

The IRIS HR guide to Absence Management



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No formula can measure the full impact of staff absence on a business. It's felt as well as counted.

Of course, it's true that when someone's absent, business productivity can take a serious hit. So does the bottom line if you need to bring in temporary staff to cover for them. Somewhere, on a spreadsheet, you can quantify all that.

But what about team morale and mental health? We're sure you've given this some thought too: staff absence often drops a bigger workload

on those who remain, sometimes for months or even years. That means more stress and a weakened work-life balance.

It's fair to say that when staff are off, it affects many people, and often in ways we might not imagine.

Unfortunately, the issues don't stop there.

The pain caused by sickness multiplies if someone forces themselves to work for a few days before taking time off – and in doing so, spreads a virus around your business.

Absence isn't just an "at-work" problem

Needless to say, absence is also about the person suffering from illness or dealing with any other life event bad enough to take them out of work.

For conscientious workers, that can mean anxiety when they pick up the phone or walk into HR to say they need the time off. While they're away (for the short or long term), they might continue to worry about the job they've left behind.

This can be a mission-critical moment for HR. Any mistake your business makes in handling a staff member's absence is something they won't forget.

It's fair to say, then, that good insight is invaluable when it comes to handling staff absence.

And that's before we consider the latest figures, which paint a worrying picture.

Staff sickness: a growing problem

Absence caused by illness is the highest it has ever been in the last ten years. Before the pandemic, the average length of absence was 5.8 days. **Now it's 7.8.**

Minor illnesses top the list for shorter absences. This finding may come as no surprise, but there is another more insidious cause.

Stress plays a very significant role in sickness leave. It's the third biggest cause of short-term illness (musculoskeletal injuries are second), and it's the leading cause of long-term absence.

This is understandably a worry for many industry leaders. But it also suggests there's hope: stress is something businesses can affect. There might be some absences we could mitigate or even prevent.

It's one example of how absence management isn't a passive compliance task – it also has a positive, hands-on impact.

About this guide

Whether you have an absence system in place or you're thinking about creating one, it's important to ask yourself the following question:

How does my business deal with absence – sickness or otherwise – and how do we put a system in place to look after staff and our business?

Even better, we could also ask another question:

How can our business stop some absences from happening?

This guide addresses both those questions.

It looks at:

- the different types of absence
- presenteeism
- good policies
- best practice
- possible solutions

Throughout, we link to key UK Government information, ensuring that your most important points of reference are always up to date.

Before we start: a bit about the word 'absenteeism'

It's important to say something about the elephant in the room regarding unexpected time off – absenteeism.

We don't put this at the top of the list when it comes to priorities for absence management. Not even close.

"Why?" you might ask.

First, the word 'absenteeism' is an ambiguous term. Some use it for what amounts to 'skiving', while others will talk about it while including reasons you might consider legitimate.

But the main reason it's not at the top of the list is someone willingly playing the system at your business should be rare. Your best people interviewed them and considered them worthy of the job. If you see a pattern of difficult-to-explain absence, that's a red flag – but there's likely a real cause behind it.

Solid return-to-work interviews and a great line manager should be able to open a helpful dialogue and uncover what's happening.



The different types of staff absence

Sickness and injury

We've seen how sickness absence is on the rise. It's no surprise then that HR teams have to become experts in knowing what to do when someone gets ill – or hurt – and says they cannot work.

Sometimes, that's a short-term situation. Maybe it's a minor illness or injury. But it could be something more serious that means your staff member must take more time away.

Did you know that if someone is ill just before or during a holiday, they can take sick leave instead? This means employees can hold onto their annual leave entitlement and use it when they can really enjoy a break.

Timescales and certification

Staff don't need a fit note (what many of us call a sick note) if they are off for seven days or less, including weekends.

If someone is away for longer, then they need to get documentation to this effect from a GP or hospital-based doctor. As an employer, you can say in advance that you will accept a note from a physiotherapist, podiatrist, or occupational therapist.

Sometimes, the note can suggest that the employee "may be fit to work". In these circumstances, you need to meet with your staff member and discuss how you might make changes that will help them return to the business.

In all situations, you should keep a copy of the note; the staff member should keep the original document.

How sick pay works

Statutory Sick Pay (SSP) can be a lifeline for those who have to cope with illness or injury. But how does this work for your company?

- To get sick pay, staff need to have an employment contract and earn a minimum amount ([check here for the latest figure](#)) a week. They have to be off for at least four days (including days when they are not working, like weekends).
- Staff have to tell their employer within seven days if they are sick.
- There's a minimum amount you must pay them – although, as an employer, you can choose to pay more. [Check here for the most recent amount set by the UK Government.](#)

As a business, you can choose to go beyond SSP. Contractual Sick Pay may cover the whole absence or a portion of it. If you do implement this, make sure you set out its terms and conditions in your employment contract or staff handbook.

What about staff who are not eligible for statutory sick pay? It may be appropriate to signpost them to their nearby Jobcentre Plus or Citizens Advice Bureau – they may be able to claim Universal Credit or Employment and Support Allowance.



Maternity

Any of your staff who are pregnant are due Statutory Maternity Leave so they can take time off before and after the birth of their child. This is protected in UK law.

But what are the main points we need to remember?

To qualify for Statutory Maternity Leave, staff must have a contract of employment with you and have given notice 15 weeks before the due date.

They also need to provide proof, such as a MAT B1 form. This form verifies the pregnancy and confirms the expected week of confinement (the week – Sunday to Saturday – when it's expected the birth will take place). As a side note, the same form is also used to retrospectively confirm the date of birth.

Statutory Maternity Leave is 52 weeks, which has three parts. A compulsory element is two weeks (four if they work in a factory). This is part of Ordinary Maternity Leave, which continues for a total of 26 weeks. Anyone who needs to take more time off is entitled to 26 weeks of Additional Maternity Leave.

If someone comes back after Ordinary Maternity Leave, they're entitled to the same job they had when they left. After Additional Maternity Leave,

they're entitled to at least a similar job with similar rights. Holiday still accrues during these periods.

But what about income? For the first 39 weeks, your staff get Statutory Maternity Pay (SMP), which is paid by you. That comes to 90% of their average weekly earnings for six weeks. After that, it's either a UK Government-set amount (which changes based on legislation; [see here](#)) or 90% of weekly earnings, whichever's lower.

Staff must give proof they are pregnant and have worked for at least 26 weeks for your business, including into the 'qualifying week' – that is the 15th week before the expected week of childbirth.

If your staff are not eligible for Statutory Maternity Pay, they might be eligible for Maternity Allowance, which is paid by the UK Government.

Enhanced maternity pay is something you can offer – either to attract people to the business or to reward those in certain roles.

Remember: staff have the right to request flexible working. This can include part-time hours or working from home.

Paternity Leave

Paternity Leave lets employees take up to two working weeks off. It must be taken and end within the first 56 days of the birth, and staff must provide 28 days' notice.

Pay is aligned with **a UK Government-set amount** or 90% of their pay – whichever is lower.

Like maternity pay, your business is not bound to the statutory amounts, so you can choose to pay more.

Shared Parental Leave

Shared Parental Leave and Pay allows eligible staff to split up to 50 weeks of leave and 37 weeks of pay – to be taken either in blocks or in one go. The pay staff get in this period is similar to maternity. For the full rules, [head here](#).

Unpaid Parental Leave

Unpaid Parental Leave shouldn't be confused with Shared Parental Leave. Parental Leave is planned in advance so staff can look after their child's welfare. As defined by the UK Government, this includes things like spending more time with children and looking at new schools.

For every child (including adopted children), your staff get a total of 18 working weeks they can take as leave. That means if they work four days a week, each week they get as leave is also four days long.

Each parent can take up to four of these weeks in a year. Generally, this is as weekly blocks unless their child is disabled or you agree that they can do otherwise.

Caring for loved ones

Staff can take unpaid leave to deal with the unexpected if it affects someone in their household, such as a civil partner, spouse, child or parent. Scenarios include if your child was sick and a parent had no choice but to stay home and look after them. They can also make arrangements for long-term care in these situations.

Parents can also take Parental Bereavement Leave. There are more details here, but, in short, people are allowed two weeks of leave to be taken together or separately.



Public duties

People often have roles outside work that help their community. Bearing this in mind, an employee can get a 'reasonable' amount of time off if they're:

- a local councillor
- a magistrate
- a school governor, a member of the managing or governing body of an educational organisation, or a member of a school council or board in Scotland
- a member of a health authority
- a member of any statutory tribunal
- a member of the Environment Agency or the Scottish Environment Protection agency
- either a member of the prison independent monitoring boards (England or Wales) or a member of the prison visiting committees (Scotland)
- a member of Scottish Water or a Water Customer Consultation Panel
- a trade union member (for trade union duties)

For most of these, you can ask staff to defer their leave if it would cause difficulties in your business. You can also pay them for this time or choose not to.

The exception is jury service. All employees are **allowed to take time off for this duty**; as an **employer, you can ask them to try and change the date or ask to be excused**, however.

What does unauthorised absence mean?

Put simply, an unauthorised absence is when one of your staff does not come to work and has not asked for permission or followed the company's procedure for an unexpected absence. An example is if they have not followed the proper process for calling in sick.

Acas urges employers to consider the employee's wellbeing and not jump to conclusions when this happens. Instead, you should reach out and check on them. But what if you can't get in touch? If you've exhausted all options, consider a home visit, if appropriate, or even a welfare check from the police if you're concerned about their safety.



Working whilst sick – the pitfall of presenteeism

Sometimes, staff will work even when they're too sick or when life is particularly tough (to the point where you'd give them time off to deal with the problem).

The result? The staff member works at a reduced capacity. Decision-making is disrupted, creative sparks fade, and concentration is scrambled. If they carry out any manual labour, it won't be to their usual standard.

This is not good news for your employee or your business – nobody likes missed deadlines, poor work or glaring errors.

In fact, Bupa believes this **costs more than absenteeism**.

How does presenteeism happen?

As with most things in the workplace, it starts with the culture.

If someone shows up to work when they shouldn't, colleagues might see them as an example to follow. They will think they have to do the same.

Likewise, if your business has an always-on, work-till-you-drop mentality, you are going to have issues with presenteeism. For some, this environment creates a misplaced bravado: if they come in whilst sick, they are showing how "dedicated" they are.

How do you tackle this? Leaders have a huge role to play and should create the kind of behaviour they want to see their staff exhibit – that includes not awarding presenteeism and only making reasonable demands on peoples' time. It also includes **making sure people can easily transfer or cover off their work** and ensuring they feel safe from a career point of view if they take time off.

There's one other area that's very important – 'digital presenteeism'. That can be when staff feel they are not trusted to be productive when working from home, and so feel they need to be present at the monitor even if they are unwell.

There is also the issue of staff thinking they're okay to work just because they cannot spread germs if they are working at home. However, the truth is if they have germs to potentially spread, there's a good chance they're simply not well enough to work, regardless of where their base is.

Measuring absence

How do you use equations to track staff absences in your business? Here are three methods that help ([see here for more on the maths](#)):

The 'lost time' rate helps you understand the percentage of time that has been lost from absence. You can split this by department to pinpoint areas of concern.

Total absence (hours or days) in the period / Possible total (hours or days) in the period x 100

The 'Frequency Rate' shows how many absences each employee has taken as a percentage.

No of spells of absence in the period / The number of employees x 100

The Bradford Factor was created to measure spells of absence. It helps businesses understand persistent short-term absence and the disruption caused.

It's calculated with the formula $S \times S \times D$

(S = number of spells of absence in 52 weeks; D = number of days of absence in 52 weeks taken by a staff member).

Note: the CIPD says The Bradford Factor can unfairly penalise employees who have a health condition.

Your absence policy

If you haven't created an absence policy for your business, you need to. This should have sections describing how your business deals with the different types of absence we detailed above. You can publish these together or as separate documents – whichever works best.

You should consider a number of things in the policy. These include internal mechanisms (like who someone calls when they're off sick) as well

as what will trigger a formal review of someone's absence (sometimes called a trigger point system).

If you already have a policy, regularly review it to see if it's clear, accessible and up to date.

We would also add that it's not enough to put all this on paper; staff need training in absence management in order to properly deliver on your policies.

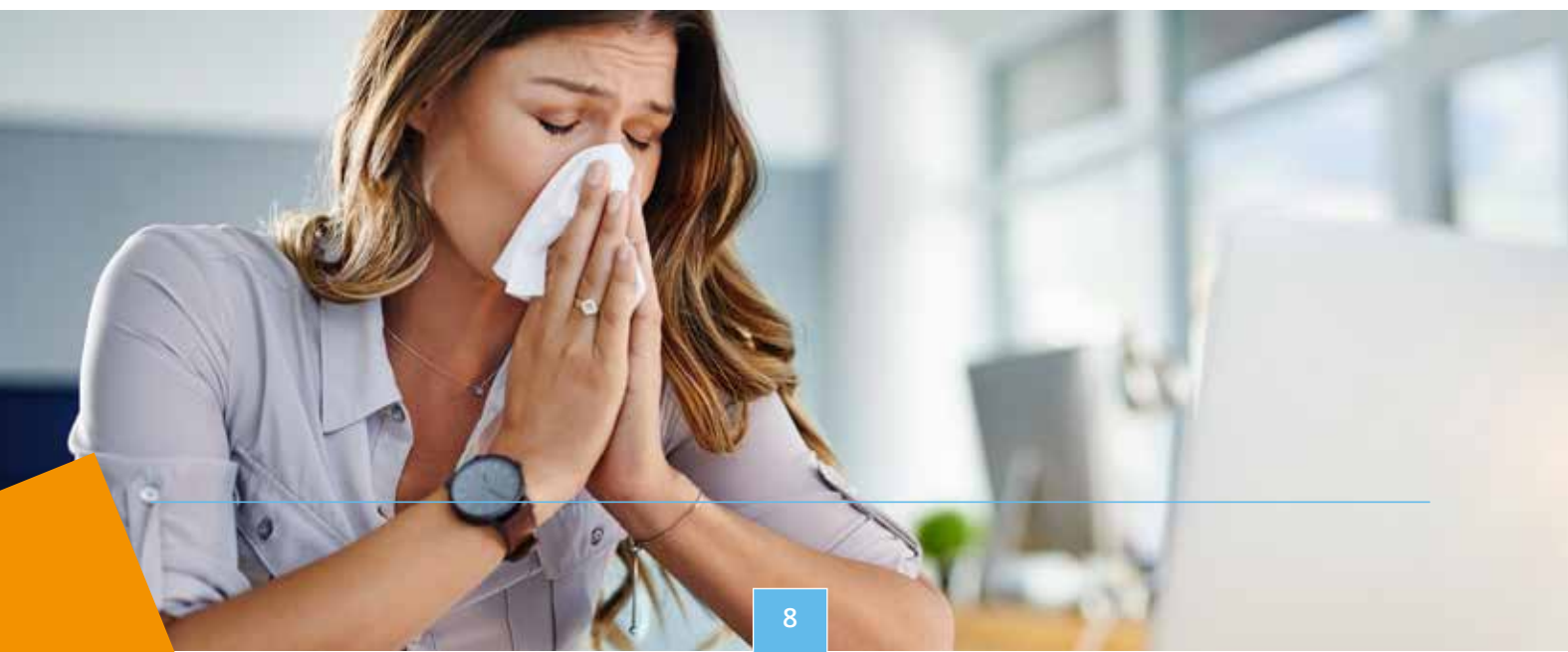
Return to work interviews are an optional part of your policy – but they're a great way of helping staff feel cared for, as you can set out how they will be supported on their return should they need it. Meanwhile, making this part of your absence procedure also creates a great deterrent for anyone thinking of taking unnecessary leave.

Medical support

Determining if someone with a health condition can return to work – and what they need if they do – might require more than just the thoughts of the employee. You might want to get relevant medical information. To achieve this, you could get a GP report. This needs the employee's written consent and costs in the region of £60 to £100.

Another option which may also be appropriate is a report from an occupational health specialist. This often costs upward of £300.

Adjustments you might need to make for staff with health conditions can include specialised keyboards and chairs, a ramp for wheelchair users and designated car park spaces. You might also want to help by giving them a phased return to work and modified performance targets.



Preventing staff absence – a culture of wellbeing

A wellbeing culture can mitigate and even prevent absences from happening.

When it comes to building a wellbeing culture, you need to remember that no one size fits all – what works for other businesses in your industry might not work for you. You need to ask yourself what your staff actually need and want, and how each element of your wellbeing initiative works with others.

Looking after staff mental health

As we've already seen, emotional wellbeing has a massive role to play in deciding if people take time off.

It's a good idea to build mental health wellbeing into your business from the ground up. Put it in your inductions. When your business backs mental health causes, use your internal channels to talk about this. In doing so, you begin to promote a positive culture.

From there, it's time to prevent or flip the script on any negative behaviours: regularly find ways to encourage people to take breaks, get exercise, and finish on time.

Physical wellbeing

When it comes to physical wellbeing, it's essential to run a health and safety audit of the workspace. For example, does everyone know the basics when it comes to lifting and moving objects? **The Health and Safety Executive** has a treasure trove of relevant and good advice.

You can always take physical health to the next level: many businesses will do fitness challenges to raise money for charity, and these are a great way to build camaraderie in your company.



Perks

What wellbeing benefits do your staff enjoy? Often, these pay a business back for thinking about their employees.

For example, if staff are able to make use of private healthcare, they will be more likely to recover and get back to work.

Meanwhile, improved sick pay perks can also mean you don't have to foot the bill for anyone off on long-term sick. It can be covered by insurance.

Financial planning assistance and education are also something you can offer staff, reducing money fears that might otherwise undermine their health and focus.

Mental health also means keeping things varied and providing a sense of hope and aspiration. Training can help with this – it can give people something constructive to think about and can inspire them to develop their careers at your business.

Where to start?

If all of this sounds like a tall order to track and quantify, you're right. Especially if you want to keep compliant.

For most, chasing after staff using spreadsheets won't cut it.

That's why IRIS has a number of solutions to help you – including fantastic software that will provide a foundation for staff absence management.

Absence management software for small to medium businesses

Earlier, we said absence management was more than numbers, and that's because you need information collected and presented in a way that gives you a real feel for what's going on.

That's why Staffology HR By IRIS software brings together the heart and science of a happy business. It's designed to help you develop and maintain a positive culture while ensuring you meet your business goals.

It can help you with:

- Holidays, sickness & overtime
- Rotas & timesheets
- Personal development plans
- Staff training
- Recruitment & onboarding

[FIND OUT MORE](#)

Absence management software for medium and large businesses

IRIS Cascade saves time and money by bringing all HR functionality onto one cloud-powered dashboard. Its customisable, fully integrated system can handle everything a medium or large business needs. That means everything from annual leave, payroll, recruitment and training to well-being and talent management.

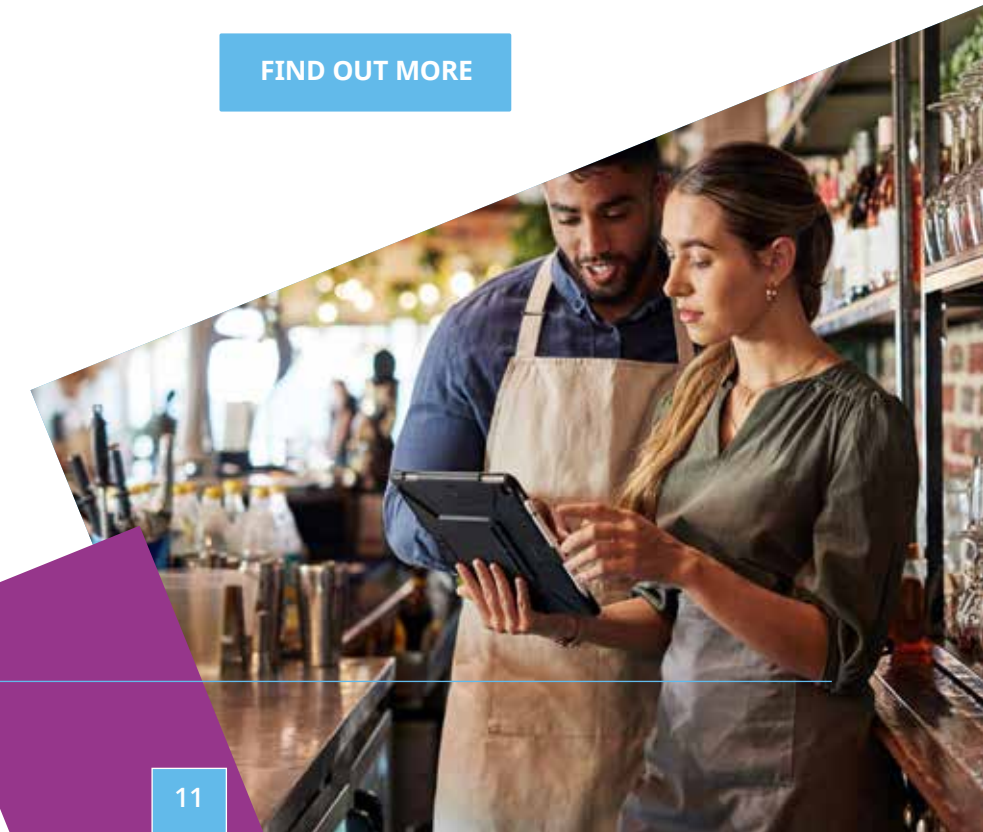
At its core, IRIS Cascade has three things that make it especially powerful:

HRintuition means your HR team uses one central database – bringing all your data together in a single source of truth. That means better HR strategies, real-time data, and error-proof HR and payroll.

HRinteraction ensures staff can easily request holidays, view payslips and submit information.

HRintelligence brings flexible, easy-to-use and customisable workflows that enable your HR team to adapt to new situations while excelling in core duties.

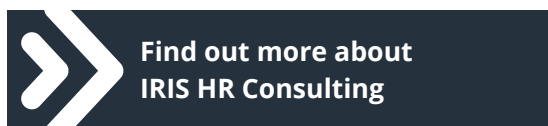
[FIND OUT MORE](#)



If you don't know where to start, start with expert help.

IRIS Consulting is a team of experts with global-level knowledge that helps businesses both large and small.

Our qualified HR consultants can take care of your employment issues and keep your business compliant with the latest legislation. We offer consultancy support for employment relations issues, including sickness absence management.



Payroll is complicated, even if nobody needs to take unexpected time off.

A wrong step can crush morale, motivation and trust.

Thankfully, IRIS is here to help you.

IRIS Fully Managed Payroll delivers Bacs-approved outsourcing using ultra-secure, modern technology – and it's all run by our expert team of experienced CIPP-accredited payroll managers. What's more, our service is fully scalable. Whether you're a small business or a major corporation, we can help.



About IRIS HR solutions

IRIS provides fully integrated HR solutions for your business – whether you need cloud software for a small, medium or enterprise-level operation or you want to add our people-powered services to your daily workflow.

We have helped more than 2,700 UK organisations find compliant, connected and customisable solutions for 850,000 staff (and counting).

