

Absenteeism is a common productivity inhibitor for business. Ruari McCallion spoke to Mike Cochrane of Absence Management to see how it tackles the issue



Out of sight...

Should not mean out of mind. A structured approach to managing absenteeism can save large amounts of money and improve employee morale and productivity, according to Mike Cochrane of consultancy, Absence Management Ltd.

As the old saying holds, absence makes the heart grow fonder. Not if it costs £11 billion a year, it shouldn't. Companies put a great deal of effort into shaving pennies off production costs and boosting productivity – if a set of appropriate standards are implemented and followed through, then a robust absence control policy can be easily introduced, saving organisations many thousands of pounds each year.

Absence has a knock on effect elsewhere – a poorer

quality of work is produced, staff morale is dented, and other employees are forced to pick up the slack, often resulting in tiredness and stress. The company's website – www.absencemanagementlimited.com – incorporates an interactive calculator that can give an eye-opening idea of how much absenteeism costs individual companies. It's not just sick pay and absence cover, either: it's management time.

In previous roles, Mike Cochrane has worked with Unilever, Cable & Wireless and Northern Foods, as well as many smaller organisations – affording him plenty of background experience and achievement in the field. Continuing this success with current employer Absence Management, Cochrane has helped to drive

absence rates down from some horrendous levels, to something far more acceptable.

The Deeside, North Wales, plant of Faurecia, makes seating systems for the auto industry and employs over 200 people. Its absentee rate had been running at around eight per cent – that's 16 people a day away from work. After Absence Management implemented structured techniques and management approaches, absenteeism dropped below three per cent.

"What impressed me most were two things," said Nick Munster, plant manager. "Firstly, the way the consultant worked with our people – he'd obviously 'been there and done that'. The quick wins were combined with a medium/long term approach showing a genuine appreciation to lasting solutions." As well as cutting bills for sick pay and temporary cover, Faurecia was able to use its management time much better. "Our long term sick issues plummeted as individuals either received back to work plans or left the business. We saved thousands of pounds – not just in sick pay, but also enabling us to concentrate as a business on more pressing issues." Rieter Automotive GB enjoyed similar experiences, driving its absence rate down by more than 50 per cent.

"The steps that have been introduced deal with absence from the initial stages, such as monitoring and reviews, to dealing with individuals that need occupational health intervention," said plant manager, Simon Jones. "This has led to benefits across the business. Manning the shifts everyday is easier, less management time is spent managing absence, less training is needed and we need less numbers as we have to cover for less absence."

It sounds like a magical transformation, but there's nothing mysterious about the Absence Management approach. Commercially confidential, yes, but with no magic involved.

"We seek to achieve a quick win by reducing absence rates quickly. In tandem, we give clients the ability to manage their own absence in the longer term," said Cochrane. "We begin by reviewing company documentation – contracts of employment; the absence and sick pay scheme; and agreements on how absent workers keep in contact. We look at the absence data, including the 'worst offenders' – both by work area and by individuals." Absence Management checks for those

who have serious illnesses, those who are registered disabled and those with long-term conditions, like diabetes. Then it writes to the absentees and either gets people in to the workplace or visits them at home for comprehensive absence reviews. "We manage absence proactively – speaking directly to employees and asking them why their attendance is not good. We tackle issues before they come up, rather than after, improving operations from day one.

"Absentees split between people who are generally well-motivated, with very occasional absences, and those who seem to experience flu and stomach bugs several times a year," said Cochrane. "Previous poor attendance is a good indicator of future behaviour and that goes all the way back to school." Unfortunately, generous sick pay schemes may also lead to higher absentee rates because of system abuse.

"Empowerment leads to more commitment," Cochrane continued. After carrying out absence meetings, the way forward will be planned. Closer, often daily contact will form a part, as well as tracking behaviour patterns and maybe amending sick pay schemes. If an employee consistently has a day off around a Bank Holiday weekend, they may be required to produce a private sick note, at their own expense. Getting people back to effective work may involve return to work training and occupational health assessment. "We create a plan for each individual, which will involve improved contact, better liaison and tighter management controls. But we use softer skills, too, like occupational health intervention, job design and employee communication – they all help with managing attendance." The longer-term impact can improve broader company morale.

"A percentage of people will never get to work, and either disciplinary procedures or allowing them to leave of their own account may be necessary. If they are seen to get away with it, you'll have another, larger group of people who will take time off themselves. It is this group that is the real key to improving attendance rates. The 80 per cent of good attendees react very well – 'it's about time someone did something about this' is a typical comment," Cochrane said. "As well as the initial effort, we're happy to work with companies over the longer term, providing ongoing advice or intervening when required. With cost and overheads such an issue, absence management simply can't be ignored." ●

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