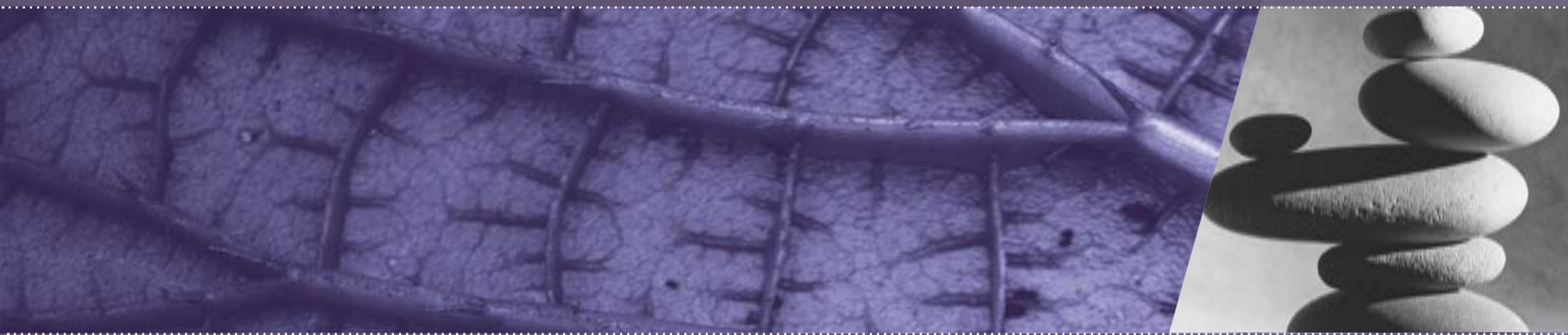




Australian Government
Australian Public Service Commission



Fostering an attendance culture

A guide for APS agencies

Is absence a problem in your agency?

How can you find out?

- > Review workplace absence rates on a monthly or quarterly basis.
- > Analyse the data by leave type, number of days and business unit to reveal trends and 'hot spots'.
- > Review absence rates in the context of retention rates, reasons for leaving an agency, staff satisfaction and usage of employee counselling programmes.

If you do have a problem

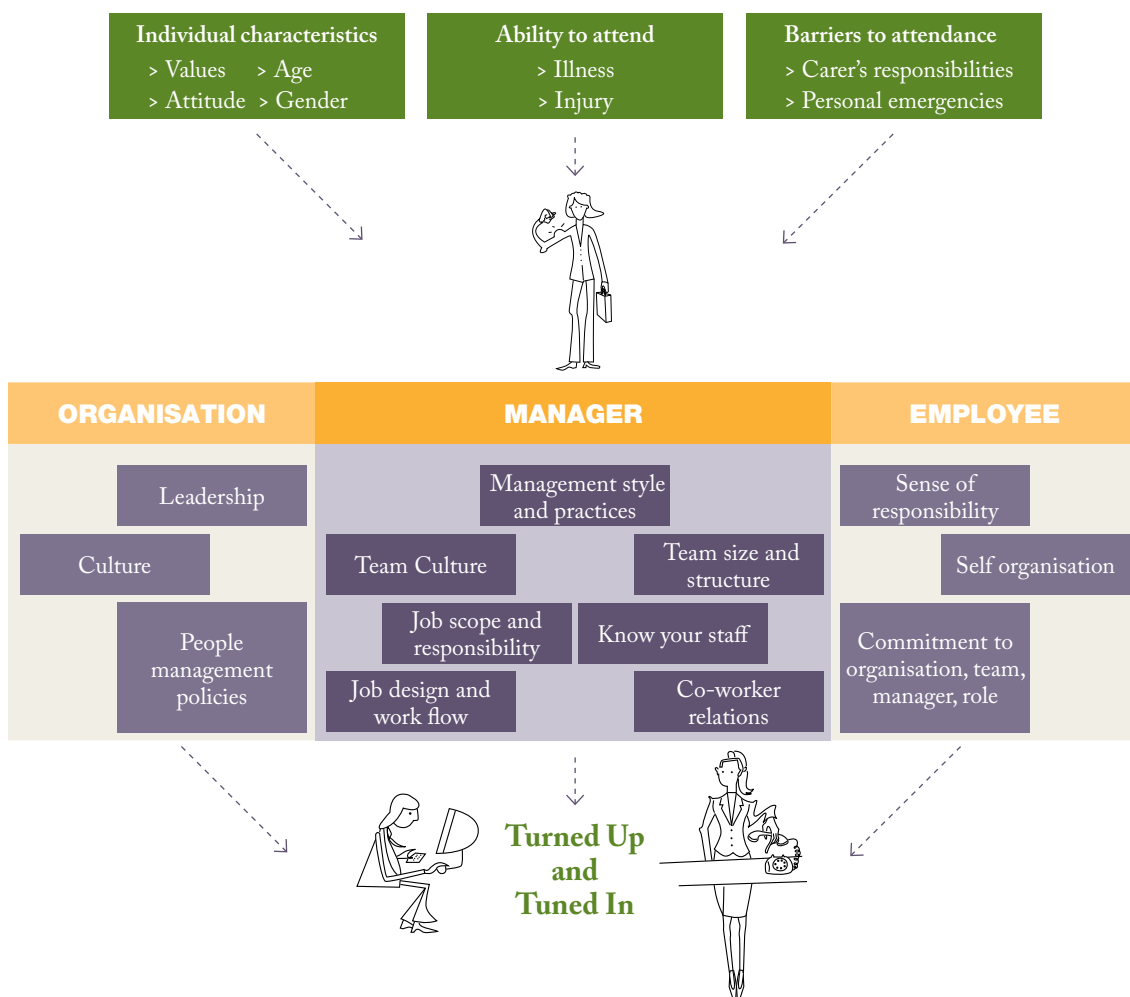
- > Focus on absence management via a coordinated absence management strategy.
- > Support and develop managers to deal with a range of absence scenarios.
- > Implement a range of integrated people management policies and practices that aim to motivate attendance.

Ability to attend and barriers to attendance will always be a factor of working life. Improved policies and management procedures will aid the return to work of ill and injured employees, and support them when caring or emergency situations arise.

Turned Up and Tuned In

Workplace factors influencing motivation to attend

The Turned Up and Tuned In model identifies the areas where organisations, managers and employees can have the greatest impact on motivation to attend.



At the highest level an organisation can influence attendance rates by focusing on three core areas— leadership, organisational culture and people management practices.

Does workplace absence matter?

Supporting employees with genuine illness and caring responsibilities underpins the Australian Public Service (APS) as a model employer. However, absenteeism is a significant issue that has the potential to reduce productivity and damage the credibility of the APS.

Why should you focus on it?

- > Fostering an attendance culture in agencies is a key component of ensuring the APS continues to meet its performance and accountability obligations to government while also delivering high quality services to the public.
- > Workplace absence has a negative impact on performance and, regardless of whether it is across the organisation or isolated in pockets, often reflects unhealthy organisational and management practices.
- > Excessive absences often coincide with poor performance, high turnover rates and low organisational commitment.¹

What is the real cost of absence in your agency?

- > High rates of absence are costly and impact on individuals, the team and the organisation.
- > Direct salary costs, workers compensation and lost productivity arising from workplace absence have a significant cost for the APS.²
- > The overall direct salary cost arising from workplace absence across the APS is estimated to be \$295 million per annum.³
- > The average cost of a compensation claim in 2005 was \$28,424 and trending upwards.⁴
- > It is estimated that the total costs of absence can be up to three times the direct salary costs of the absent employee.⁵

Salary cost

+

On costs

+

Costs of temporary replacement staff

+

Lost productivity

+

Impact on co-workers

=

Total costs of workplace absence

¹ Tarrant, D., 2005, 'How to keep employees engaged', in *Management Today, Volume 20*, pp. 20-23

² See Australian National Audit Office, 2003, *Absence Management in the Australian Public Service: Audit Report no.52 2002-2003*, <http://www.anao.gov.au> and Comcare, 2005, *Annual Report 2004-2005*, Comcare, Canberra

³ ANAO, 2003, p. 4

⁴ Comcare, 2005, 10

⁵ ANAO, 2003, p. 4

What causes workplace absence?

There are many causes of workplace absence often involving a combination of individual, managerial, organisational or other factors.

Did you know that high rates of absence are likely to reflect motivational causes? It is estimated that up to 40-50% of these cases can be avoided.⁶

Ability ⁷	
Illness or injury	<ul style="list-style-type: none">> common short term seasonal illnesses> complex health and lifestyle factors> injury and illness arising from workplace factors (i.e. physical and psychological injury)
Barriers	
Non-work related factors	<ul style="list-style-type: none">> caring responsibilities which may arise at short notice> family, personal or household emergencies requiring the employee to spend time away from the workplace
Motivation ⁸	
Attitudes and behaviours	<ul style="list-style-type: none">> stress, anxiety and depression caused by work demands> workplace factors such as low job control, classification and team structure, poor job fit, lack of flexibility in work arrangements, customer service and service delivery roles, organisational culture, organisational change and job security> interpersonal relationships at work, low levels of support and communication> poor leadership styles and management practices> an entitlement culture

Definition

In collaboration with APS agencies the Commission has defined workplace absence as:

Absence from work in recognition of circumstances that can generally arise irregularly or unexpectedly, making it difficult to plan, approve or budget for in advance, and which is inclusive of planned medical procedures. Workplace absence includes:

Sick leave

Specific types of miscellaneous leave

Carer's leave

Unauthorised absence

Compensation

⁶ Auditor General Western Australia, 1997, *Get Better Soon: The Management of Sickness Absence in the WA Public Sector*, http://www.audit.wa.gov.au/reports/report97_05.html, p. 1

⁷ Steers R., & Rhodes, S., 1978, 'Major influences on employee attendance: A process model' *Journal of Applied Psychology*, Vol, 63, No. 4, p. 391-407, p. 401 (Steers & Rhodes, 1978)

⁸ Steers & Rhodes, 1978, p. 401

What strategies can you use to improve attendance?

Any strategy designed to address the underlying causes of workplace absence is more likely to be effective if it includes a focus on developing a highly capable cadre of senior executives, a culture of engagement and performance and a set of integrated people management practices.

There is no quick fix, or 'silver bullet', to problematic workplace absence.

Organisational commitment

- > Demonstrate a commitment at the senior management level:
 - > release a policy statement outlining the importance of absence management and the value of employee attendance
 - > include accountability measures for attendance in performance reviews for managers
 - > include absence management as a standing agenda item in executive meetings.
- > Establish attendance expectations:
 - > provide information on absence policies
 - > outline responsibilities not to attend work if too sick or injured
 - > advise what leave is available and what it is to be used for
 - > explain the requirements for medical certificates
 - > educate employees on entering sick leave into HR systems.

Absence strategy

- > Analyse data and develop targeted strategies. Include:
 - > a balanced view (i.e. support to genuinely sick employees whilst deterring discretionary absence)
 - > a process for managing short and long term absences and return to work procedures
 - > strategies to minimise the impact of barriers to attendance
 - > clearly defined roles and responsibilities for the agency, HR, managers and employees
 - > guidelines for how leave allocations are to be used
 - > a starting point at which intervention or disciplinary strategies will be put in place if problematic cases persist
 - > a review of leave provisions in agency agreements. Reserve the right to enforce greater use of medical certificates where persistent workplace absence is occurring.

Investigation and analysis

- > Understand causes of absence through regular analysis of data, and other measures such as turnover rates, staff satisfaction and use of employee counselling programmes.

Flexible working conditions

- > Flexible working arrangements can allow employees to manage work life balance and can reduce absence.

People management practices

- > Implement a range of people management practices.
- > Work towards developing an engaged and motivated workforce. Focus on recruitment, performance management, learning and development and job design.

Health promotion and injury prevention and management

- > Raise awareness of health and safety issues, healthy lifestyle promotion and a focus on sustaining a healthy working environment.
- > Coordinate a process between managers and HR to improve the management of illness and injury through return to work interviews and support.

Developing and supporting line managers

- > Line managers are primarily responsible for handling the absence of staff on a day-to-day basis. Provide support and training to ensure a consistent and successful approach.

Stories of Success

Department of Health and Ageing Injury Management – A Preventative Approach

DoHA takes a better practice approach to injury and prevention management (IPM). As part of this approach, business units are financially responsible for a proportion of the annual workers' compensation premium cost, and all managers are required to provide funding for early intervention on injuries (regardless of whether there is a compensation claim). Managers are also required to contact People Branch where an absence is likely to exceed two weeks so that early intervention can be initiated if warranted. Return to Work Case Managers also provide timely, one-on-one training for managers in their roles and responsibilities regarding rehabilitation or return to work action as required, to engage them in the process.

As a result of these and other approaches, DoHA has reduced:

- > its premium rate from 166% of the APS average in 2002-03 to 94% of the APS average in 2005-06
- > the four year total costs on which premiums are calculated by 19% over a three year period
- > its total estimated claim costs by 50% over four years
- > the average cost of high impact claims for psychological injury by 25% over the past four years
- > the average cost of occupational overuse syndrome claims by 34% over the past four years.

Centrelink Attendance Management Strategy

In January 2005 Centrelink began a project for improving absence management and leave rates. Time was spent analysing causal factors impacting on workplace absences, including organisational culture and management practices. Using these findings, in-depth data analysis, and feedback from staff consultations Centrelink set about reforming absence management through three key areas:

- > communication and awareness raising
- > leadership accountability and support
- > performance monitoring and reporting.

A range of actions were put in place to support the strategy targeted at SES, managers and staff throughout the organisation. As a result of the strategy, Centrelink experienced a decrease in absences between July to December 2005, with the rate dropping from 8.29 days to 7.26 days per full time employee.

Australian Competition and Consumer Commission Developing and Supporting Managers

The ACCC takes a proactive approach to developing and supporting their managers in dealing with workplace absence by:

- > providing managers with absence data relative to their business unit, on a quarterly basis. The reporting is used as a trigger for managers to investigate problematic absences. At this point the ACCC provides an advisory and coaching service to managers to ensure they are following due process when dealing with absences
- > training on how to interpret and apply decisions around personal leave. In a scenario based training session, managers learn to apply values-based decision making to a range of leave management situations
- > clearly defining in workplace agreements how personal leave is used, in order to limit cases of discretionary leave
- > building the leadership and management capabilities through training modules covering supervisor responsibilities under workplace agreements, supervising employees, communication skills, leadership for performance management, managing conflict and developing productive workplace cultures.

Through active management, the ACCC steers unscheduled absences to a level acceptable to its business objectives.