

Some critics argue that Royal Mail has turned absence management into a gameshow, but postal staff have certainly 'come on down' to work in their thousands, saving the organisation about £80 million in a year

# THE PRICE IS RIGHT

BY JULIE GRIFFITHS

**N**ot many absence management policies have hit the headlines in the UK's tabloid newspapers. Royal Mail's policy did. It even received coverage in the *Turkistan Times*, so it was clearly no ordinary absence management policy. The "Be in to win" incentive campaign rewarded postal workers who clocked up 100 per cent attendance over a six-month period with £150 in holiday vouchers and the chance to win one of 37 cars and 75 holiday vouchers worth £2,000 each in a prize draw.

At first, there was outrage that staff were being offered prizes simply for turning up to do their jobs, but Jon Allen, Royal Mail's head of employee relations, wouldn't hesitate to do it again. "In the past, people would roll their eyes or get defensive when we talked about absence, but this campaign allowed us to have a serious conversation in a fun way," he says. "We started talking about prizes and thought: instead of small and modest, let's make a big statement."

The scheme may have the feel of a gameshow about it, but the broader

campaign, "From absence to attendance", launched last May, has a serious aim: to reduce the level of sickness absence and the crippling costs associated with it.

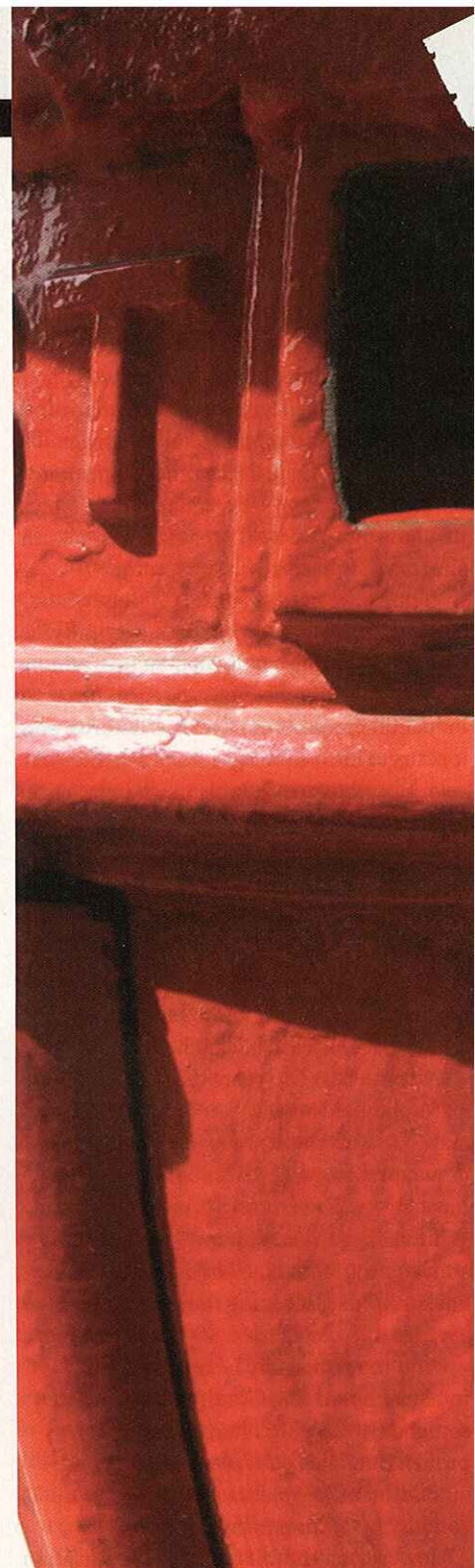
Before the project started, nearly 11,000 postal workers were off work every day. Employees would take sick leave without speaking to their line manager and they could be gone for months without any contact with Royal Mail. The estimated annual cost of all this was £350 million.

"People would simply phone up and say they weren't coming in, and that would be it," Allen recalls. "It couldn't have got any worse."

The "Be in to win" campaign swiftly brought about improvements. Around 2,000 more postal workers are now turning up for work each day and the level of unplanned absence has fallen from 7 per cent to 5.1 per cent. In the first year of the scheme, Royal Mail has saved about £80 million.

So how did it achieve such a dramatic change, particularly against a backdrop of poor employment relations?

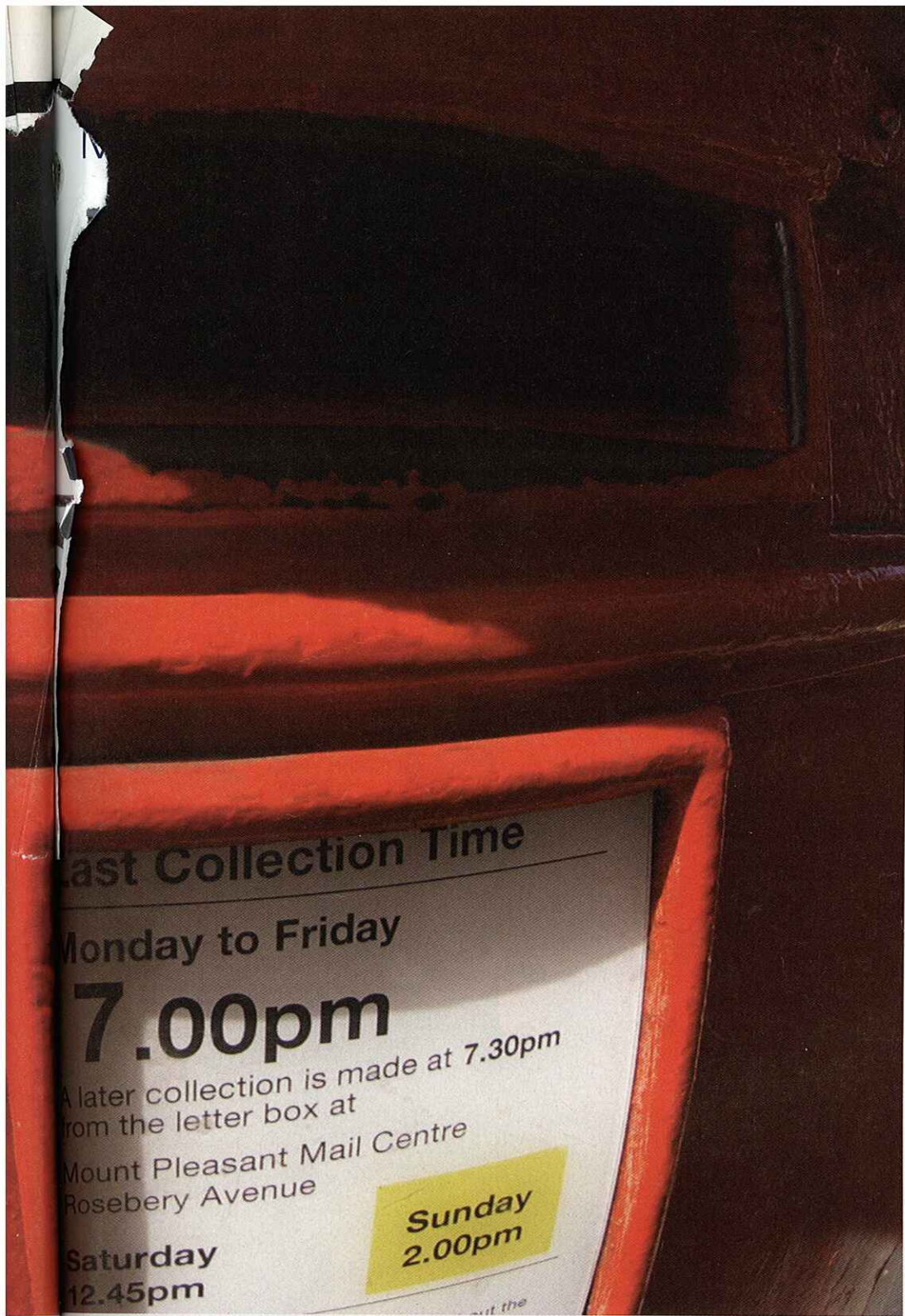
Royal Mail's chief executive, Adam Crozier, set up a project team, which quickly discovered that the high levels of absence were symptomatic of wider cultural



problems – and that the biggest problems were the capabilities and attitudes of managers. The first phase of the campaign therefore involved ensuring that all managers understood that attendance was one of their responsibilities, and that tackling the problem would benefit them.

"It was the old 'what's in it for me?' attitude," says Tammy Tansley, employee relations manager. "We had to convince managers that, if they managed absence properly, the payback would be significant over time."

But it was equally important for Royal Mail to help the managers solve these problems. As Tansley says: "Most



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line managers want to do the right thing and, given the right support and tools, they'll make a go of it.”

Royal Mail introduced a simpler attendance procedure so that managers and staff understood what was expected of them. For example, the project team developed a strategy that established standards governing the minimum level of contact between employee and manager during illness, case management, rehabilitation and return-to-work interviews. To ensure that managers continue to take the issue seriously, it has been included in their yearly objectives. Unplanned absences are also charted on weekly league tables.

## DELIVERING PRESENCE

Henry Aitchison, a delivery office manager in Perth, central Scotland, says absence used to be a major problem among his staff of 155.

At one point last year, the proportion of people absent from work averaged 6.42 per cent. This was in spite of a pay deal that rewarded attendance. If the office stayed within a set budget for four continuous weeks, the workers' pay would increase by £300 for that period, but all the unplanned absences meant that overtime payments were pushing the operation over budget.

The office communicated Royal Mail's new attendance standards to employees in small groups so that any queries could be raised. It then adhered to these standards consistently. A small number of workers were dismissed because of persistent absenteeism, and the absence rate soon dropped to 2.5 per cent. Within weeks, the office had met its target and staff received the first payment from the pay deal.

Now if a worker is absent, they receive a letter from Aitchison the same day, asking them to keep in touch and if Royal Mail can help them in any way.

Unfortunately, no one from Perth has won a car or holiday vouchers from the "Be in to win" scheme, but, says Aitchison, "we're talking to the trade unions about ways of awarding performance locally".

And each of the 160,000 employees has been "tagged" to a manager who has responsibility for managing their attendance, even though they may work together for only part of a shift.

Managers have also been helped with the people skills needed to deal with absence management. Second-line managers have been trained in coaching skills and all 13,000 managers have received basic attendance management training. Royal Mail has also produced a best-practice guide and an interactive online absence-tracking tool.

Phase two of the campaign is about to start. It will introduce more management development and new dispute-resolution processes, setting up an "attendance academy" of internal and external experts.

Tansley acknowledges that there will be challenges ahead as Royal Mail tackles core problems in the organisation, but she remains optimistic. "If you put your energy and creativity into something," she says, "you can really make a difference." ■