Appendix 1

CBI/AXA Absence and Labour Turnover Survey 2008

Summary of Findings

This paper presents a brief summary of a publication produced by the CBI into absence and labour turnover.

The CBI/AXA Absence and Labour Turnover Survey provides the definitive source of long term trend data on the extent, costs, causes and solutions to workplace absence.

Survey Respondents

<u>Summary</u>

- The survey provides a representative sample...
- ...covering all industry sectors...
- ...all regions...
- ...and all sizes of organisations.

Extent of Absence

Summary

- Absence averaged 6.7 days per employee
- There was 9.3 days difference between the best and worst performing organisations
- Absence remained higher among manual than non-manual employees
- The smaller organisations had less than half the rate of absence of the largest
- Absence rates were significantly higher in the public than in the private sector
- Absence was higher where trade unions were recognised
- There were regional variations in absence rates
- Employers believe absence has declined because of better management.

Costs of Absence

Summary

- The direct cost of absence was £517 per employee 3.1% of payroll
- Employers estimate indirect costs add a further £263 per employee
- Larger employers reported higher absence costs
- Absence costs varied considerably by sector.

Causes of Absence

Summary

- Absence was mainly caused by illness, but also by home and family responsibilities and medical appointments
- Long-term absence accounted for 40% of working time lost
- Minor illness caused the vast majority of short-term absence

- Non-work related stress, anxiety and depression was the most common cause of longterm absence
- Employers estimate that 12% of sickness absence is not genuine...
- ...two thirds believe some absence is an unauthorised extension of weekends (65%) and holidays (60%)...
- ...and half (54%) had to discipline or dismiss someone for persistent poor attendance.

Attendance Management Policies

<u>Summary</u>

- Three spells or ten days of absence typically trigger management action
- Most employers operate rehabilitation policies
- Employers take stress seriously
- Government could do more to help employers address sickness absence

Employee Health and Well-being

<u>Summary</u>

- More than two thirds of employers have a well-being policy
- Employers believe well-being policies can raise staff morale and cut absence
- Praise for a job well done is felt to be the most important contributor to staff morale
- Most organisations are satisfied with levels of morale.

Labour Turnover

<u>Summary</u>

- Labour turnover increased slightly to 14.9%...
- ...but satisfaction with the turnover rate also rose to 83%
- Turnover varied significantly by region and organisational size
- Over two thirds (70%) of employers believe job security stayed the same.