

INFOSHEET - WORKPLACE ABSENTEEISM

Background:

Under the National Employment Standards employees are entitled to 10 paid personal/ sick leave days each year (pro rata for part time). Some water services providers suggest that personal leave is sometimes 'abused' and used for illegitimate purposes. The issue of absenteeism, in particular 'avoidable' absence or absences taken when not ill, can cost employers money and reduce productivity. According to an Australian study, 56% of employees admitted taking sick leave for reasons other than illness, costing the Australian economy \$18 Billion per year (Aspley Recruitment, 2007). Another model involving measurement of 'avoidable' absence stated that just over 25% of workers accounted for all 'avoidable' leave taken (Australasian Faculty of Occupational Medicine, 1999).

Of course, there is no clear method of determining whether the absenteeism in an organisation is 'avoidable' or due to legitimate illness or caretaker responsibilities.

Employers need to take into account their legal responsibilities when dealing with issues of absenteeism. Awards, Industrial Agreements, organisational policies and contracts of employment may outline specific obligations for both the employer and employee. In particular, obligations under Awards should not be ignored as if an EBA or other agreement is silent on the issue, any applicable award provisions will apply (Cutler, Hughes and Harris, 2003).

Definition of Absenteeism

Legally speaking, there are two forms of absenteeism; innocent and culpable. Innocent absenteeism refers to legitimate absences where employees are absent beyond their control e.g. sickness or injury. Culpable absenteeism refers to employees who are absent for reasons within their control (Aspley Recruitment, 2007) e.g. not turning up to work to attend a social event. Absenteeism in this case does not refer to paid annual leave approved in advance.

'Presenteeism' is also an issue which involves workers turning up to work while sick or injured, thus impacting their ability to perform their job at the required level and possibly passing on infections to other employees.

Causes of Absenteeism

Both organisational factors and individual behaviours contribute to the causes of absenteeism in the workplace.

Organisational factors can include; no policies on absence management, higher sick leave entitlements than average, lack of supportive work-life programs, job dissatisfaction, excessive workload, staff bullying or conflicts.

The nature of the work undertaken can also influence absenteeism, particularly work that involves repetitive tasks, monotony, routinisation and danger. Indeed, employees in dangerous jobs report between 1.4-1.6 more absences per year than those in safe work (Australasian Faculty of Occupational Medicine, 1999).

Other important factors include co-worker support and supervisory support. A supportive workplace that in which employees feel a sense of teamwork would seemingly influence an employee taking a 'sickie' knowing that their workmates will have to 'pick up their slack'.

Conversely, workgroup belief in the legitimacy of absence taking also influences absenteeism and each profession and/or department within an organisation may have its own absence culture (Australasian Faculty of Occupational Medicine, 1999).

Individual factors include illness, stress, depression, alcohol (a 2001 Medical Journal of Australia Study calculated alcohol-related absenteeism at 7,402,301 days), obesity (unhealthy employees take up to nine times more sick leave than their healthy colleagues), personal problems outside of the workplace (Aspley Recruitment, 2007). These factors are more likely to indicate cases of legitimate or 'innocent' absences.

In addition, workers with family responsibilities in general, in particular working adults with young children experience higher rates of workplace absence. Interestingly, distance from work also appears to influence absenteeism, this may be because of transport issues which may be magnified by illness. This is an important factor for some water businesses to consider when staff have to travel long distances to their worksite.

Addressing Absenteeism:

Given the variety of factors that can influence absenteeism, there is no one clear cut approach to address the issue. A number of options are listed below. An effective approach would likely involve incorporating a number of different options.

- Analyse the data

Firstly, it is important to analyse the issue of absenteeism within the organisation. The rate, pattern and distribution of sick leave can provide some insight into the reasons for absenteeism and there should be a process in place for recording this information (Australasian Faculty of Occupational Medicine, 1999).

- Attendance or Absenteeism Policy

Organisations should consider developing a policy on attendance/absenteeism. A policy on attendance provides a clear statement of the objectives and principles by which attendance will be promoted within an organisation and the expectations of staff.

A good absenteeism policy should clearly specify where an employee can legitimately take time off, establish definite standards and be as specific as possible.

Employers are entitled to request evidence for leave taken under 'reasonable' circumstances. Consider including in an EBA or policy specific guidelines on when medical certificates will be required, e.g. after 2 days consecutive, after 5 single absences in any 12 month period, for absences before/after public holidays.

Key findings from a US unscheduled absence survey included those organisations which require a medical certificate for absences immediately prior to or after a public holiday report a lower overall usage rate of total available sick leave than those who don't (Cutler, Hughes and Harris, 2003). Whilst there are benefits in requiring an employee to provide a medical certificate for absences due to illness, employers should make sure that the employee is aware of their obligations to do so under any Award, EBA, policy (Cutler, Hughes and Harris, 2003).

- Supervisor Training

Given that virtually all major reviews of the literature appear to demonstrate a consistent relationship between job satisfaction and absenteeism and that management and supervisory factors often contribute significantly to job satisfaction (Australasian Faculty of Occupational Medicine, 1999) it appears clear that supervisor support and training is an important factor in reducing absenteeism.

Supervisors should not only monitor their employees absenteeism but be suitably trained to deal with any issues that arise, particularly if disciplinary action is required.

As absenteeism can indicate a disengaged worker, particular attention should also be placed on picking up on the signs of disengagement and working on strategies to address the issues, such as job enrichment, additional support, dealing with bullying or other issues. At the end of the day, effective communication is the most important skill to learn.

- **Paid Leave Banks**

Some systems in place combine paid annual leave, special leaves and a component of sick leave into a combined leave bank, e.g. 5 days of personal/sick leave to the paid leave bank. Whilst the net result is that the amount of available leave is still the same, unplanned absences are likely to be reduced therefore enabling organisations to plan for absences without loss of productivity.

According to a US survey paid leave banks or paid time off (PTO) programs were one of the most effective absence control programs (Engleman, A, 2001).

Other organisations implement other strategies such as AMP Financial Services who provide 'personal emergency leave for those days when the plumber doesn't turn up on time or when there is some crisis at the school'. This leave can be taken in two-hour blocks as well, so people can arrange to be absent for a brief period without having the whole day off' (Engleman, A, 2001).

- **Sick Leave Pool Arrangements**

Sick leave pool arrangements operate by employees contributing a portion of sick leave to a pool accessible by employees who suffer long-term illness or injuries. 'This type of system can assist with creating a positive absence culture where the pool is owned by the work force as an "insurance" against ill health' (Australasian Faculty of Occupational Medicine, 1999). Seemingly, employees would be less likely to dip into a sick leave pool used by everyone for avoidable absences. Organisations should take into account the National Employment Standards on leave provision as this may affect the ability to offer such arrangements if extra leave is not provided within EBA or other employment contracts.

- **Disciplinary Action**

Whilst it can be difficult to determine 'innocent' absences from 'culpable' absences, where an employee fails to comply with organisational procedures or policies on absenteeism the employer should meet with the employee to seek explanation. For problems that are work related, e.g. stress caused by a bullying colleague, the employer has an obligation to explore and resolve the workplace issue (Cutler, Hughes and Harris, 2003).

Organisations should ensure that managers/supervisors are appropriately trained and aware of both organisational and legal responsibilities when dealing with disciplinary procedures.

- **Health Promotion and Wellness Programs**

Given that lifestyle factors such as smoking, alcohol use and obesity all impact levels of absenteeism health promotion and wellness programs should not be overlooked.

In particular, promoting positive lifestyle choices such as healthy eating and exercise, educating staff about the transmission of infectious diseases and providing access to drug and alcohol counsellors may assist in managing absenteeism.

- **Employee Support Programs**

The purpose of employee support programs is to assist workers to deal with personal, family and work issues, which may cause unplanned absences and consequently to participate fully and productively at the workplace (Australasian Faculty of Occupational Medicine, 1999).

Employee support programs provide employees with access to skilled professionals and counsellors who can help you work through their personal and work related issues in a confidential environment.

- **Flexible Working Hours**

Decreasing absenteeism has been associated with flexible working hours and the converse with inflexible hours. Flexible working hours can include, flexible start/finish times, rostered days off, TOIL arrangements etc.

It is worth noting that whilst flexible working hours may allow workers to plan better for certain absences they may not address the inherent cultural or organisational issues that lead to excessive 'avoidable' absenteeism.

- **Paying out portion of Sick leave**

Cashing in a component of sick leave is sometimes promoted as a solution to absenteeism as it provides an incentive for leave avoidance. However, these systems can be cause for concern and in 1991 the NSW government prepared an issue paper and canvassed the need for legislation to prohibit the practice (Australasian Faculty of Occupational Medicine, 1999). Essentially, these systems can penalise those unfortunate to become ill or encourage 'presenteeism' through employees coming into work sick or injured. They may also further solidify the sense of entitlement to sick leave without legitimate reason. Employers also need to consider any guidelines for cashing out of sick leave under the National Employment Standards or relevant Award.

Summary

The factors that contribute to both 'innocent' and 'culpable' absenteeism are many and approaches to reduce absenteeism must therefore be looked at holistically. Employees have an entitlement to take leave when they are sick or injured or to care for other family members. However, a culture of 'sickies' and sense of entitlement to take personal leave for non-legitimate reasons can be costly for employers.

Both individual and organisational factors need to be taken into account and the employer should not overlook practices within their control that can be used to reduce absenteeism.

References

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