

## Chapter 38

# Saskatchewan Gaming Corporation—Minimizing Employee Absenteeism

### 1.0 MAIN POINTS

Common to the service and casino industries, the Saskatchewan Gaming Corporation (SaskGaming) has challenges with employee absenteeism (e.g., shift work, direct contact with customers, handling cash). By August 2019, SaskGaming implemented the three recommendations we made in 2017 related to managing employee absenteeism.

SaskGaming takes addressing reasons for employee absenteeism seriously. In 2018–19, SaskGaming performed an organization-wide analysis of employee attendance patterns and trends to identify root causes of absenteeism, and confirmed its attendance management strategies focus resources in the right areas. As a result, it revisited and updated its support programs and strategies to better address those root causes. In addition, SaskGaming gave its managers additional guidance and support in analyzing patterns and trends in staff absences, and tools to address them.

In 2018–19, SaskGaming's employee absenteeism rate was 6%. It continues to actively work toward a long-term employee absenteeism target of 5%.<sup>1</sup>

### 2.0 INTRODUCTION

SaskGaming operates two casinos (one in Regina, and another in Moose Jaw) under *The Saskatchewan Gaming Corporation Act*. At August 2019, it employed staff in 584 full-time equivalent positions.<sup>2</sup>

This chapter is our first follow-up audit of management's actions on the three recommendations we made in 2017.

Our *2017 Report – Volume 2*, Chapter 26, concluded that, for the period from August 1, 2016 to July 31, 2017, SaskGaming had effective processes to minimize employee absenteeism other than the areas reflected in our three recommendations.<sup>3</sup>

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate SaskGaming's progress toward meeting our recommendations, we used the relevant criteria from the original audit. SaskGaming's management agreed with the criteria in the original audit.

<sup>1</sup> *SaskGaming 2018–19 Annual Report*, pp. 23 and 83.

<sup>2</sup> SaskGaming's human resources records.

<sup>3</sup> Read the original report regarding these recommendations at [www.auditor.sk.ca/publications/public-reports](http://www.auditor.sk.ca/publications/public-reports). We reported the original audit work in *2017 Report – Volume 2*, Chapter 26, pp. 193–206.

[auditor.sk.ca/pub/publications/public\\_reports/2017/Volume\\_2/CH%2026\\_SaskGaming\\_Absenteeism.pdf](http://auditor.sk.ca/pub/publications/public_reports/2017/Volume_2/CH%2026_SaskGaming_Absenteeism.pdf) (24 August 2019)



We examined SaskGaming's absenteeism policies, guidance, and reports. We also reviewed select attendance files and interviewed staff responsible for managing employee absenteeism.

## 3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Crown and Central Agencies agreed to the recommendation, the status of the recommendation on August 23, 2019, and SaskGaming's actions up to that date.

### 3.1 Clear Guidance Provided

***We recommended the Saskatchewan Gaming Corporation provide its staff with clear guidance for documenting the reasons for not referring eligible employees to attendance management programming.*** (2017 Report – Volume 2, p. 201, Recommendation 1; Crown and Central Agencies Committee agreement September 10, 2018)

**Status**—Implemented

In May 2018, SaskGaming updated its *Attendance Support Policy* to require managers to document reasons for not referring employees with high absenteeism rates to attendance support programs. The policy also required its Human Resources staff to review the decisions and provide support to the managers.

SaskGaming sufficiently communicated the policy changes to its employees. It made the updated policy readily available to all staff through its employee intranet. The two managers we interviewed advised us that Human Resources provided support in applying the policy.

For the six employees' attendance files we tested, SaskGaming maintained adequate documentation of its decisions not to refer the employees to attendance support programs; Human Resources staff centrally tracked these reasons.

Having clear guidance reduces the risk of not providing employees with timely support to help minimize their absenteeism.

### 3.2 Guidance Provided for Analysis of Absenteeism Trends and Patterns

***We recommended the Saskatchewan Gaming Corporation develop guidance to help managers analyze absenteeism trends and patterns of their employees.*** (2017 Report – Volume 2, p. 203, Recommendation 2; Crown and Central Agencies Committee agreement September 10, 2018)

**Status**—Implemented

Since 2017, SaskGaming updated its IT systems and used its Human Resources staff to support its managers in analyzing absenteeism trends and patterns. In addition, it drafted changes to its policies to formalize additional guidance.

In 2018, SaskGaming added additional time entry codes in its payroll IT system allowing managers and Human Resources staff to better track employee absenteeism.<sup>4</sup> This additional information helps them to analyze trends and patterns in employee absences.

Human Resources staff and managers manually compare employee absences to employee work schedules to assess whether a pattern or trend emerges. To confirm the trend or pattern, the manager typically meets with the employee. To reduce time spent on manual comparisons, SaskGaming updated its payroll IT system in 2018–19 to electronically compare time entered in that system to time expected per the scheduling system and report any identified patterned absences. SaskGaming expects to implement this reporting process fully in early 2020 after piloting it in 2019.

In 2019, SaskGaming updated its *Attendance Support Policy* and *Sick Leave Policy* to formalize the additional guidance Human Resources staff share with managers for assessing absenteeism trends and patterns. For example, the policies require consideration of the number of incidents and the length of absence, as well as patterns such as absences on a particular day of the week, before or after a statutory holiday or scheduled vacation, or related to declined vacation dates. Management advised us it expects formal approval for the updated policies in fall 2019.

Trend and pattern analysis for two departments we reviewed considered the types of absence concerns management described to us during interviews, and as expected by the draft 2019 policies.

Adequate guidance for analyzing absenteeism trends and patterns can help managers focus their attendance management strategies and support organization-wide analysis of root causes of absenteeism.

### 3.3 Analysis of Root Causes and Strategies Confirmed

***We recommended the Saskatchewan Gaming Corporation regularly analyze organization-wide employee attendance patterns and trends to help identify root causes of its employees' absenteeism, and confirm its strategies address these causes.*** (2017 Report – Volume 2, p. 204, Recommendation 3; Crown and Central Agencies Committee agreement September 10, 2018)

**Status**—Implemented

In 2018–19, SaskGaming analyzed root causes of its employees' absenteeism and effectiveness of its attendance management strategies.

<sup>4</sup> For example, separate time codes for sick, pressing necessity, bereavement, family responsibility, and work injuries.



In 2018, SaskGaming approved an updated policy requiring an annual root cause analysis of the reasons for employee absences and a review of its attendance support program to determine its effectiveness in addressing root causes. It also requires changes to adjust the program as necessary.

SaskGaming analyzed organization-wide employee attendance patterns and trends in 2018–19. It assessed sick time and other absences by division, union, location, and absence type. It combined the results of this analysis with information from its service providers (e.g., work injury, family assistance, health benefits) to identify new or confirm suspected root causes of employees' absenteeism (e.g., shift work, work-related injuries, prescription drug use, sick leave, culpable absences).<sup>5</sup>

SaskGaming confirmed that one of its two attendance management programs insufficiently addressed root causes. It discontinued this program and adopted another program to try to better address some of the root causes. While SaskGaming confirmed its second attendance management program addressed root causes of absenteeism, it identified other gaps. It implemented additional strategies to address these gaps (e.g., Safer Workplace Initiative, Employee Wellness Strategy).

Analyzing employee attendance trends and patterns helps identify root causes of absenteeism and assesses the effectiveness of existing attendance management strategies. Together, these processes can support directing time and resources to areas with the highest rates of absenteeism.

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<sup>5</sup> Culpable absences are when an employee is absent from work without authorization or for reasons considered to be within their control (e.g., lateness, false explanation for an absence, unsubstantiated absence).