism control and attendance management policies need to be constantly monitored, controlled and updated if needs be.

## An Post

The company that I will study and base the majority of my research on is An Post.

An Post is a semi-state company. It is Irelands largest communications, distribution, logistics and financial related service network, employing over 10,000 people. Although the organisations core interests are diverse, An Post mainly deals with providing a universal postal collection and delivery service as well as maintaining the retail post office and financial services.

An Post was formerly part of the Department of Postal and Telegraphs until it became a semi-state company in 1984. An Post operates independently with its own Chief Executive and Board of Directors; however the government is the shareholder of the company. The Government has the final say with regard to pricing levels and indeed to business strategies. The organisation has numerous unions representing staff, but the strongest union representing approximately 90% of the organisations' employees is the Communication Workers Union

An Post consistently had severe problems with absenteeism in the past, with 7.0% absenteeism rate in 1996 which was well above the figures quoted for by IBEC for the same year of 3.55% and the Royal Mail rate of 4%. (1997 – 7.45%; 1998 - 7.42%)

The high rate of absenteeism has been a huge financial burden on the organisation. The industry is a labour intensive one and staff costs are consistently at 70% of total costs. As a service industry the majority of employees need to have their duties covered when they are absent (a postman cannot catch up on his duty the next day). So the financial costs of absenteeism include sick pay and benefits for the staff who are absent, payment of replacement workers in the form of casual postpeople, overtime costs of serving staff covering their colleagues duties, the administration costs of recruiting and training staff.

The morale of staff left covering for absent staff can suffer as they may feel pressurised into working extra hours to cover the absences in their area. This in turn has contributed to an overtime culture within An Post because the full days absence will be covered on over time. There is additional pressure on managers who must re-arrange their roster to ensure there is cover for these absences. The customers and the reputation of the organisation may also suffer, for example in the case of staff shortages the quality of service can decrease with reductions in the next day delivery rates.

As a former Civil Service Department all permanent employees are entitled to full sick pay for absences of up to six months in a one year period, with half pay allowed for the remainder of the year. The sick leave regulations within the organisation also allow for seven days paid self-certified leave in a year period. There was an 'absence mentality' culture and many employees felt it was their right to take these days.

The organisation has always had a Chief Medical Officer, who is a qualified Doctor in place to deal with long-term illnesses and a welfare system in place to deal with non-medical and/or personal problems. Senior Management recognised the on-going absenteeism problem within the Organisation and in November 1998 the organisation launched the Local Attendance Management Programme to tackle this problem.

The main objectives of the programme are to reduce operation costs by reducing absenteeism levels, to improve the reliability and quality of service within the organisation and to de-centralise the Human Resource Function. In the past attendance

issues were managed from Head Quarters level, with local Line Managers taking no responsibility and at time washing their hands of problems. Another objective of the programme is to place the responsibility for managing attendance where it belonged and that was to delegate it to Line Managers.

The programme applies to any employee with more than twelve months continuous service and also monitors absence type, length of absences, illness types, common features, demographics and age.

The programme is based on a trigger; a limit of sixteen days and/or six absence incidents in a twelve month period was set out in the LAMP programme (this has since been reduced to eight days and/or three incidents in a six month period). On a monthly basis reports are carried out and people meeting this limits are highlighted for action. The employee highlighted then meets with his/her line manager who has received the relevant training.

There is a counselling discussion between the line manager and employee during which the employee is advised that their attendance level is a problem and told why. Issued with their attendance record and asked for specific reasons for absences. Employees are advised of the welfare and occupational health services available. They are then advised that they need to improve their attendance and advised that failure to improve could result in them being ineligible for promotional competitions and/or lead to disciplinary action. Employees are then informed that their attendance will be reviewed again within a specified period of time.

Throughout the process standard letters are issued to keep staff updated and all actions taken are recorded on the Local Attendance Management Programme database.

The programme is not a disciplinary procedure but failure to comply can lead to disciplinary action. The main aim of the programme is to promote a 'staff are valued'

culture that encourages employees to take responsibility for their own attendance. To ensure that there's timely action in cases that need it and to ensure that the support of the welfare and occupational health services are there when needed.

It came to light that 49% of absences were caused by 7% of the staff and that there was a substantial number of cases that could not be treated through the normal channels as people were absent for the long term due to medical reasons. In 2000 the Attendance Management Programme was set up, by the Human Resources Department in association with the Occupational Health department.

This programme also applied to any employee with more than twelve months continuous service. Any case highlighted in the Local Attendance Management Programme and judged to be a possible medical problem is referred to the Occupational Health Team. If it was discovered that the employee does not have a medical problem, they are referred back to the Local Attendance Management Programme, however if the case is identified as a medical one the employee enters the attendance management process.

The cases are reviewed, by either the Occupational Health Advisors, Chief Medical Officer or an external consultant if necessary. Throughout the Attendance Management Programme there is constant informal and formal contact between the Occupational Health Services, Area Manager and Human Resources department as necessary.

Once a person is considered fit for work they may return to their position. In some cases it may be decided to rehabilitate staff and or redeploy staff to a position that may be more suitable to their needs (for example less demanding physically). Once the person agrees to return to work, they are interviewed by the area managers conducts a return to work interview and the action is noted. In some cases it is felt that there is no amicable solution but to separate and in that case there is an offer to retire on ill health grounds. Employees do have the right to appeal any decision they are unhappy with.

## **Chapter 3 - Research and Methodology**

The purpose of my research is the exploration of the effectiveness of Attendance Management Programmes. To do this I attempted to look at some of the main causes of absences in the work place and then proceeded to ascertain whether the introduction of attendance management programmes reduces the rates of absenteeism within an organisation.

I researched this topic through a combination of both primary and secondary research. My primary research consisted of a process of qualitative interviews and the secondary research was conducted through a review of relevant literature relating to the absenteeism and attendance management that had already been published. Upon receiving permission from the Human Resources Director I also reviewed the policies, procedures and reports relating to attendance management from the organisation that I studied (An Post).

### **Choosing my Research Method**

When researching a problem, researchers tend to either use qualitative or quantitative methods. The qualitative approach is 'more subjective in nature and involves examining and reflecting on perceptions in order to gain an understanding of social and human activities', whereas the quantitative approach 'concentrates on measuring phenomena' and 'involves collecting and analysing numerical data and applying statistical tests.' Hussey and Hussey (1997:12)

According to Bell (1997:91)

A major advantage of the interview is its adaptability. A skilful interviewer can follow up ideas, probe responses and investigate motives and feelings, which a questionnaire can never do. The way in which a response is made (the tone of voice, facial expression, hesitation etc.) can provide information that a written

response would conceal. Questionnaire responses have to be taken at face value, but a response in an interview can be developed and clarified.

There are disadvantages with interviews also as they can be time consuming and highly subjective and could be biased. However, I chose to carry out qualitative interviews firstly because I felt that I could structure the interview to get an authentic understanding of any attendance problems experienced before and after the attendance management programmes were introduced.

Secondly I believed that because of the political environment of the organisation that any quantitative research I may conduct, for example through questionnaire or survey format would not have had a high response rate. Thirdly I believed that people would be more honest and open during interviews and that issues may come to light that could be further probed compared to if I had used quantitative research methods such as questionnaires or surveys.

I used a semi-structured interview process because I had particular topics that I wanted to cover during the interview, but I also allowed for probing should any issues be raised during the course of the interview. I used mainly open-ended questions to ensure that I got a true reflection of the effects of the introduction of the attendance management programmes within the organisation and also to allow information to move more freely.

As highlighted in Chapter 2 the organisation that I based my research on in this study An Post, the organisation recently introduced attendance management programmes to deal with both frequent short-term absences and long-term absences due to medical reasons within the organisation. The organisation has also recently de-centralised many Management functions, although the organisation still maintains some control at Head Quarters level.



## Choosing my Interviewees

Firstly I decided to interview a Senior Manager within the organisation who was involved in devising the Attendance Management Programme with overall responsibility for the Programmes within the Organisation. I chose to interview him to gain an insight into the reasons that the programmes were developed in the first instance and to ascertain whether these programmes had any effect on attendance rates within the organisation since they were implemented.

The day to day Management functions have been divided into seven Operational Area Offices responsible for managing the day to day collection and delivery services based on a geographical basis. The organisation also has four Mail Processing Centres in different geographical locations that have an independent management function, reporting to their own Director in Head Quarters.

Secondly I decided to interview three Human Resources Managers from different Area Offices as they had first hand experience Managing in their respective areas before the Attendance Management Programmes were introduced. They are also responsible for managing attendance in their own area and have been involved with implementing these programmes in their relevant operational area.

Thirdly I decided to interview the Performance Manager from one of our Mails Processing Centres. The Mails Processing Centre is a different environment to the Operational Areas because it is a Greenfield site that is only in operation for less than five years. The centre employs mainly part-time evening staff with a high female to male ratio among the employees. The Operations side has a high male to female ratio and mainly full-time employees. When I compared the interview data from this Manager to the data from the other interviews I noticed some variations, so to ensure that I got a clearer and more accurate picture of the research topic, I decided to interview a Manager from another Mails Processing Centre. I interviewed the Clerical Administration Manager this centre is open just over two years, but it has a slightly less female to male ratio, although that is

because it has more full-time positions than the other Mails Processing Centres. When you compare their female to male ratio for part-time staff, they have similar numbers as the other Mails Processing Centres.

The interview with the Senior Manager was person to person and the remaining interviews were telephone interviews because of the geographical location of the interviewees. I decided against using a Dictaphone to record the interviews because I felt that sometimes the thought of being recorded on tape can be off-putting for the interviewees, particularly as I was interviewing the majority of interviewees over the telephone and they would be talking on a speaker phone. I transcribed the interview responses during the course of the interviews; this is a method that we use in our own organisation, so it is a method that the interviewer felt comfortable with.

I chose the Managers because of their experience dealing with the attendance management programmes. I have a working relationship with all the interviewees and felt that they would be open, honest and provide a real insight into the effects of the attendance management programmes. To further encourage open and honest responses I advised the interviewees about the reasons I was carrying out the research and advised them that I did not have any pre-conceived ideas and that there were no right or wrong answers. I also advised them of their right of confidentiality. For the purpose of this report I will name them Manager H, Manager G, Manager S, Manager N, Manager P and Manager A.

Manager H is the Senior Manager.

Manager G, Manager S and Manager N are Human Resources Managers in the Area Offices.

Manager A and Manager P are managers in the Mails Processing Centres.

Upon completing the interviews, I reviewed the content of each interview to assess whether any similar or contrasting patterns emerged and the outcomes I will discuss in the next chapter.

## Chapter 4 – Research Findings

Upon analysing the information from the qualitative interviews that I conducted and by researching through literature already published a number of common themes emerged.

Firstly, organisations can through the culture and values within their organisation contribute to attendance problems within the organisation. Secondly the introduction of attendance management programmes within the organisation did have an effect on attendance patterns. Thirdly that no matter how successful you think your attendance management programme is that there is always room for improvement. I will now analyse these themes individually.

### How Organisations contribute to Absenteeism

#### Organisation Culture

Evans and Walters (2002) describes how new employees in the new work place look at the culture and absence norms within the organisation, that is they look at the behaviour of their work colleagues. If it appears that absenteeism is tolerated, that is little or no action from Managers when a person goes absent from work within the Organisation, new employees will tend to conform and adopt the attendance patterns of the organisation.

An Post is a semi-state body stemming from civil service roots and like other public sector employees they are allowed to take up to seven days self certified days sick leave. Many of the managers interviewed highlighted this as a reason for attendance problems within the organisation. Manager P and Manager N advised me that these self certified days were called ‘whitleys’ and many people felt that these days were not just a privilege but an ‘entitlement’.

Manager P started in the organisation 20 years ago. He told me that during his official training on induction into the organisation, that when his trainer was going through pay

rates, deductions from payroll etc that he was advised that you were entitled to take '18 days annual leave and 7 whitley days'. He also told me that during his time a clerk that people would come up to him and say I am taking a whitley tomorrow.

Manager P highlighted that while new employees have not been getting this as a message since the 1980s that they could be receiving this message unofficially from the actions of their co-workers. Manager N also highlighted the fact that while some offices had a culture where the self-certified days are seen as an entitlement, the ones that didn't and high levels of attendance did not receive and recognition. So by not reacting to absence problems or appreciating employees who do have excellent attendance patterns, organisations can create a culture where bad attendance is accepted as the norm.

### Inflexible Annual Leave

Manager G and Manager A also highlighted the fact that they believed that some of the short-term self-certified leave stems from the fact that in some offices annual leave tends to be booked well in advance. They said that some people resort to taking a day's sick leave rather than asking for a day's annual leave at short notice for fear of having their request turned down. Manager A said that in her own office they tried to be as flexible with annual leave entitlement as possible, but highlighted that from her own experience she was aware that some delivery offices are not as flexible with allowing short-term notice for annual leave arrangements. This has a lot to do with the fact that traditionally to manage operations within their office; annual leave was booked in blocks well in advance. According to a survey carried out by The Work Foundation (2002), 49% of organisations that responded thought that allowing flexible annual leave help reduce absence. Having flexible approaches to allowing annual leave at short notice could reduce employees need to take self-certified sick leave to deal with personnel issues and in turn reduce the level of self-certified sick absences. However if the organisation fails to address this issue, it may mean that it stay standard practice in certain offices to take self-certified sick leave, as the employee knows they will not be allowed to take annual leave.

## Lack of Management

During the course of their interviews Manager H and Manager S said that they believed that An Post in the past had contributed to the high absenteeism levels in the organisation, by not having proper control procedures in place and by not enforcing the processes for dealing with absenteeism that they did have in place. Manager H and S talked about the way long-term absences were dealt with by An Post in the past. It was highlighted that in the past people may have been out on long-term sick leave without anyone contacting them. They stated that on occasion people were out sick for years before their case was dealt with. Manager H also highlighted the fact that on occasions an employee may be absent on two weeks sick leave and then just return to work on the morning and say nothing. He said that if 'you don't control procedures you have a problem.'

## Introduction of Attendance Management Programmes

Evans and Walters (2002) state that organisations can take two approaches to managing attendance firstly they can introduce policies to manage and discourage absences and secondly policies that encourage attendance.

An Post has taken two approaches to managing attendance within the organisation as outlined in chapter 2. Firstly the local attendance management programme was introduced. It is specifically designed to deal with people who have frequent short-term sick absences. It is acknowledged that some absences will happen, however constant unwarranted absences can lead to disciplinary procedures. This programme uses trigger mechanisms to review attendance.

Secondly the Attendance Management Programme deals with employees who have specific medical conditions and aims to encourage employees back to work as soon as they are fit through a process of rehabilitation, redeployment and at the last resort ill health severance and retirement packages.

A survey by CIPD (2003) stated that 68.4% of organisations questioned used trigger methods to manage short-term absences, with 40% of public sector organisations mentioning the effectiveness of this method.

The Managers I interviewed are all involved in Managing Attendance in their own areas, so they all were aware of the main aims of the attendance management programmes. When I asked them if they thought the introduction of the attendance management programmes had been a success. Five out of Six of the Managers said that the introduction of the programmes had been a success. Three said that attendance had improved in their area since the introduction of the programmes and quoted reductions in their absenteeism percentage rates:

- Manager G from 8% to 6%
- Manager S from 8.5% to just over 4%
- Manager N from 9% to just under 5%

Manager H referred to the overall organisational figures, which have dropped from 8.30% in 2000 to 5.51% in 2003.

When calculating the absenteeism rates within the organisation the percentage rates were calculated using the Severity Method of calculation as outlined in Chapter 1. However, this method has since been updated because the severity method was not accurate because firstly the staff number includes all staff members currently on the attendance monitoring system whether they are full-time, part-time or casual employees without differentiating to their length of service. A person may only be employed for three months and have taken five days sick leave, whereas a person may be employed over a year and have taken six days sick leave in the year assessed.

Secondly each individual employee absence is calculated on a first sick day to last sick day basis, and includes non-scheduled days. For example if a person goes sick on a Thursday and does not return to work to the following Tuesday this would be counted as a six day absence as the Saturday and Sunday would be included in the count. However, if

an employee is absent from Monday until Friday this only counts as five days because they have returned to work on the Monday and therefore the absence has not continued into a second week.

The new costing system for absence rates is on an hourly basis and includes all hours including overtime and the hours of staff substituting for other staff.

$$\frac{\text{Sick Leave} + \text{Absence without Leave} \times 100}{\text{Total Hours} - \text{Annual Leave}} = \% \text{Absence}$$

Total Hours – Annual Leave

This rate is more efficient for calculating the costs of absenteeism to the organisation. However, the Severity Rate is used for the historical comparison figures and to monitor the effectiveness of the Attendance Management Programmes.

When I asked the Managers for the reasons that they thought the implementation of the programmes had been a success. Manager G stated that it was because both categories of absences are now being dealt with.

The main aims of the Attendance Management Programme used to deal with the frequent sick absence cases are to highlight possible attendance problems at an early stage. To make the individual employee more responsible for their own attendance and also to ensure that line managers take responsibility for managing attendance in their own area. The overall consensus was that the programme did have this effect.

Manager A said that she believes that the local attendance management programme gives managers a chance to brief employees on the consequences of not attending work. To highlight possible disciplinary consequences, the fact that the employee may not be entitled to go for promotional positions within the organisation and for employees on contracts failure to renew their contracts.

The programmes also ensure that line Managers take responsibility for managing their own employees, rather than leaving it to head quarters management. The fact that the majority of offices now monitor and record levels of absenteeism rates and the costs by office, can show whether particular offices have higher rates than others. Manager S said that this acts like an informal league table and ensures that line managers comply with procedures in a timely manner, as they do not want their office to be shown as having the highest levels of absenteeism.

Manager G highlighted the fact that in his area between 85% and 90% of employees pass through the Local Attendance Management Programme, improve and tend not to have attendance problems once they have been interviewed. Manager S also highlighted the fact employees heard their co-workers talking about the Attendance Management Programmes and therefore they become aware of the importance of attendance within the organisation, which in turn may help contribute to a more attendance aware culture within the organisation.

Managers G, H and S highlighted that fact that people with genuine illnesses are now being dealt with more efficiently than before. This is because there are now set guidelines for dealing with people that are absent over four weeks. These people no longer slip through the cracks because they are highlighted in Attendance Management Report and referred to the Occupational Health Department. Manager S highlighted the fact that this new approach is a lot faster and said that in the past an employee who may have been absent '6-9 months may now only be absent 3 months.'

The introduction of the attendance management programmes did have its initial teething problems, but upon perseverance the programmes are now fully implemented throughout the organisation. In my opinion the introduction of the Attendance Management Programmes has been a success because according to a recent analysis of attendance within the organisation. The Sick Absence levels fell from 8.30% in 2000 to 5.51% in 2003. As Manager S said no other initiatives have been introduced so it must be down to the introduction of the Attendance Management Programmes. For an organisation the



size of An Post even allowing for calculation inaccuracies this is a substantial cost savings.

## **Evaluate, Monitor and Update**

Although five Managers interviewed believed the introduction of both attendance management programmes had been a success, they all thought that attendance levels within the organisation could be further improved.

Following a review of the Local Attendance Management Programmes. The time limits for reviewing staff and entering them into the process have decreased from a limit of 6 incidents and/or 16 days in a twelve-month period to the limit of 3 incidents and/or eight days in a six-month period. The new Attendance Management initiative was also introduced to deal with long-term absences due to medical reasons. Manager H also highlighted that on a review of common absences new Health and Safety initiatives were introduced to provide a safer working environment for employees and also to reduce absenteeism rates.

All these initiatives show that the organisation realises that you can't rest on your laurels once you have an attendance management programme in place. Organisations need to keep monitoring their programmes to update and improve them and to ensure that an attendance culture is maintained within the organisation.

Manager H advised me of the introduction of a new formal self certification form, which employees now must complete on their return from sick absence and get it signed by a supervisor. He said that this now leads to employees having an immediate intervention from their line manager on their return from sick leave as they are signing the forms. He believes that this has the same effect as a return to work interview without the formal aspect of an interview.

During the course of my interview I discovered that the self-certification forms are not always being used universally the way that they are intended to be used. Manager N

highlighted the fact that the effectiveness of the forms depended on how the local manager dealt with this issue. In some offices the forms can be just left on a shelf with employees completing them and just leaving them for their line manager, with the result that the employee has completed the self-certification form without any interaction from their line manager. Manager H also highlighted the fact that he found that when the self-certification forms were first introduced that they may have been a deterrent because employees did not like and sometimes were embarrassed asking their line manager for a self-certification form. He said that it doesn't work like that now in the office and it is just an extra chore for line managers who seem to spend their time signing form after form.

Manager P and in particular Manager G stated that they thought the organisation should introduce return to work interviews. Manager G said that he believed employees are abusing their right to self-certified sick leave and said that the fact that we don't 'home' in on them when the return to work. He stated that he believed absenteeism levels could be further reduced within the organisation by introducing a return to work interview as a policy with a standard form that had to be completed. He said that if there is a paper trail line managers would do it. Manager P said that he thought the return to work interview would make more sense than the current self-certification forms because line managers could make employees aware on their return to work of the consequences of their absences and the effect their failure to attend work had on the team and on their teams performance. He said that this process could make employees more responsible for their own attendance.

Manager P was the only manager who didn't believe that the introduction of the programmes had been a success in his own area, although he was aware that they had been a success in other areas. His office does have the highest absenteeism rates within the organisation. His area does have a high proportion of female employees 86% the majority of who work part-time evening hours. During his interview he said that he believed that the reason for the high levels of absenteeism in his area could be partly contributed to family reasons. Manager As office is similar to this office; however they

have a 60:40 ratio female to male ratio. However when you compare the number of females to males working part-time evening hours this ratio increases. When asked about the absenteeism levels in the office Manager A said that they did not seem to be varying according to gender or according to whether the employee was full-time or part-time.

I believe the fact that the attendance management programmes were not implemented immediately into Manager Ps office has contributed to the problems they are now experiencing. The culture in the office was one where attendance was not managed and when the programmes were introduced they have not had an impact as of yet.

However, it is interesting to note that Manager P did feel that attendance management programmes are needed in his office. He just highlights the fact that he doesn't think the current programme is broad enough to have an impact on attendance in his own office. The fact is maybe this programme is not suitable to Manager P office and maybe the programmes need to be updated to deal with problems in this office. Absence causes in this office could be different to the norm within the company and maybe new initiatives need to be devised to maximise attendance in this office.

I believe formalising the self-certification process, and formatting a brief return-to-work interview would have the effect of further improving attendance patterns within the organisation. According to surveys by the CIPD (2003) and The Work Foundation (2002) the organisations that replied classified Return to Work interviews as the most effective tool for reducing short-term frequent absences. Maybe consideration should be given to piloting return-to-work interviews in Manager Ps office to see if another approach to managing attendance would have a better success rate.

## Chapter 5 - Conclusion

Absenteeism is a problem facing Irish organisations. In ever competitive markets the additional cost constraints caused by absent employees can have effect on all size and types of organisations. According to Flood (2002) Irish companies lost in excess of €635million due to absenteeism in the work place in 2003.

Absenteeism in the work place has direct costs, which include paying the wages of replacement employees, over-time payments, additional recruitment and training costs, not to mention the time of line manager who have to spend additional time making arrangements to cover for absent employees. There can also be indirect costs because of absenteeism, for example customers can be let down because products and services could not be delivered to them on time, and this can lead to an organisations good name being tarnished. There is also the undue stress on employees who are left covering the additional work load of their absent colleagues and the effect that may have their morale.

Once an organisation is aware that there are absenteeism problems in their organisation and have an idea of the causes they can introduce policies to either monitor absence problems or encourage attendance Evans and Walters (2002). It is important to remember that organisations vary a policy that may have reduced absenteeism in one organisation may not have the same effect in another organisation.

From my study of the relevant literature published about absence control and attendance management policies and my study on the impact of the introduction of new attendance management programmes in An Post the organisation I based my primary research data on. I can confidently say that the introduction of Attendance Management Policies is the best way to manage attendance patterns within an organisation.

An Post introduced attendance management programmes that divided employees into two categories. Firstly those to be managed as behavioural problems, the employee enters the

programme once they reached a certain level of absence. They then have an interview with their line manager, who takes a counselling approach for the first interview. However, if an employees attendance record fails to improve following reviews, this programmes could lead the person to be introduced into a disciplinary stream and ultimately dismissed.

Secondly the organisation recognised that people with medical conditions could not have their attendance managed in the same way as employees who have recurring absences but for no medical reason. The organisation introduced a programme to manage these employees. These employees go through the Occupational Health System, which aims to return the employee to work as soon as they are fit, whether this is through a rehabilitation or redeployment scheme. In extreme cases the organisation may arrange an ill health severance or retirement package for an employee as a last resort.

Since the introduction of these programmes, following initial teething problems, there has been a substantial reduction in the absence rates within the organisation (falling from 8.3% in 2000 to 5.51% in 2003). As one of the Managers (Manager S) who I interviewed as part of my research, when asked if the introduction of the attendance management programmes had been successful said ‘that the figures prove it....no other measures have been introduced to lower absenteeism so therefore it must have been the programmes that worked.’

Evans and Walters (2002) mentions a number of policies for managing absence in the workplace including: enhancing the role of line manager; return to work interviews; establishing trigger point mechanisms and disciplinary procedures for unacceptable absences.

In the CIPD (2003) survey these methods along with providing sick absence information to line managers were the most popular methods of attendance management methods among the 1117 organisations that were surveyed with each method being used on average in 78% of the organisations. An Posts Attendance Management Programmes used

trigger methods to identify employees that needed to be monitored. They also have involved the Line Managers making them responsible for attendance in their own office and these have contributed to the success of the programme.

Return-to-work interviews were reported by 60.4% of those surveyed as being the most effective tool for managing short-term absences in the workplace. A number of my interviewees also suggested return-to-work interviews as a way to improve attendance.

While the above methods are used mainly for monitoring absence in an organisation, other policies can be introduced to encourage attendance.

Firstly, these can include methods from rewarding attendance through bonus schemes for maximum attendance or prescribed attendance levels. Secondly by acknowledging good attendance, for example a letter from the Chief Executive thanking the employee for the exemplary attendance. For example in March 2002 An Post entered all employees who had no sick absences during the year 2001 into a draw and the four winners went to the World Cup in Japan. This was a surprise to employees, but well received. Ultimately organisations may need to encourage attendance by changing work processes to try and motivate employees more.

It is important to note that different absence and attendance management policies have their own benefits. Organisations need to ensure that you develop your own policy to suit their own organisational needs. These may mean that an organisation incorporates a number of different policies into their own policy and should benchmark against other similar organisations.

Once the policy is designed it needs to be communicated throughout all levels of the organisation and incorporated into the culture of the organisation. The policy and procedures need to be applied universally and fairly throughout the organisation/department and any relevant training arranged.

Finally organisations need to ensure that they

Monitor – to ensure the policies and procedures are being followed though the entire organisation.

Measure – to check for common trends that may highlight problem areas and to see if the implementation of the attendance management programmes have been a success.

Re-evaluate – remember not to assume that you got everything right the first time, policies can be improved and updated and further improve attendance.

Remember that attendance management programmes can reduce costs dramatically and gives the Human Resources Department an opportunity to show how they can contribute to the competitiveness of the organisation.

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