

CCA

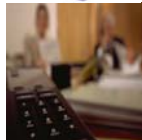


The professional body
for contact centres



CCA Research Institute

Sickness Absence Management in Call Centres



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SURVEY OF SICKNESS ABSENCE MANAGEMENT IN CALL CENTRES

Purpose of Survey

In November 2003, the Call Centre Association (CCA) surveyed its membership about sickness absence. The purpose of the survey was to gather information on the incidence of sickness absence in call centres, how it is measured, the reasons for it and the management practices employed to maximise attendance. It was hoped that such information might also provide some benchmarks in relation to sickness absence which would prove helpful to CCA members.

Methodology

Members of CCA (around 600 organisations in total) were sent a questionnaire by e-mail at the beginning of November 2003, and replies were received up until the end of December 2003. The questionnaire contained 21 questions about sickness absence, dealing with monitoring, incidence, reasons, reporting and management. An example of the questionnaire is attached as Appendix 1.

Response

A total of 69 completed questionnaires were received [a response rate of 12%, which is quite significant for a survey of this kind]. In terms of numbers employed, participating call centres ranged from those with 10,000 employees to one with just ten. The distribution of responses by numbers of employees is as follows:

Number of Employees	Responses
1,000 to 10,000	10
500 to 999	9
250 to 499	9
100 to 249	16
50 to 99	10
10 to 49	15

The ten largest employers (1,000 to 10,000 employees) account for 73% of the total number of employees working in all 69 organisations.

A wide range of types of businesses using call centres is represented, including local authorities, telecommunications, utilities, financial services, public transport, education, emergency services, home shopping and travel/leisure.

FINDINGS

Monitoring & Incidence

All 69 respondents report that they monitor sickness absence.

Not all respondents employ quantitative measures to monitor sickness absence. The majority do however, and use one of two measures to set targets and to record actual incidence. The measures used are those indicated in the questionnaire, i.e. (1) sickness absence expressed as a percentage of working days, or (2) the number of days taken off as sickness absence each year.

The responses for the setting of targets for sickness, and the measurement of its actual incidence for the latest 12 month period may be summarised as follows:

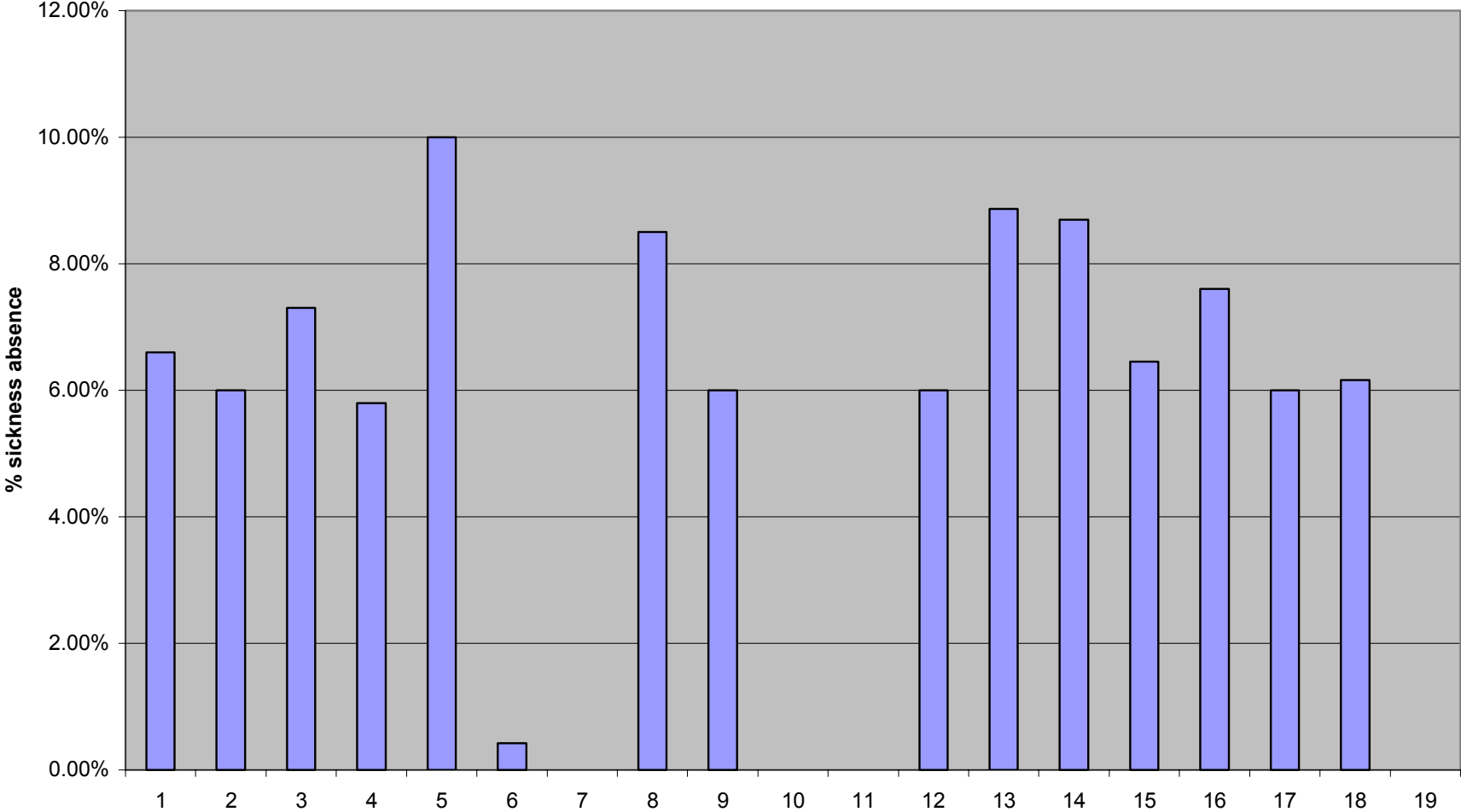
Measure	Target (No. of Respondents)	Actual (No. of Respondents)
Percentage	27	36
Annual Number of Days	14	19
Other	1	1
Do Not Measure	27	13
Total	69	69

The averages and ranges of the responses for each measure under target and actual are as follows:

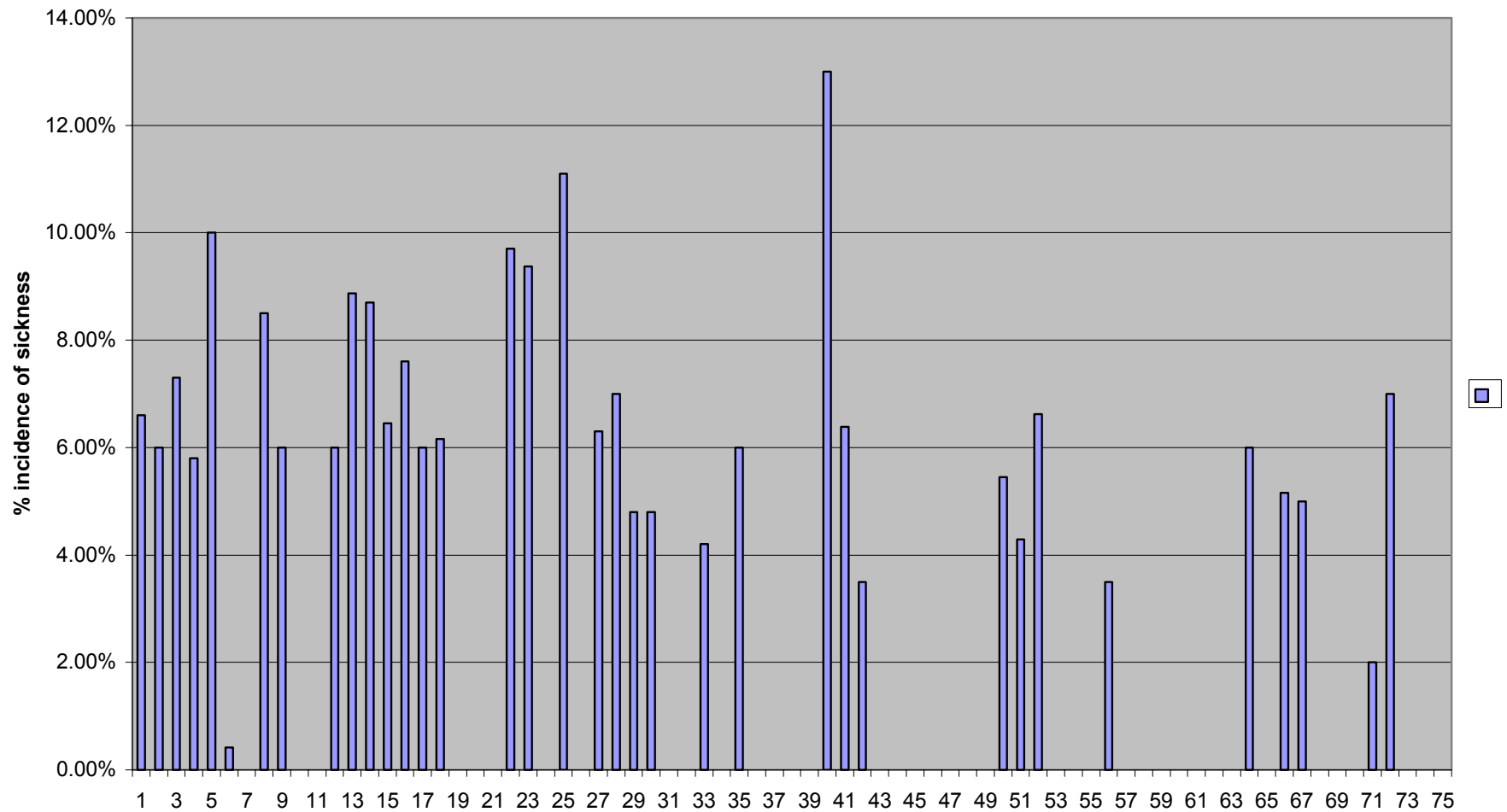
	Target		Actual	
	Average	Range	Average	Range
Percentage	4.8%	3.0% - 11.0%	6.4%	2.0% - 13.0%
Annual No. Days	10.2 days	2.7 – 18.0 days	8.2 days	2.3 – 14.0 days

The incidence of actual sickness absence for those respondents using the percentage measure is shown in the charts below. The first chart shows actual sickness absence for the top 19 respondents only; the second chart is for all respondents. Where there are gaps in the charts the respondent uses either the annual number of days as a measure (19 respondents), does not record actual incidence (13 respondents) or uses another measure (one respondent).

CCA Survey: Incidence of actual sickness absence in top 19 respondents



CCA Survey: Incidence of actual sickness-all respondents



The incidence of target and actual levels of sickness absence is recorded below by number of employees. The first chart represents those organisations that use the percentage measure, and the second chart relates to those using actual number of days as a measure.

Percentage Measure:

	TARGET		ACTUAL	
	Average	Range	Average	Range
1,000 to 10,000	5.40%	4.0% - 6.0%	7.20%	5.8% - 10.0%
500 to 999	5.00%	3.0% - 6.0%	7.10%	6.0% - 8.9%
250 to 499	3.90%	2.5% - 5.0%	7.60%	4.8% - 11.0%
100 to 249	5.40%	3.0% - 11.0%	6.60%	3.5% - 13.0%
50 to 99	3.50%	3.0% - 4.0%	5.00%	3.5% - 6.6%
10 to 49	4.50%	4.0% - 5.0%	5.00%	2.0% - 7.0%

Actual number of days:

	TARGET		ACTUAL	
	Average	Range	Average	Range
1,000 to 10,000	13.6	13.6	13.0	13.0
500 to 999	8.0	8.0	14.3	14.3
250 to 499	8.5	8.0 – 9.0	8.5	6.0 – 10.9
100 to 249	5.0	5.0	4.8	2.5 – 8.0
50 to 99	11.2	6.9 – 18.0	8.2	8.0 – 14.0
10 to 49	8.1	2.7 – 14.8	5.7	2.3 – 10.0

One of the uncertainties associated with using the percentage measure is whether this is calculated after deducting holidays, including public holidays. The questionnaire attempted to deal with this uncertainty by defining how the percentage measure should be calculated (after deduction of holidays), and asking respondents who used a percentage measure to indicate how this was calculated. However, very few respondents completed this section of the questionnaire, and therefore it is not possible to deduce how these percentage measures are calculated. The average percentages and annual days lost calculated from the responses for the targets are not inconsistent with holidays having been deducted, since a rate of sickness absence of 4.8% represents 11 days sick as a percentage of 230 working days (260 working days in a year, less 30 days holiday, including eight public holidays) compared with the average of 10.2 days reported. However, this may just be coincidence since the average actual percentages and annual days are quite far apart. 6.4% of 230 working days (i.e. after deducting holidays) represents 14.7 days sick, compared with the average reported by those using the annual days measure of only 8.2 days.

The survey has, therefore, proved less helpful than hoped in providing a definitive benchmark for the incidence of sickness absence in call centres. The average for those using the percentage measure of 6.4% compares with a national rate of sickness absence of just over 4% for the calendar year 2002, according to a survey of 400

personnel specialists published by the Work Foundation in January 2003. But it remains unclear how this compares with the average of 8.2 days reported by those using the annual days measure due to the continuing uncertainty as to the base number of working days used by those using the percentage measure.

Reasons

The questionnaire asked respondents to place in rank order the top five stated reasons for sickness absence in the latest financial year. There is a strong similarity in the reasons for sickness absence and when aggregated the top five look like this:

	Reasons	Number of Responses
1	Colds / Flu	54
2	Stomach	42
3=	Stress / Depression	28
3=	Migraine	28
5	Muscular / Skeletal	14

The only other significant reason mentioned is ailments related to ear, nose and throat (ENT).

The questionnaire also asked respondents to indicate whether there were, in their opinion, any other major reasons underlying sickness absence which differ from those stated in their records. Motivational issues related to the nature of call centre work are mentioned by seven respondents and three mention there being a culture of absence. Other reasons put forward include generous sick pay, low salary, low annual leave entitlement, and social life /lifestyle issues.

Reporting & Cost

The majority of respondents (61) report that they have in place some form of periodic reporting of sickness absence. But it is a minority (only 26, including seven of the ten largest employers) who calculate the cost of sickness absence, and even fewer (14, including five of the ten largest employers) provide any indication of what they estimate the cost to be. The average reported cost per employee of sickness absence is £570.

The survey asked respondents to indicate how the calculation is made, i.e. whether it includes both direct and opportunity costs. Very few respondents completed this section of the questionnaire, and where a cost estimate is provided it appears only to take account of one element of direct cost, i.e. the average salary cost of those absent.

Management

All but one respondent report that they have a sickness absence policy in place.

The vast majority employ six of the seven types of management action to maximise attendance which were set out in the questionnaire, the odd one being attendance bonuses which are used by only 13 respondents. The aggregated responses are as follows:

Return to Work Interviews	67
Compassionate/Family Leave to deal with family issues	65
Accurate reports to Line Managers	58
Clear management steps included in Sickness Absence Policy	58
Management training	54
Occupational Health reviews/support	51
Attendance bonuses	13

The questionnaire asked what other types of management action was taken to maximise attendance. Seven respondents indicated that they factor information relating to absence/attendance into performance reviews/appraisals/pay reviews. Two mention the use of flexitime or temporary alteration of work patterns for health reasons.

Few aspects of sickness management appear to be outsourced. Ten respondents outsource Occupational Health, while two outsource elements of the day to day administration of sickness absence management like reporting, recording of data and provision of advice to line managers on company policies and procedures.

Conclusions

Monitoring and Incidence

39% of respondents (29 out of 69) do not set targets for sickness absence, although all report that they monitor it. This suggests that respondents in this group record the fact that people are off sick, but do not employ a proactive management process to reduce sickness absence levels to an acceptable level through making regular comparisons with a predetermined objective. The majority of the organisations (85%) who do not set targets for sickness absence employ less than 250 people.

It was not possible from this survey to establish a clear benchmark for an average or typical level of sickness absence that respondents may use as a comparator. Although 80% of respondents use either a percentage measure (52% of respondents) or the number of working days taken off during the year (28% of respondents), it is not clear from the responses received how the percentage measure is calculated, i.e. whether it is before or after deducting public holidays. The average of those using the percentage measure is 6.4% (within quite a wide range of 2.0% to 13.00%) which represents 14.7

days sick based on 230 working days, i.e. 260 days less 30 days holiday including 8 bank holidays. This compares with the average of 8.2 days sickness absence reported by those using the annual working days measure.

Reasons

There is a marked similarity in the top five stated reasons for sickness absence reported by respondents, namely:

- Colds/flu
- Stomach
- Stress/depression
- Migraine
- Muscular/skeletal

Respondents might consider management interventions which address some of these. For example, attention to the working environment might well assist the last two. Adjustment to lighting, air conditioning and acoustics could well reduce the incidence of migraine, while redesign of work technology and workstations could contribute to a reduction in muscular/skeletal complaints which give rise to absence. The incidence of 'flu could be reduced by offering annual 'flu "jabs".

Stress and depression may be more difficult to address. Some academic research suggests that work in call centres can be inherently stressful, through having to express emotions which are not felt or suppressing those that are, and having to deal with the contradiction of providing high levels of customer service against a background of cost control and monitoring of performance against targets. Addressing this could involve looking at both job design and the system of managerial control, as this might help to deal with the motivational issues mentioned by some respondents. However, it may not be possible to eliminate entirely the stressful nature of the role. Ultimately it may be a question of recruiting customer service agents who have a high degree of resilience to stress, who will find the work less stressful, and therefore be less likely to take time off for this reason.

Reporting & Cost

Although the majority of respondents (88%) indicate that they report sickness absence to management, only 38% calculate the cost. Furthermore, an even smaller proportion (20%) provides an indication of what they estimate that cost to be, and where they do it usually does not appear to take account of any indirect or opportunity cost. So while responses to the survey suggest that sickness absence is considered a business problem, few organisations seem to measure the cost. It is significant that five of the ten largest employers responding to the survey did not provide an estimate of the cost of sickness absence.

Management

On the face of it, effective management of sickness absence appears to be in place in so far as all respondents have a Sickness Absence Policy, and appear to adopt well tried management practices. Nevertheless, sickness absence levels still appear high. The fact that the use of attendance bonuses is relatively small (19% of respondents), and that 10% of respondents specifically mention that sickness absence is factored into performance/pay reviews may suggest that current levels of sickness absence are considered a fact of life.

Finally there is little use of outsourcing, other than Occupational Health (14% of respondents). Only two organisations, both employing more than 1000 people, make use of outsourcing for the day to day administration of sickness absence, suggesting perhaps that this is only financially viable for larger employers.

SICKNESS ABSENCE MANAGEMENT IN CONTACT CENTRES

Name of Organisation: _____

Name and job title of respondent: _____

Nature of business conducted at your Contact Centre(s): _____

Approximate number of people employed in your Contact Centre(s): _____

Monitoring

1. Do you monitor sickness absence?

Yes	No

2. If yes, please indicate which aspect(s) you monitor.

Incidence	Reason	* Other

* Please give details below

Incidence

3. What measures of incidence do you use?

Percentage	Avg. Annual No. of Days	* Other

* Please give details below

4. If you use a percentage measure how is it calculated? **(See note 1)**

5. Do you set a target for sickness absence?

Yes	No

6. If yes, what was it for the latest financial year?

%	Avg. No. of Days	* Other	# Date of year end

* Please give details below
Please indicate date of year end

7. What was your actual level of sickness absence for the latest financial year?

%	Avg. No. of Days	* Other	# Date of year end

* Please give details below
Please indicate date of year end

Reasons

8. Where recorded, what were the top 5 stated reasons for sickness absence in the latest financial year? Place in Rank order

1.

2.

3.

4.

5.

Reporting

9. Do you prepare periodic reports of sickness absence?

Yes	No

10. If yes, what is reported?

Incidence	Reason	* Other

* Please give details below

11. To whom are reports sent?

Senior Mgr	Local Mgr	* Other

* Please give details below

12. Do you calculate the cost of sickness absence?

Yes	No

13. If yes, please how the calculation is made. **(See note 2)**

14. What do you estimate the cost of sickness absence to be for the latest financial year?

Total Cost £	Cost per employee £	# Date of year end

Please indicate date of year end

Management

15. Do you have a sickness absence policy?

Yes	No

16. If yes, would you be prepared to send us a copy?

Yes	No

17. What types of management action do you take to maximise attendance?

- Accurate reports to line mangers
- Attendance bonuses
- Clear management steps included in Sickness Absence Policy
- Compassionate/Family Leave to deal with family issues
- Management training
- Occupational Health reviews/support
- Return to work interviews
- Other (Please specify)

18. Do you outsource any aspect of sickness absence management?

Yes	No

19. If yes, indicate the major components of the outsourced service. (Mention up to 5 components)

1.

2.

3.

4.

5.

20. In your opinion are there any other major reasons underlying sickness absence in your organisation which are different from those shown by your records as shown in answer to question 8 above?

Yes	No

21. If yes, please indicate what these reasons are. (Mention up to 3 in rank order)

1.

2.

3.

NOTES

1. % as a measure of sickness absence

Number of days sickness absence is expressed as a percentage of total working days less holidays, including public holidays. For example a sickness absence rate of 4.8% represents 11 days sick as a % of 230 working days (260 working days less 30 days holiday including 8 public holidays)

2. Calculation of cost of sickness absence

The direct cost of sickness absence may include the following elements:

- Sick Pay
- Temporary staff to cover sickness absence
- Additional permanent staff retained to cover sickness absence
- Overtime worked by permanent staff to cover sickness absence
- Outsourcing costs

The opportunity cost of sickness absence may include:

- Management time to deal with sickness absence issues
 - Estimated proportion of HR time spent in dealing with sickness absence issues
-