



● absence management case study

**If you can't measure it,
you can't manage it!**



Measuring, Monitoring, and Minimising Absence



CASE STUDY - FOOD MANUFACTURER

- **INDUSTRY BACKGROUND**

- In Food Manufacturing, absence levels are higher simply because of the additional hygiene standards required of staff
- The food industry standard for manual workers is 5.7% which is significantly higher than the overall manufacturing standard of 4.3%

- **SITUATION and CHALLENGES**

- Absence levels 7% or 15 days per employee per year - leading to direct costs of absence of ~£1.2m
- Lack of quality data and management information
- Limited historic data – absence estimated to be higher than figures reported
- Internal misperception that short-term absence (less than 4 weeks) was the issue – however data showed that long-term absence was the main driver of absence rates
- Slow Occupational Health (OH) referral and reporting processes
- Little evidence of the in-house OH provision making any impact on preventing long term absences
- Heavy unionisation with 90% of employees union members
 - Decision making on absenteeism subject to and delayed by union review
- Lack of clarity on absence issues and limited access to data for all stakeholders inhibiting targeted and efficient absence management



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- **SOLUTION**

- Improvement in data collection and management data via the 24/7 centralised absence registration service
- Complete absence data is now collected consistently and objectively with all relevant information logged from day 1 and employees asked to call with regular updates
- Easy access to the web-based user interface providing:
 - Full absence data
 - Trigger reports
 - Monitoring of compliance
- Revised action oriented policy introduced to drive consistent and equal treatment of employees with regard to absence, e.g. suspension of sick pay when notification procedure not followed
- Triggers to drive early intervention include:
 - Day 1 referrals for musculoskeletal, stress and accident
 - Day 10 referral for all other causes to minimise risk of long term absence
- Triggers to drive early intervention in patterns of persistent short term absence which include review meetings and disciplinary action
- Quarterly management meetings with absence consultant to discuss current trends based on monthly reports from absencecare highlighting hot spots
- Realistic communication with the union based on well presented facts and figures



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- **ABSENCECARE RECOMMENDATIONS**

- Tighter absence policy
- More line manager involvement
- Earlier OH interventions
- Complementing internal Occupational Health resources with outside support as internal resources are insufficient to respond within 5 working days and therefore on their own ineffectual in bringing down long-term rates
- More employee accountability during absence – asking them to make contact more frequently during their period of absence
 - Penalties for not making contact on time
 - Penalties for not making contact with the employer and absencecare during the period of absence



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- **RESULTS**

- Absence levels reduced from 7% to 5% in 8 months - the equivalent of a saving of £230K in direct payroll costs. This does not reflect the indirect costs of absence which are often twice as high as the direct costs
- Service cost £20K for 8 months
- ROI on the service achieved of nearly 12:1 just incorporating direct costs
- Enabled HR to make the case to change their policy with support from the Union
- Enabled them to identify their problem areas in absence especially with regard to short-term / long-term split



Thank you for your attention.

If you need any further information please contact us
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