

Report on Sick Leave 2003 – 2006

Prepared by the Organisational Development Unit

Report on Sick Leave 2003 – 2006	2
Preface	2
Method	2
Discussion of Results	3
Chart 1 Total and Average Sick Leave 2003-2006 General and Academic	3
Table 1 Summary Data for UNE for 2003-2006.....	4
Chart 2 Total Sick Leave 2003-2006 by Work Unit.....	6
Chart 3 Average Days Sick Leave Per Person By Work Unit 2003-2006	8
Chart 4 Total Days Sick Leave 2003-2006 by Key Portfolio Groups.....	9
Chart 5 Total Sick Leave 2003-2006 by Work Unit Grouped in Key Portfolio Area.....	10
Chart 6 Average Sick Leave 2003-2006 by Key Portfolio Groups	11
Conclusions and Recommendations	11
Appendix – Charts Showing Average Sick Leave by Year	13

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Report on Sick Leave 2003 – 2006

Preface

The purpose of this report from the University of New England's (UNE) Organisational Development Unit (ODU) is to provide an analysis of Sick Leave over the last four years. Sick Leave is one of the Human Resources (HR) metrics that can be used to highlight positive trends in the culture of the organisation as well as to identify potential issues which may need to be addressed in order to meet the objectives of the University's Strategic Plan¹. Powerful Performance is a key element of this plan and "will be needed" in all areas of University operations "to demonstrate secure long-term viability"². Sick Leave can be used as one indicator relating to performance because organisations that are resilient and demonstrate high levels of job productivity tend to report lower levels of Sick Leave.

Method

Sick Leave data for the years 2003-2006 were downloaded into an Excel spreadsheet from the Human Resources Management Information System (HRMIS), Alesco. This data provides information down to individual leave incidents and duration, work unit, classification level, salary, position fraction, leave code (sick leave or sick leave without pay), number of full-time equivalent staff per work unit.

This data was sorted into work units as indicated by the Alesco C Level categories and analysed to provide information on the total number of sick leave days by work unit. The average number of days per person per work unit was calculated to provide the basis for a more representational comparison across work units. The work units were further sub-divided to show general and academic staff work unit groups, and work units grouped based on the key portfolio areas. The effective cost of the sick leave was calculated based on the position fraction, duration of leave, leave code, and salary level. Reference was made to the sick leave paper records filed in Human Resources to establish the cause for any significant anomalies in the data.

The results of the analysis are displayed here in chart form. The original data can be accessed from the Excel spreadsheets^{3, 4}.

¹ *Strategic Plan 2007-2010 Achieving Regional and Global Impact*, University of New England, December 2006

² Ibid p6

³ *Sick Leave With Salary & EFT 2003-2006* stored as TRIM Document No D07/598 (Excel document)

⁴ *Sick Leave Charts 2003-2006 for Sick Leave Report* stored as TRIM Document No D07/920 (Excel document)

Discussion of Results

Chart 1 Total and Average Sick Leave 2003-2006 General and Academic

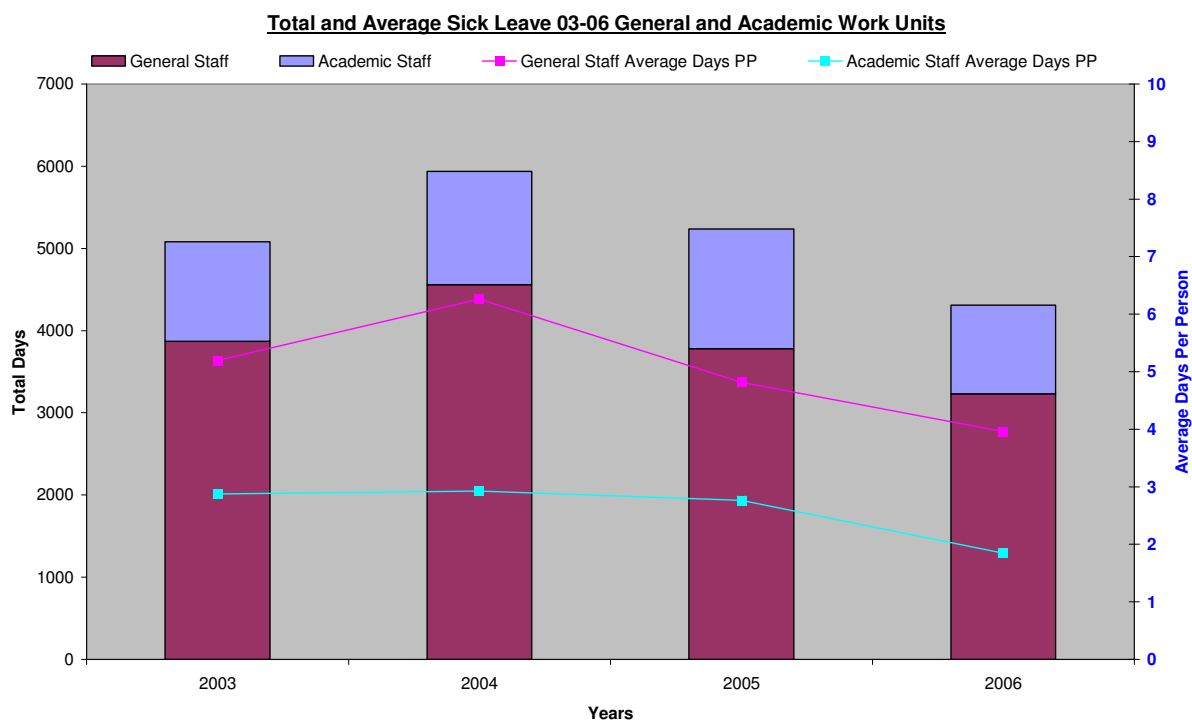


Chart 1 is a composite of the total number of sick leave days for each of the four years 2003-2006 by work unit and the average number of day's sick leave taken per person 2003-2006, both grouped into academic and general staff work units. It should be noted that the two Y axis scales are not related and need to be read separately. This chart provides an overview comparison of the two broad staff categories. In all years the total and average day's sick leave are significantly higher among general staff.

From the data alone it is not possible to establish a reason for this and further investigation would be required to confirm any hypothesis. Two possible hypotheses are:

1. Academic staff may not always lodge a sick leave form for every episode. It was only relatively recently (2005) that lodging annual leave forms was enforced for academic staff. Up until that time lodging of forms was inconsistent. It is feasible that this also applied in some cases to sick leave forms.
2. Academic staff may have a higher job satisfaction rating than general staff. An inverse relationship between grade of employment and sickness absence has been demonstrated by Marmot et al (1995)⁵ and Professor Gary Cooper from Lancaster University comments that

⁵ M Marmot, A Feeney, M Shipley, F North and SL Syme, 1995, *Sickness absence as a measure of health status and functioning: from the UK Whitehall II study*, Journal of Epidemiology and Community Health

“many studies have shown a link between job satisfaction and health” in his ABC Health Report interview⁶.

Another observation regarding this chart is the overall trend between 2003 and 2006. There is a peak in 2004 which declines in subsequent years. It is speculated that one explanation for this peak was the high level of uncertainty experienced by staff regarding their job security related to the changes recommended by what is known as the Phillips Report (Phillips Curran Pty Ltd, 2003). The report itself was not made available to the majority of UNE staff and the secrecy surrounding the contents of this report had a negative effect on the morale of some staff. The key recommendations in the report resulted in the centralisation of student services and the implementation of Callista as the new student information management system. This process commenced in 2003 and continued for much of 2004. There were many anecdotal reports from affected staff reporting reduced levels of morale and increased levels of stress during this time. It is therefore possible that these factors could account for the sick leave peak in 2004. Mid-2004 there was a change of leadership in the Student Centre and the subsequent decreasing sick leave could possibly be attributed to increased satisfaction with leadership style together with a reduction in stress as the implementation progressed and settled down.

The trend since then suggests that the climate for staff has continued to improve, but of particular note is the significant decrease between 2005 and 2006 (see Table 1). For 2003-2005 the total sick leave is above 5000 days although with a peak in 2004 already discussed. The change in total sick leave between 2005 and 2006 shows a decrease of 926 days, and the 2006 totals are 771 days less than those in 2003, and 1629 days less than those in 2004.

Table 1 Summary Data for UNE for 2003-2006

	2003	2004	2005	2006
Total Days	5080	5938	5235	4309
Value	\$1,002,864	\$1,216,859	\$1,046,422	\$889,585
Av Days PP	4.03	4.60	3.79	2.90

While it is not possible to determine the precise cause for this decline there are some potential explanations:

1. At the end of 2005 a new Vice-Chancellor was appointed and this signifies a change in leadership style. A number of staff have reported a sense of optimism regarding the future and subsequent possible changes since this appointment.
2. At the other end of the spectrum lies the uncertainty that any significant change brings and it is possible that staff have been more concerned about their job security and have not taken as much sick leave as a direct result of this concern. However, the counter argument to this

⁶ Professor Cary Cooper, Lancaster University, Interview on The Health Report, ABC Radio, 22 May 2006

would be that the increased stress created by job uncertainty could lead to higher levels of sick leave.

Without further investigation it would be difficult to know to what extent this decline in sick leave can be attributed to either of these possible causes, or if it is more a combination of them both.

Chart 2 Total Sick Leave 2003-2006 by Work Unit

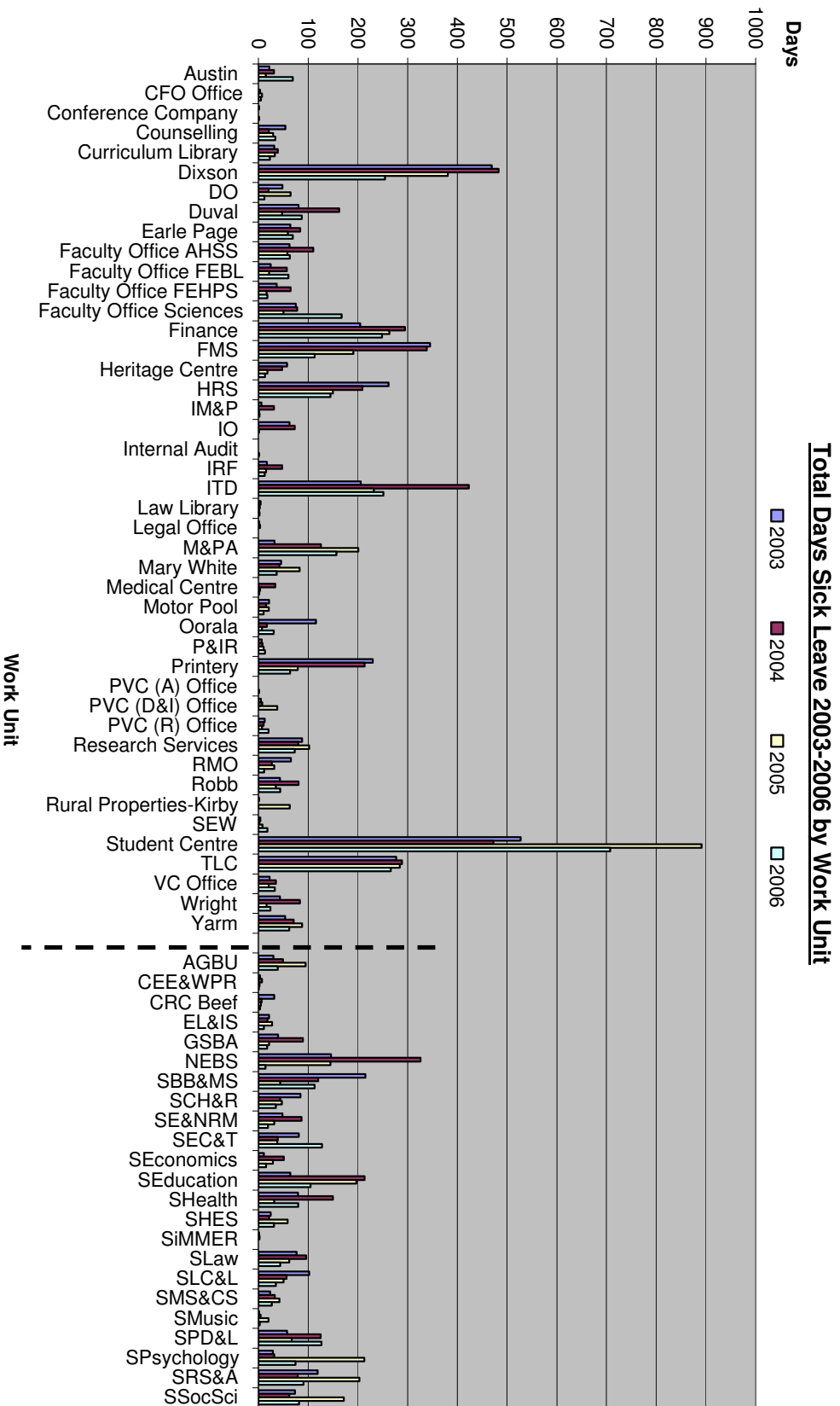


Chart 2 expands the data contained in the first chart and provides information regarding specific work units. The general staff work units are on the left of the X axis and the academic staff work units are on the right of the X axis (separated by the vertical dotted line). Total days sick leave tends to highlight the larger work units (for example Dixson Library, Finance, FMS, ITD, Student Centre and TLC) which is to be expected because they contain a larger percentage of the total UNE staff. A more relative comparison of average days per person per work unit is provided in the next chart.

Chart 3 shows a more even picture, and again the work units to the left of the X axis pertain to general staff and those to the right pertain to academic staff work units (separated by the vertical dotted line). Specific deviations from the mean can in most cases be explained by long term serious illness incidents for a few individual staff which skew the data up for that work unit. These cases are normally managed individually by the head of the work unit concerned in conjunction with staff in Human Resources. Some units with very few staff often show negligible sick leave (for example Internal Audit, Conference Company, SiMMER). Of note is that there are more general staff units that show average days per person greater than 5 days per year than academic staff units. Also it should be kept in mind that every academic staff unit also has general staff members. In most cases the higher than average sick leave days in academic work units relates to sick leave for a general staff member.

A conclusion that could be drawn for general staff is that overall job satisfaction levels are lower than for academic staff.

Charts for each year showing average sick leave days per person by work unit are provided in the appendix.

Of particular note is that the average day's sick leave per person in the Student Centre is close to or less than the UNE average in 2003, 2004 and 2006, although it does report a higher than average day's sick leave per person in 2005. The Student Centre staff experienced a difficult enrolment period in first semester 2005 when Callista first went online and the staff had to field many service complaints at that time. In addition the Student Centre staff faced not only the implementation of Callista but also the change to a centralised structure and business processes plus a physical relocation for most staff at the same time. As the Baumber Report⁷ found the result of these changes with less than adequate staff preparation put considerable stress on the staff and it is not surprising that staff from this work unit reported higher than average sick leave in 2005. However, this needs to be put in the context that many other work units reported much higher average sick leave days in the same period.

⁷ K. Baumber (2005) Student Centre Review

Chart 3 Average Days Sick Leave Per Person By Work Unit 2003-2006

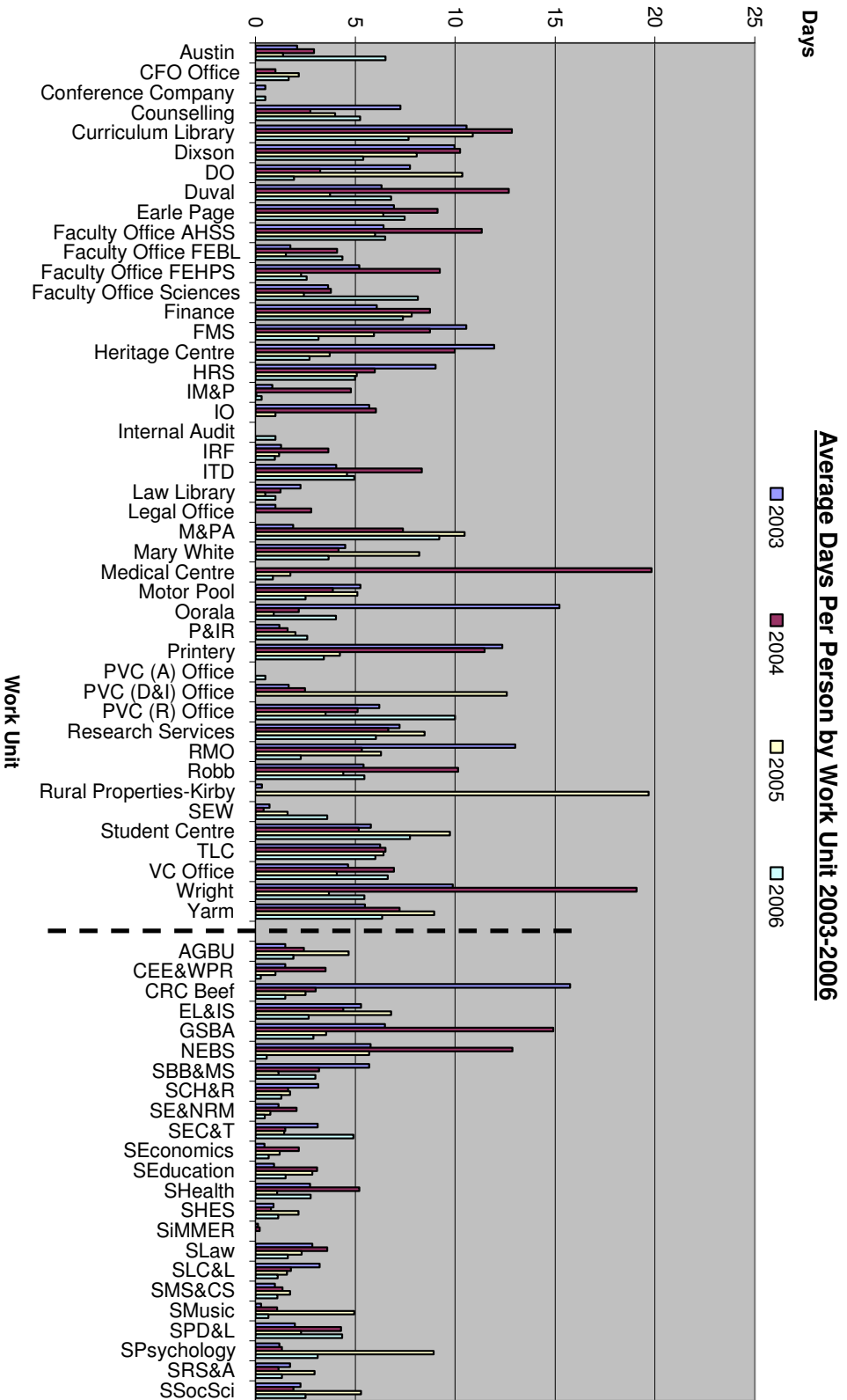


Chart 4 Total Days Sick Leave 2003-2006 by Key Portfolio Groups

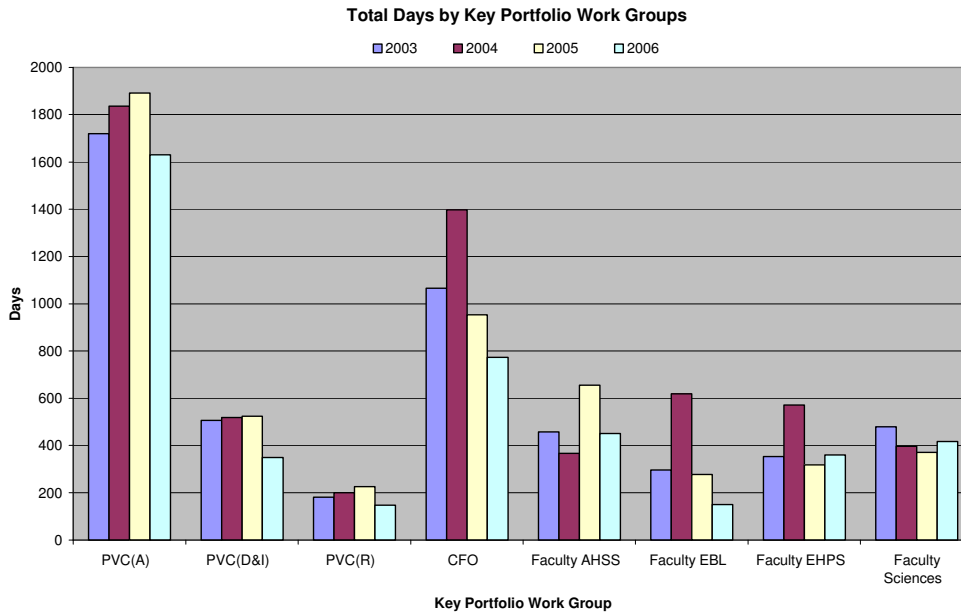


Chart 4 groups the UNE work units by key portfolio groups. Drilling down to the individual work groups (see Chart 5) shows the effect of large general staff work units on the overall picture. The PVC(A) and CFO portfolios, for example, both contain large general staff work units all of which have higher total sick leave than academic work units.

At this level of analysis it is not possible to determine if different leadership styles have an influence on job satisfaction, job performance and sick leave. The data when averaged (see Chart 6) shows a more even picture across the portfolios.

Chart 5 Total Sick Leave 2003-2006 by Work Unit Grouped in Key Portfolio Area

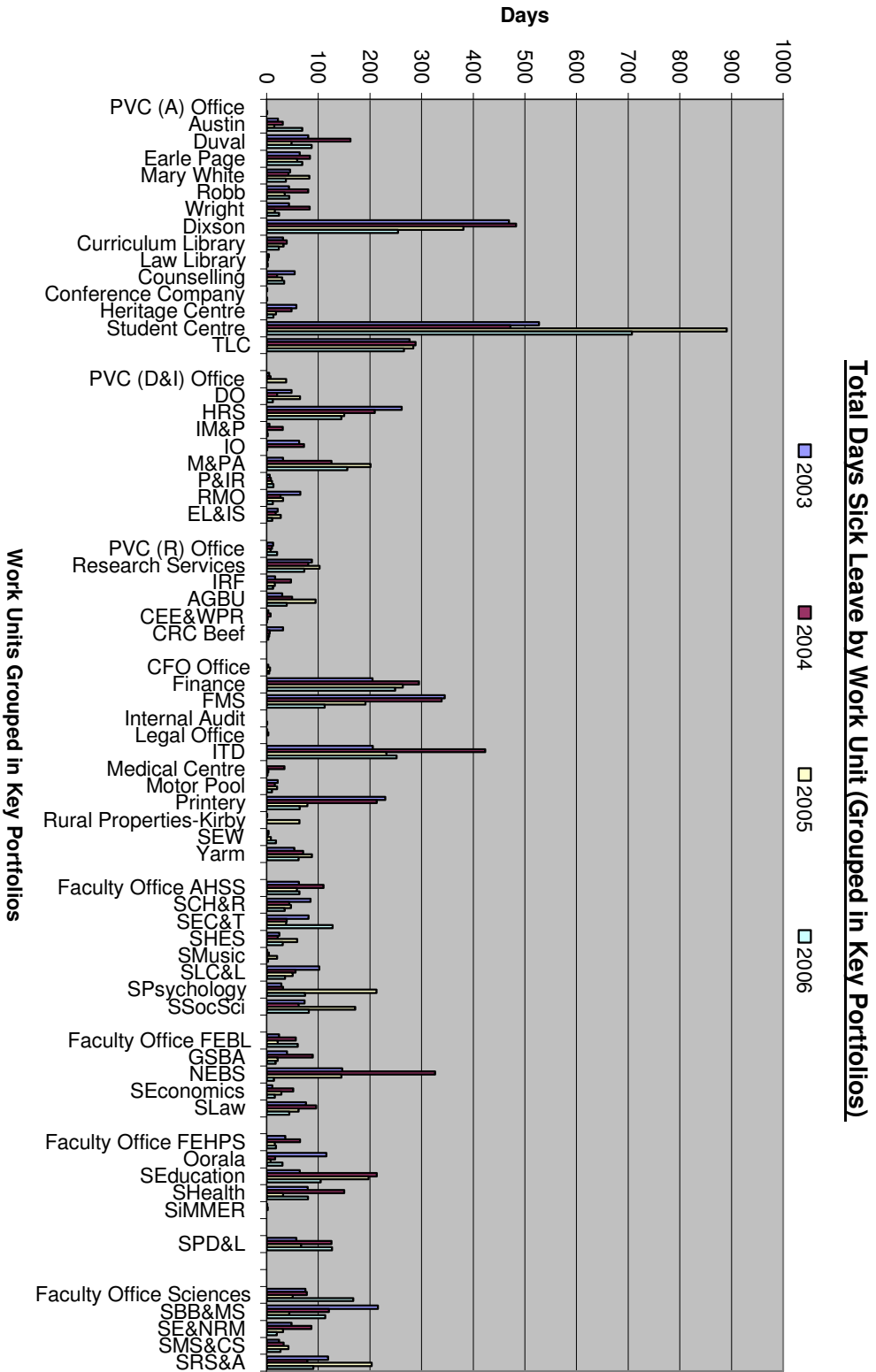
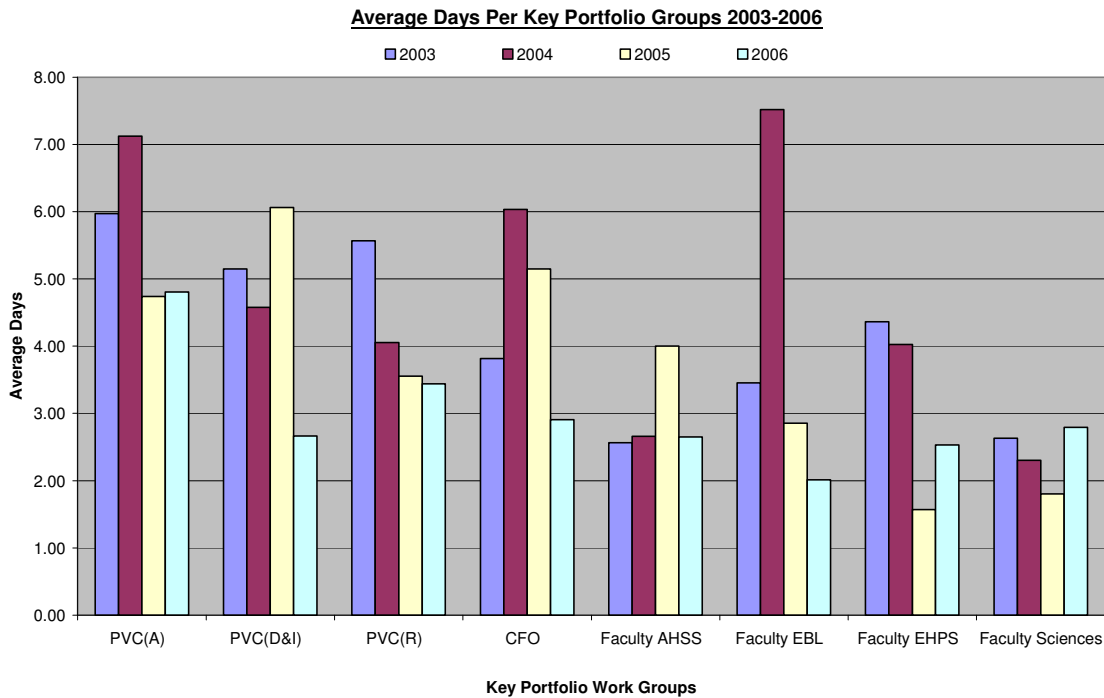


Chart 6 Average Sick Leave 2003-2006 by Key Portfolio Groups



NB: The 2004 peak in the Faculty of EBL relates to one staff member with a serious long term illness.

Conclusions and Recommendations

The overall trend in sick leave has shown a decrease from 2004. Whether this trend continues to a stable minimum level remains to be seen from the data collected in 2007. While the causes of this decrease are not conclusive two potential explanations are suggested, that:

1. A change in leadership style has created the significant decrease (in the order of 1000 days total sick leave and 1 day per person per year average sick leave) between 2005 and 2006.
2. Uncertainty about job security in the face of significant change has caused staff to be more concerned about their position and less inclined to take sick leave. A counter argument to this would be that the increased stress created by job uncertainty would have actually increased sick leave.

Recommendation 1: That further investigation is made to determine the causes of the trend towards decreasing sick leave.

In all years general staff report significantly higher levels of sick leave of between 4 and 6 days average sick leave per annum per staff member compared with academic staff who report between 1 and 3 days average sick leave per annum per staff member. While this in part may reflect slightly lower formal reporting of sick leave by academic staff, especially for individual sick leave

episodes of 3 days or less which do not require a medical certificate, overall it is feasible to conclude that general staff job satisfaction is lower than that for academic staff.

Recommendation 2: That further investigation is made to determine levels of job satisfaction as a probable link to sick leave for general staff, and to establish means for increasing job satisfaction. And further, that this is seen as a priority towards enabling UNE to achieve its strategic objectives of reducing costs while increasing productivity between 2007 and 2010.

Recommendation 3: That more detailed analysis of each work unit is done to establish the percentage of staff taking the majority of sick leave in each work unit. This would provide a more accurate indication of the average sick leave day's per person at UNE by removing the spikes created by individual long term illnesses.

Recommendation 4: That heads of units ensure that all sick leave for all staff is accurately reported.

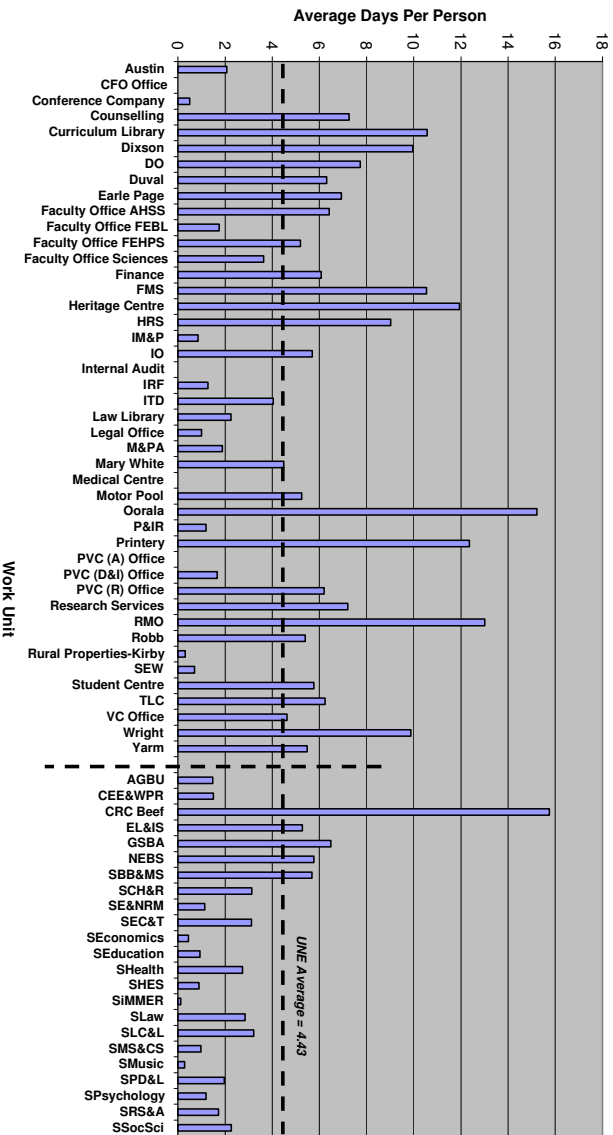
This analysis provides an interesting insight into the overall pattern of sick leave at UNE in that average days sick leave per person have been less than 6 days per person across the review period, and that total and average sick leave has decreased over this period. There are isolated cases of sick leave that are considerably more than the average but these can be attributed to long term serious illnesses. There are no obvious incidences of staff abusing the uncapped sick leave at UNE and in fact the vast majority of staff only appear to use sick leave when necessary. More effective management practices could be put into place to manage those incidents of sick leave that could possibly be an abuse of the system. There is no firm evidence in this analysis to support the notion that staff at UNE have abused the uncapped sick leave provisions.

Recommendation 5: That further analysis is made to discover the reasons behind all incidences of higher than average sick leave taken per person.

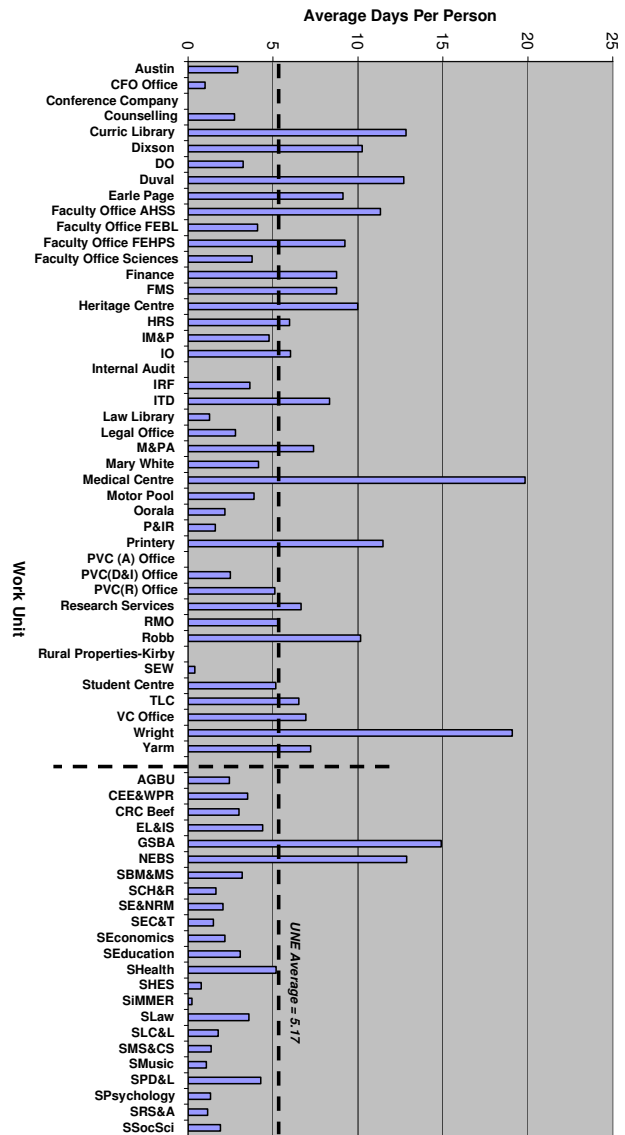
Recommendation 6: That uncapped sick leave remain as a staff benefit at UNE. Given that this is a significant perceived benefit and that this analysis shows no obvious abuse, there would be no benefit in removing this provision from the benefits for staff at UNE. There could be a commensurate negative impact on staff morale by removing this provision.

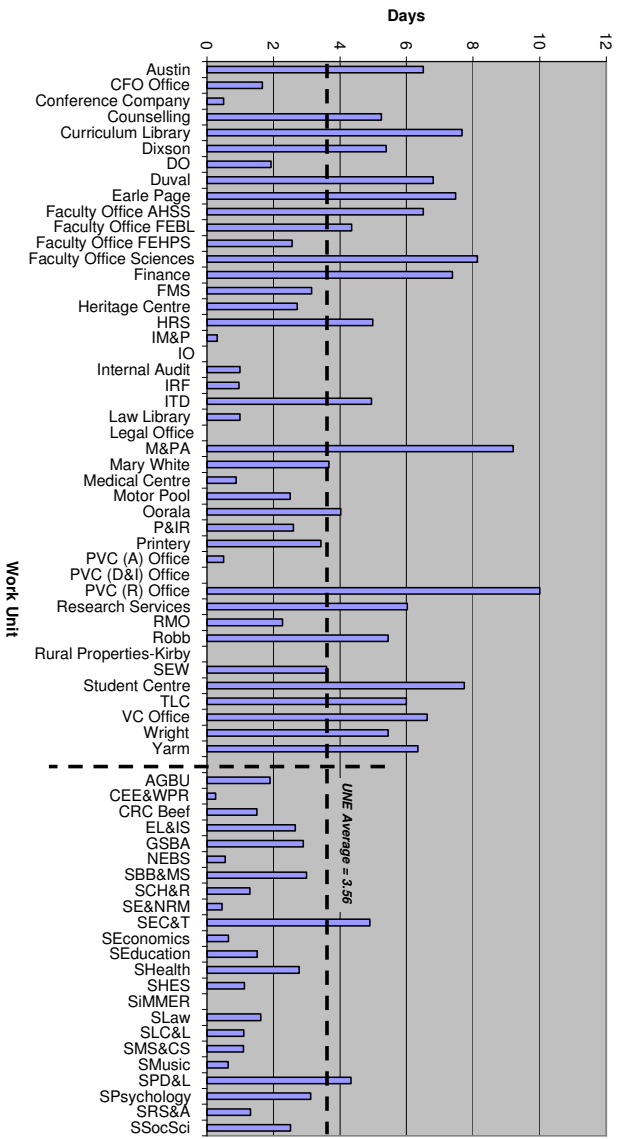
Recommendation 7: To counter the few cases where uncapped sick leave might be abused better individual performance management practices should be put into place.

Appendix – Charts Showing Average Sick Leave by Year

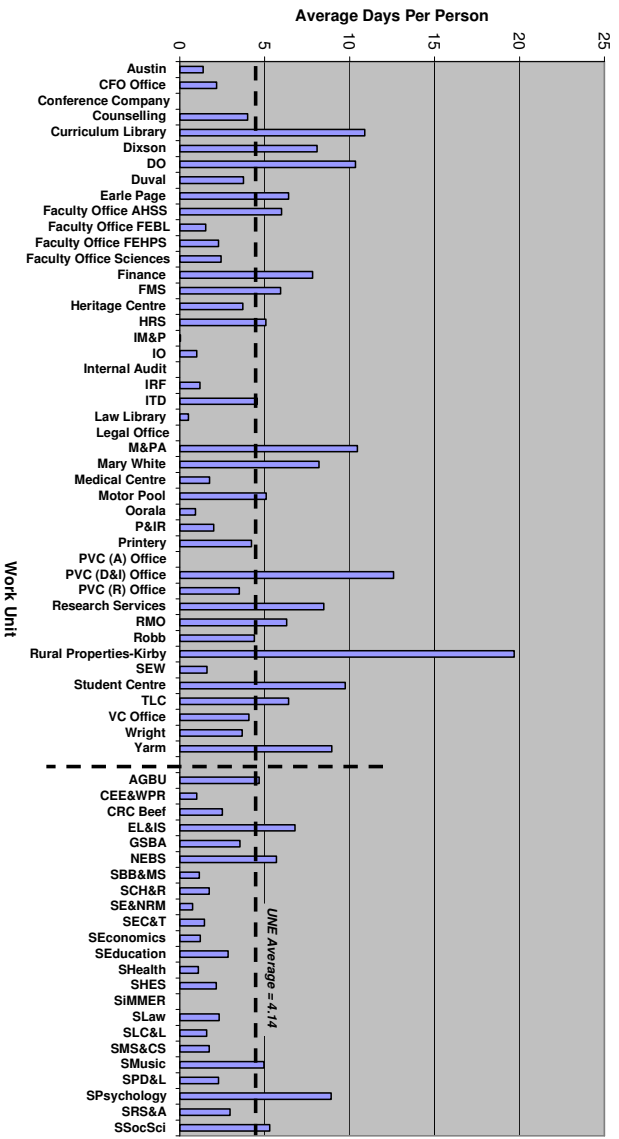


Average Sick Leave Days per Person by Work Unit 2004





Average Days Sick Leave per Person by Work Unit 2006



Average Sick Leave Days per Person by Work Unit 2005