

# **City Of Hamilton Employee Attendance for 2013**

Audit Finance & Administration Committee, May 12, 2014

# Agenda

- Introduction
- Short Term Disability (STD) Definitions
- Business Intelligence (BI) Solution
- Short Term Disability Analysis
- Councillor Questions
- Management Action Plan

## What We Now Know about STD Absence in 2013

- 20% of staff account for nearly 80% of total STD absence
- The majority of employees had an **average of 3.38 Incidental** paid sick days
- Other types of STD absences should be measured, reported and managed separately with appropriate strategies for each
- Return to Work Services staff has demonstrated a return on investment by bringing employees back to work sooner

# City's Categories of Absenteeism

Employee Absenteeism Defined: “unplanned work absence due to illness, injury, personal reasons, or failing to come to work”

**STD - Short Term  
Disability  
(<1 – 130 days)**

**LTD – Long Term  
Disability  
(> 130 days)**

**Worker's Compensation (WSIB)  
- absences due to occupational injuries or disease**

# Short Term Disability Benefit Plans

## **IPP / Income Protection Plan:**

- Covers majority (85%) of our eligible employees
- Provides income protection for 130 days of short term disability
- Employees are provided a mix of 100% and 66.6% income protection based on years of service

## **Sick Bank Plan:**

- Provided to HPFFA Local 288
- Covers 10% of eligible employees
- Employees accumulate 1.5 days of sick bank coverage for each month of work

## **Crossing Guards**

- Some of these employees still have sick bank coverage from a previous plan
- No longer accumulating sick bank credits

# Different Types of Short Term Disability Absences

## **Incidental Sick Absence:**

- single absences of **less than 6 days** for IPP employee
- single absence of less than or equal to 24 hrs for sick bank employee
- Examples may include: flu, common cold, gastro-intestinal illness, migraines.

## **Significant Sick Absence:**

- single absences of **6 to 130 days** in length for IPP employee
- single absence that lasts more than 24 hours for Sick Bank employee
- Examples: cardiovascular, cancers, surgeries, mental illness, fractures
- medical documentation is required
- managed by Return to Work Services staff

## **Modified Sick Absence:**

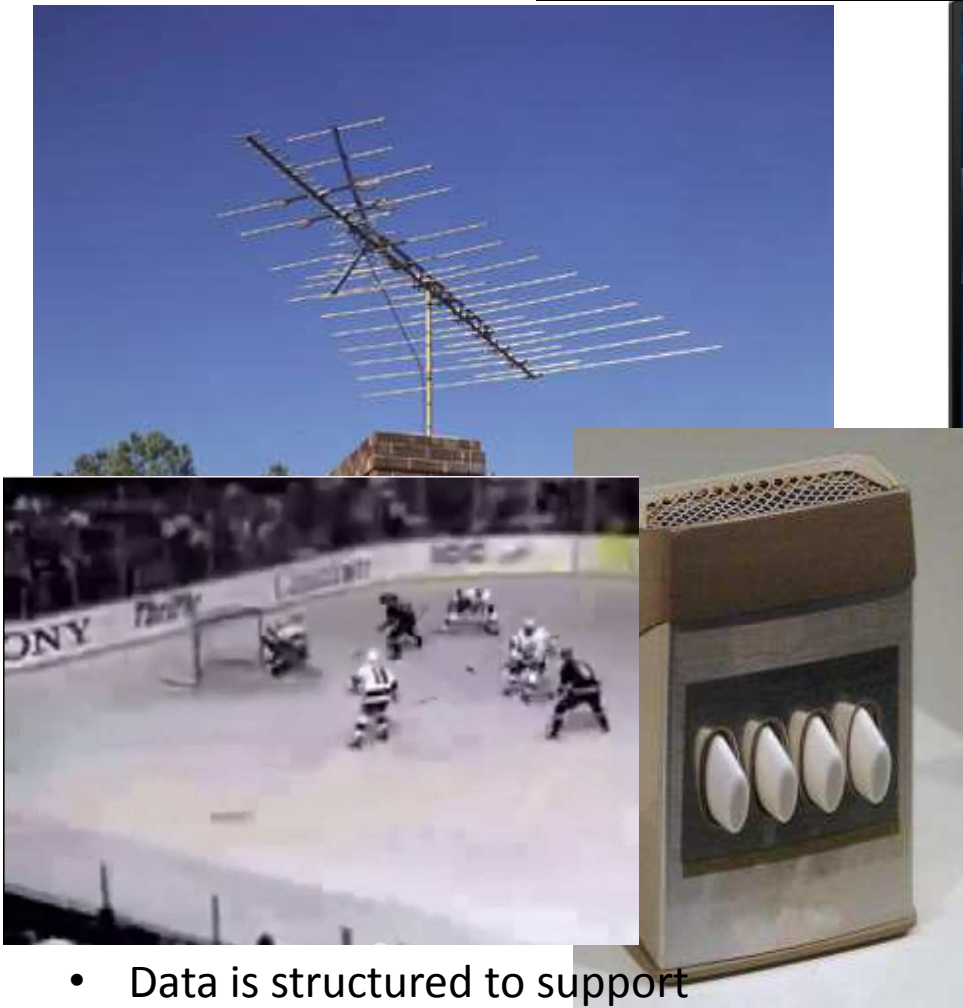
- single absence that is part of an employee's return to work plan

## **Maternity Related Sick Absence:**

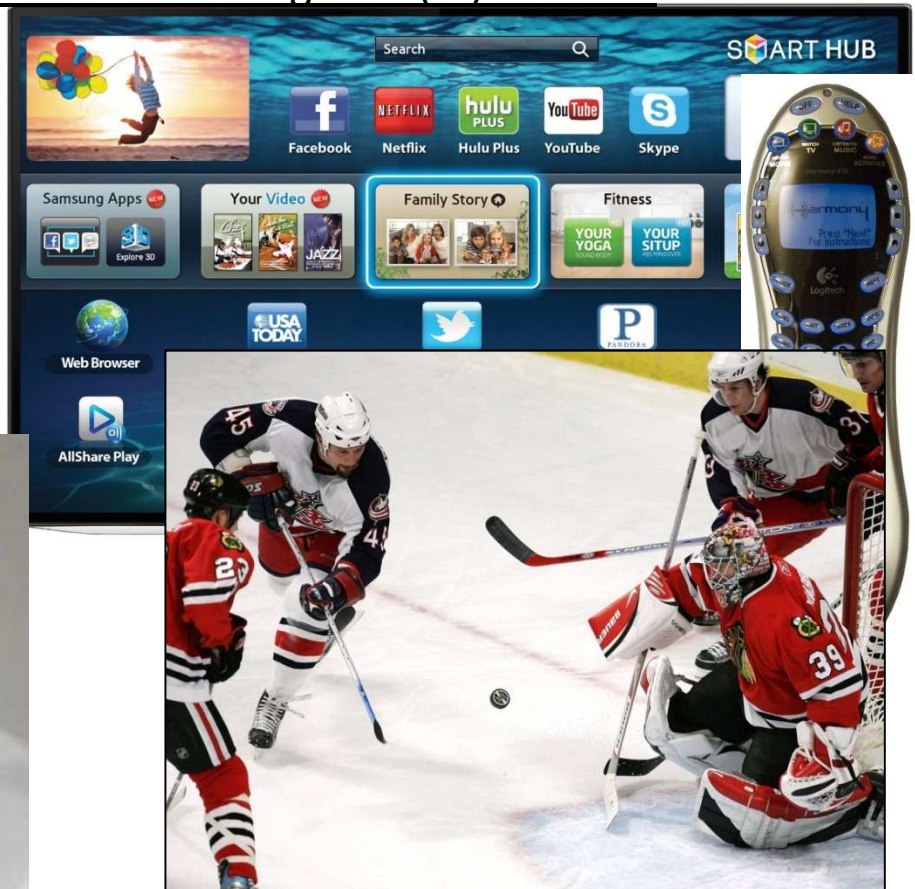
- sick absence related directly to pregnancy including post-delivery recovery

# Business Intelligence (BI) Solution

## Legacy Reporting vs. Business Intelligence (BI) Solution



- Data is structured to support input/output & minimize storage.
- Reporting was done once each quarter.
- Retroactive Reporting.



- Restructure data in multi dimensional models to support analytics
- Data is updated each night and available to managers in self service reports the following morning.
- Proactive Strategies.



# New Reporting Capabilities with HR Business Intelligence Tool

Year	↓Y Paid Sick Hours	Distinct Sick Employee Headcount	Number of Absence Occurrences	Sick Cost
2013	390,245	3,899	13,167	\$12,307,940.58
⊕ Department B	7,266	73	238	\$ 220,442.33
⊖ Department C	8,337	116	356	\$ 299,106.78
⊖ Division 10	3,049	32	131	\$ 78,937.42
⊖ Section 133	109	5	12	\$ 3,990.66
⊕ Employee A	44	1	5	\$ 1,554.06
⊖ Employee B	21	1	2	\$ 827.01
⊖ 1/31/2013	14	1	1	\$ 551.34
January	7	1	1	\$ 275.67
February	7	1	0	\$ 275.67
⊖ 2/25/2013	7	1	1	\$ 275.67
February	7	1	1	\$ 275.67
⊕ Employee C	21	1	2	\$ 759.61
⊕ Employee D	16	1	2	\$ 604.63
⊕ Employee E	7	1	1	\$ 245.35
⊕ Section 186	1,730	20	41	\$ 46,408.53
⊕ Section 188	1,109	4	72	\$ 23,959.74
⊕ Section 6	14	1	1	\$ 1,037.61
⊕ Section 86	87	2	5	\$ 3,540.88
⊕ Division 13	51	2	3	\$ 2,023.45
⊕ Division 3	518	5	9	\$ 14,144.96
⊕ Division 87	2,336	39	120	\$ 91,245.11
⊕ Division 98	2,383	38	93	\$ 112,755.84

# New Reporting Capabilities with HR Business Intelligence Tool

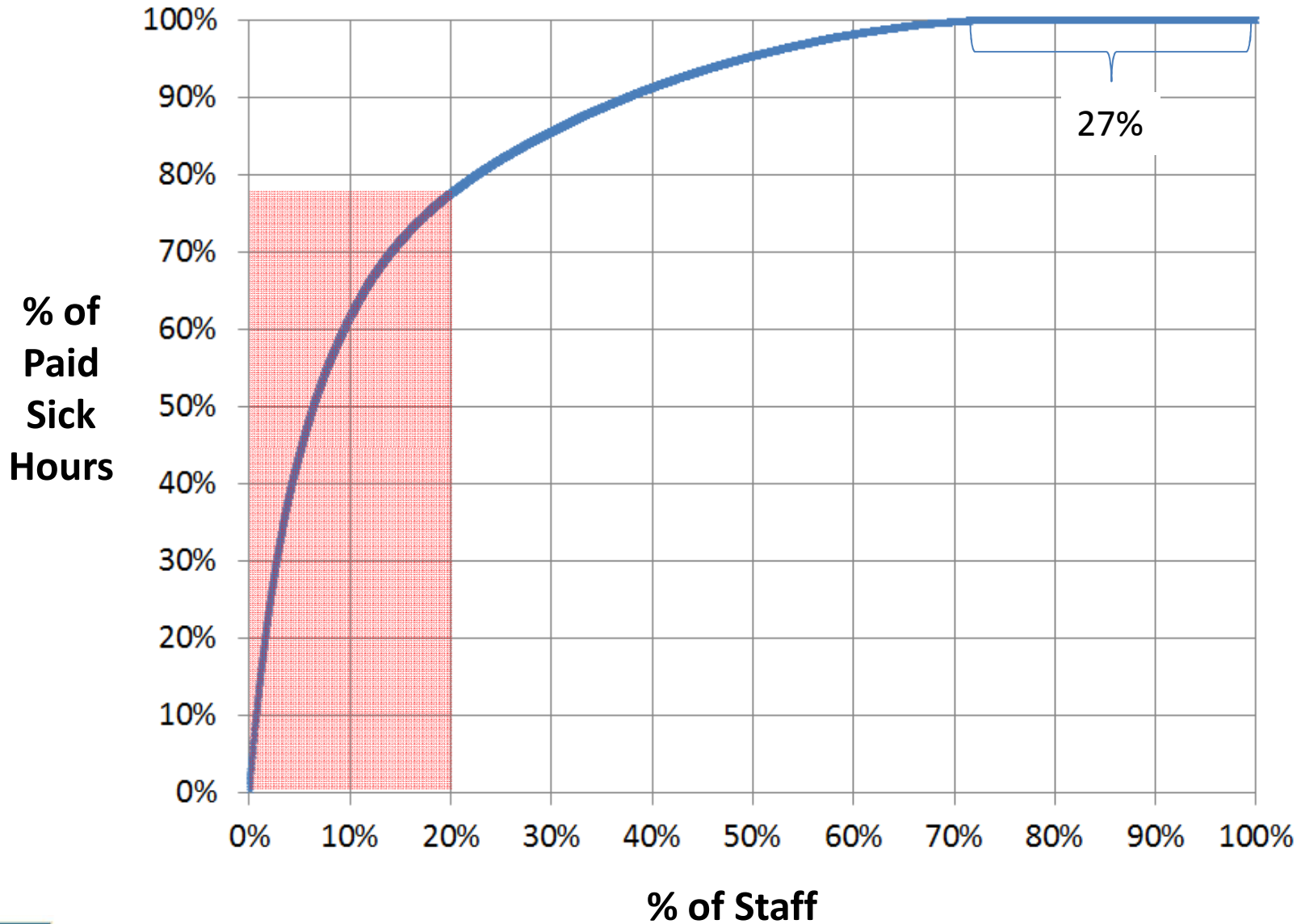
Fake Employee ID	Paid Shifts Per Year						
	2013	2012	2011	2010	2009	2008	2007
Employee A	3	5	4	5	5	2	2
Employee B							
Employee C	2	7.76	4	2	2		2
Employee D	9	10.33	12	13	8	11	9
Employee E		2	5			3	

# Technology Improvements for STD Management

- B.I. tools and techniques have lead to new understanding about absence management
- Enables a targeted response to specific absence situations
- Enables us to provide reports directly to management for more timely and appropriate response with their employees
- Enables us to respond better to queries from management, unions and Council

# Short Term Disability Analysis

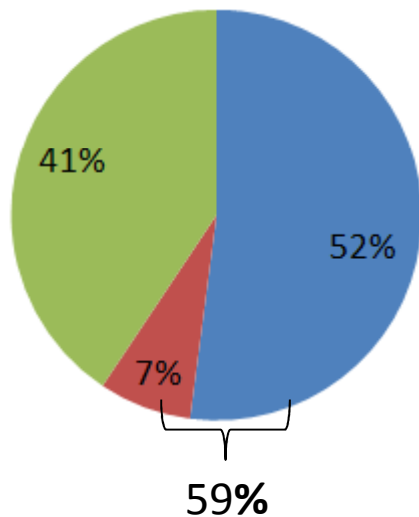
## 2013 Short Term Disability Pareto Chart



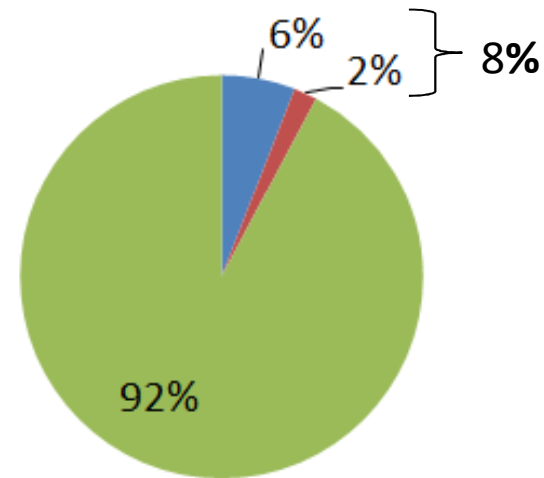
## Significant Sick Absences – IPP and Sick Bank

- In 2013 **Significant** Sick Absence accounted for 59% of all STD paid sick hours, but only 8% of all sick occurrences.

Paid Sick Hours



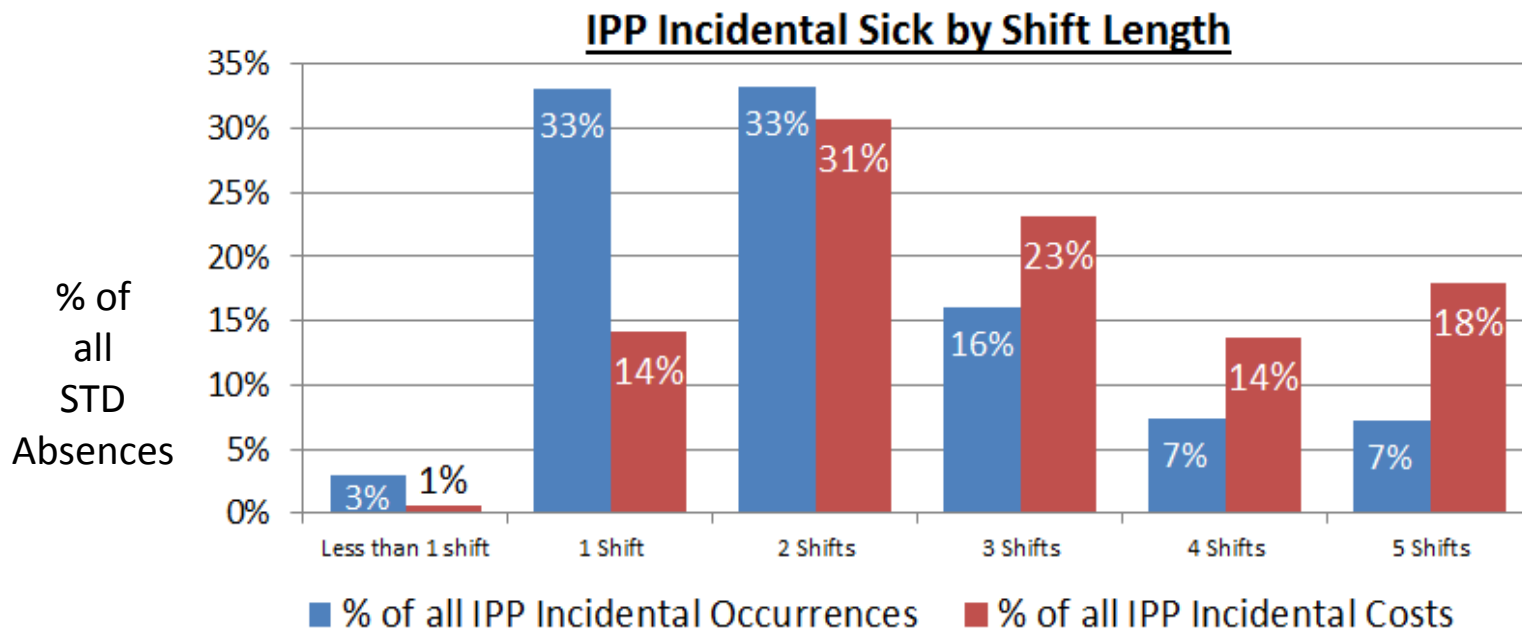
Number of Absence Occurrences



- IPP - Significant Sick Absences
- Sick Bank - Significant Sick Absences
- All other STD sick absences

## IPP Incidental Sick Absences (less than 6 days)

- The majority of our eligible employees fall in this category
- Eligible employees had an average of **3.38 Incidental** paid sick days in 2013, at a cost of \$3.4 million
- 3,017 eligible employees who called in sick had incidental absences (majority were 1 or 2 days in length)



## IPP Significant Sick Absences (6 – 130 days)

- 724 employees who called in sick had significant absences
  - Represents 17% of eligible employees
  - Had an average of 40.09 significant paid sick days
  - \$5.8 million in sick cost
  - Average employee age per paid sick hour – 51 years (average eligible employee age is 47.4 years)



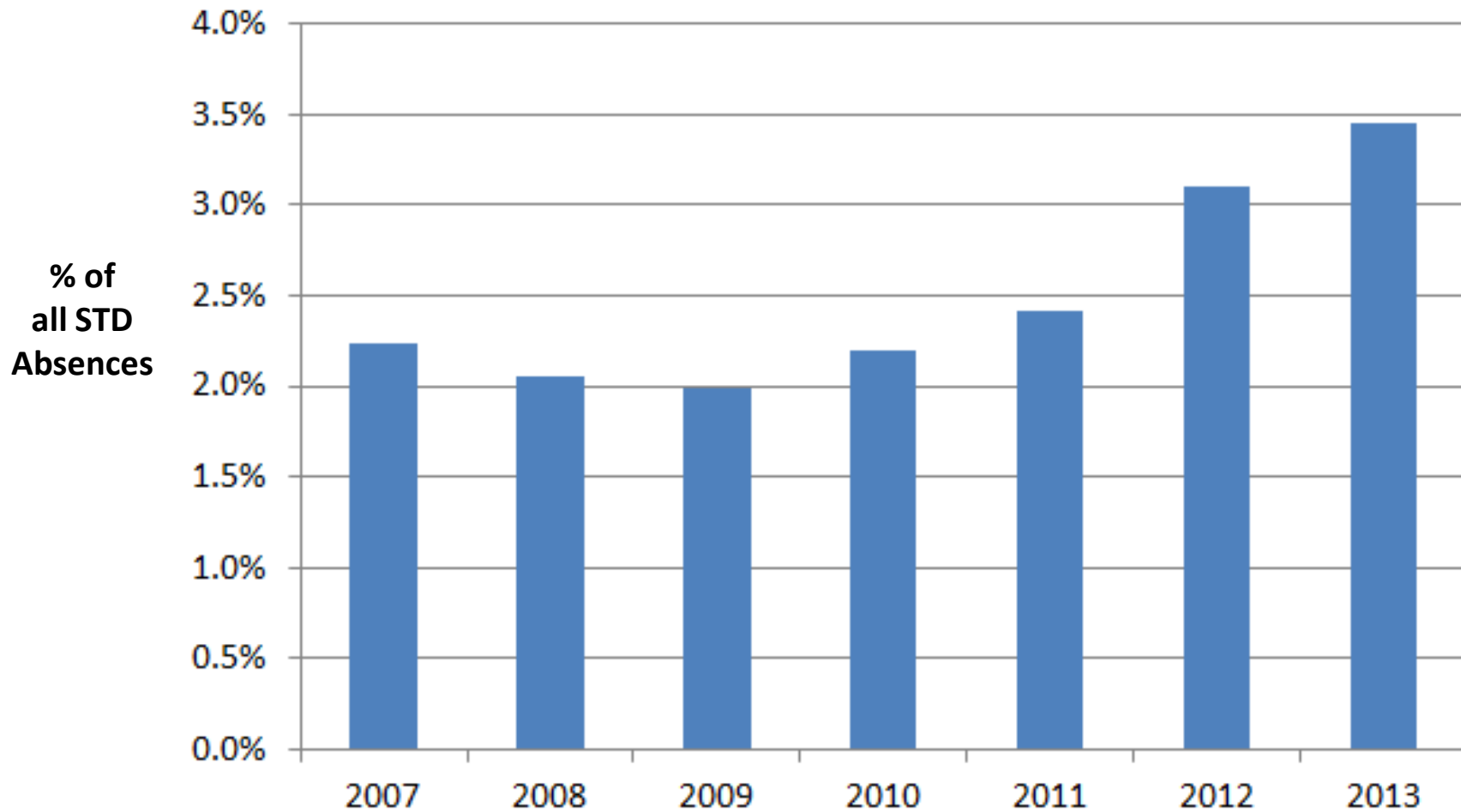
## IPP Maternity Related Sick Absences

- ***Maternity related sick*** absences represent a cost of \$482,251 or 4% of all paid sick hours.

Average Eligible Employee (EE) Head count	Average Employee Age	Paid Sick Days* Per Eligible Employee	Sick Cost	Number of EEs Who Called in Sick	Paid Calculated Sick Days Per Sick Employees Only	Average Employee Age Per Paid Sick Hour
4,355	47.4	0.53	\$ 482,251	65	35.29	33.9

# IPP Modified Sick Absence Trends

- Return to Work Staff have increased the percentage of modified sick time in the past three years.



# Previous Questions from Council

## Question 1:

- Is the Sick Bank model cheaper and does it result in less sick time?

## Question 2:

- Is it possible to identify and understand the small “core group” of employees that are contributing to absenteeism at higher rates?

## Question 3:

- Should we change when a medical note is required from employees?

# Is the Sick Bank model cheaper and does it result in less sick time?

Answer: No

- The majority of City employees (4,325) have an IPP
- HPFFA Local 288 Fire employees (523) have a Sick Bank Plan
- Total STD Cost per IPP Employee is \$2,107
- Total STD Cost per HPFFA Local 288 Fire is \$4,306
- 28% of IPP Employees had no Paid STD in 2013
- 17% of HPFFA Local 288 Fire had no Paid STD in 2013
- Due to cost of Sick Bank Plans and financial liability incurred with payouts when employees resign/retire, most organizations are moving away from these plans

## **Is it possible to identify and understand the small “core group” of employees that are contributing to absenteeism at higher rates?**

Answer: Yes

- As demonstrated by BI Solution, we can identify top 10 – 20% who are contributing to highest rate of absenteeism
- We can do analysis over 3+ years to identify employees who consistently have high incidental absenteeism or specific patterns
- HR has identified for General Managers those employees who have taken an average of 9 or more incidental days over last 3 years for appropriate follow up

## Should we change when a medical note is required from employees?

- Not a simple answer
- After 5 days, a medical claim form is required
- Majority of IPP Incidental Absences (69%) are 2 days or less in length; 85% are 3 days or less
- We can identify employees with history of high incidental absences and ask for medical claim form from first day of absence
- Caution against implementing corporate-wide policy or collective agreement changes to address issues with individual employees
  - Consider the impact on employee morale

# Management Action Plan Strategies That are Working

1. Human Resources Business Intelligence Tool (HRBIT)
  - Provides improved accuracy, precision, and capability that was not available prior to 2014
  - Provides tool for management to better manage employee absences and support employee needs
  - Provides new capability and insights for “people analytics”
2. Return to Work Services staff focus on modified work
  - 70% increase in modified work hours over last 3 years; equates to an increase in productive time at work.

# Management Action Plan Strategies That are Working

3. Attendance Support Program (ASP)
  - Identifies and assists employees that are having difficulty with regular attendance at work
  - Has a positive correlation with employee attendance
  - Human Resources continues to make refinements to ASP to improve program effectiveness
  
4. Training Supervisors and Managers
  - IPP Incidental absenteeism was lower in 2012 and 2013
  
5. Employee Wellness Program
  - Employees are accessing: EFAP services; on-demand learning resources; influenza immunization; health screening; mental health training; wellness activity social networking and tracking



# Management Action Plan - 2014

## Management:

- Continue to communicate attendance expectations, roles and supports available
- Review HRBI attendance reports; where appropriate establish action plans
- Follow up on employee lists and 'hot spots' provided by HR
- Set performance objectives in 2014 that demonstrate effective management of attendance
- Align healthy workplace with corporate culture work plan
- Develop comprehensive musculoskeletal disorder prevention strategy

# Management Action Plan - 2014

## Human Resources:

- Identify employees who consistently approach levels of poor attendance/have patterned absenteeism for management action
- Provide reports with divisional analysis identifying hot spots for management follow up
- Continue training on managing sick, WSIB and culpable absences, focus on impact supervisors can have on incidental absences, when to ask for medical claim form
- Identify sick absences related to chronic & episodic conditions for OHN follow up and support to allow management more time to manage incidental & other absences
- Roll out first phase of HR Business Intelligence Self-Serve, with support of I.T.

# Management Action Plan – 2014 +

## Human Resources:

- With assistance of Finance staff, use HRBIT to estimate additional costs related to overtime and replacement workers that are associated with employee absences
- In collaboration with Public Health Services, share data on community outbreaks and City sick absences to identify correlations and plan for mitigation of future outbreaks

## In Summary

- 20% of staff account for nearly 80% of total STD absence
- Majority had an **average of 3.38 Incidental** paid sick days
- Need to focus on incidental absenteeism, absenteeism patterns, and areas of unexpected high absenteeism
- Providing management with self service HR BI reporting enables more timely attendance management
- Return to Work staff is managing significant sick absences with demonstrated improved performance over last 3 years
- Will continue to evolve our HR BI solution to deliver value in absence management strategies
- Future reports will separate IPP and Sick Bank; and measure incidental, significant and modified sick absences.