

A STUDY OF EMPLOYEE ABSENTEEISM IN SELECTED MANUFACTURING COMPANIES, NARHE MIDC, PUNE

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ABSTRACT

Absenteeism is a very crucial problem in any industry. The main focus of the study is to identify factors that outcome in Employee Absenteeism in the organization, which may support the organization manager to improve and identify the approach of employees for reducing the absenteeism. It denotes deliberately persistence intentional absence from work. Absenteeism is a bigger obstacle for any kind of organizations as it results negatively on organization progress. Absenteeism is a characteristic of absence from obligation or commitment and it is an alarm signal which indicates decrease productivity of organization. Absenteeism negatively impacts on individual, team and on organization as a whole. To attain objectives and goals of the organization optimal level of attendance of employee at his or her workplace is an essential factor. It indicates the deficiency of an employee from the place of work when he is intended not to be at the work. Agreed there is no full proof solution to eradicate absenteeism among employees but it is essential to control it as it cost very heavily to organization.

Keywords- Employee Absenteeism, Absenteeism Causes, Intentional absence, deficiency of employee

1. INTRODUCTION:

Absenteeism is the habitual non-presence of an employee at his/her job. Habitual non presence extends beyond what would be considered reasonable and normal amount of time away for reasons such as, vacations, illness, personal issues etc. In essence absenteeism is either habitual evasion of work or intentional and willful absence from work this absenteeism among employees cost organizations very heavily. Employee absenteeism is a frequent lack of attendance at work without any reason and once it become so frequent it is very difficult to address. Unexpected absenteeism will cost a business of the organization with a very hefty loss of working days which eventually decrease the productivity resulting in lost revenue and also put negative impact on other employees, these problem need to address at first priority to break expensive cycle of absenteeism. There is no magic or instant solution to fix up the discussed problem i.e. employee absenteeism, It is quite incumbent to understand and analyze the impacts and causes of absenteeism among employees to spot problem areas and provide feasible solution to control employee absenteeism.

As per Bureau of Labor Statistics (BLS) the percentage rate of absenteeism among employee is 2.9 percent. It is a matter of prime concern for organization. Absenteeism among employees negatively affects organization's productivity in terms of individual, team and organizational performance.

Impact on Individual Productivity

Absenteeism is a persistent pattern of non-attendance from work an obviously if individual workless they are likely to be less productive. Organization must do root cause analysis for the kind of absenteeism which is intentional. The reason could be disengagement, low morale, lack of passion etc.

Impact on Team Performance

Absenteeism increases pile of work and it burdens other employees who are present with added workload. The study suggests (SHRM) majority of the time is consumed to cover the work of absent employees and so resulting less productivity of the team.

Impact on Organization Performance

Profit is a measurement indicator of organizational performance and absenteeism badly hit this indicator. It results to cost ineffectiveness of the organization for e.g. overtime payment to employees who do extra work due to absence of other employees, it results increase of cost and shrink of profit margin. Also absenteeism creates pressure on other employees to meet the targets this potentially decreases revenue. Eventually negatively affect organization's productivity.

2. LITERATURE REVIEW:

According to Chaykowski & Powell(1999) Explored that although part time employment for women offers fewer benefit and little prospect but in the same time it offers convenience and comfort zone to women employee without having any kind of personal; guilt regarding nonperformance of her personal duties beings wife, mother, sisters etc.

According to Anup Kumar Singh and Richaawasthy (2009) Explore that managers are in more tussle in balancing work life. As it affects they are professional success and personal well-being only suggest. They also discussed the different cause and consequences of work life balance they found social, organizational and individual causes are major stake on it.

N.Silpa, B.Masthanamma (2015) Explain the meaning of absenteeism which refer habitual pattern of employee absence from work they called it as an indicator of poor performance of individual. High degree of employee absenteeism hit productivity negatively increases cost to the company and responsible for low

morale of the rest of the employees. It is obligatory to have satisfactory level of attendance for the attainment of objectives and goals of the organization.

According to S. Salomy , 2D. Ankitha , 3V. Divya (2017) Study aims to identify the most common cost of employee absence. What are the problems of the employees either at personal level or at workplace? Like working condition salary, facility training program, motivation etc.

Habeebur Rahman. T (2016) Study on causes of absenteeism among employees in retail shops with special reference to textile industry refers absenteeism is unscheduled absence of employee from his/her duty. It is a habitual conduct of absence from work by an employee. Study found that employee Absenteeism hampers organizations progress.

3. PROBLEM STATEMENT:

Employee Absenteeism is a critical problem in almost all organization. Researcher observes that there are various reasons behind absenteeism among employees. Researcher tries to find out these reasons/causes and try to suggest actions to eliminate these reasons.

4. HYPOTHESES OF THE STUDY

1. There is statistically significant relationship between employee absenteeism and reasons of absenteeism
2. There is statistically significant relationship between employee absenteeism and parameters to control absenteeism

5. OBJECTIVES OF THE STUDY:

1. To study the current scenario of the employee absenteeism in selected Manufacturing companies in Narhe.
2. To identify and study the primary causes of employee absenteeism.
3. To Study the factors affected and suggest the way to control an employee's absenteeism.

6. RESEARCH METHODOLOGY:

6.1 RESEARCH DESIGN:

It is an Empirical Study

6.2 DATA COLLECTION METHOD:

Researcher has collected and use the both Primary and Secondary data source for complete the study.

6.2.1 Primary Data Source:

Researcher collected the Primary data from employees of the selected manufacturing organizations in Narhe, Pune city. For collection of the data researcher formed the structured questionnaire and collected the responses from the selected employees in selected manufacturing organizations in Pune City.

6.2.2 Secondary Data Source:

Researcher collected the Secondary data from company documents & Company website. Also researcher review the previous literature which is closely related to the selected topic in Journals, magazines, books, research articles, news articles etc.

6.3 SAMPLING AND SAMPLE SIZE DETERMINATION:

Researcher visited 10 manufacturing companies in Narhe region, pune and collected the sample of employees through structured questionnaire method. Researcher used convenience random sampling method to collect the data. The total no. of employees working in selected 10 manufacturing companies is 479. For determine the sample size researcher used 95% confidence level, 5% margin of error and consider 50% response distribution. By using the sample size formula the minimum statistically accepted sample size 214. By using the thumb rule, larger the sample then greater accuracy, so that researcher selected 219 samples which is greater than minimum statistically accepted sample size to represent the given population of the study.

6.4 TOOLS TO BE USED FOR DATA ANALYSIS:

Researcher has been used statistical technique by collecting data and analyzing it with chi-square test for testing her hypothesis to arrive at a pragmatic conclusion.

7. DATA ANALYSIS AND INTERPRETATION

Hypothesis 1

Ho: There is not statistically significant relationship between employee absenteeism and reasons of absenteeism.

Against,

H1: There is statistically significant relationship between employee absenteeism and reasons of absenteeism.

Note: 1= Strongly agree, 2= Moderately agree, 3= Neutral, 4= Strongly disagree, 5= Moderately disagree

Observed Frequency table of relationship between employee absenteeism and reasons of absenteeism

Table No.1

Sr.No	Reasons	1	2	3	4	5	Total
1	Sickness	29	116	13	41	20	219
2	Lack of interest in job	18	72	19	69	41	219
3	Poor working condition	22	49	16	95	37	219
4	Personal reasons	70	125	6	8	10	219
5	Lack of appreciation & encouragement	51	77	14	68	9	219
6	Family issues, such as sick child	71	116	7	12	13	219
7	Severe weather	12	23	15	105	64	219
8	Loss of a family member or loved one	11	39	25	98	46	219
	Total	284	617	115	496	240	1752

Expected Frequency table of relationship between employee absenteeism and reasons of absenteeism**Table No.1.1**

Sr.No	Reasons	1	2	3	4	5	Total
1	Sickness	36	77	14	62	30	219
2	Lack of interest in job	36	77	14	62	30	219
3	Poor working condition	36	77	14	62	30	219
4	Personal reasons	36	77	14	62	30	219
5	Lack of appreciation & encouragement	36	77	14	62	30	219
6	Family issues, such as sick child	36	77	14	62	30	219
7	Severe weather	36	77	14	62	30	219
8	Loss of a family member or loved one	36	77	14	62	30	219
	Total	284	617	115	496	240	1752

P- Value table of relationship between employee absenteeism and reasons of absenteeism**Table No.1.2**

Sr.No	Reasons	P-Value
1	Sickness	0.0000025814
2	Lack of interest in job	0.0041561599
3	Poor working condition	0.0000005175
4	Personal reasons	0.0000000000

Sr.No	Reasons	P-Value
5	Lack of appreciation & encouragement	0.0001951411
6	Family issues, such as sick child	0.0000000000
7	Severe weather	0.0000000000
8	Loss of a family member or loved one	0.0000000000

Interpretation:

As per the above table no 1.2 of P-values, all the P-values < 0.005 (Smallest level of significance) so researcher rejected the null hypothesis H_0 and **accepted the alternative hypothesis H_1** .

This indicates, there is statistically significant relationship between employee absenteeism and reasons of absenteeism.

Hypothesis 2

Ho: There is not statistically significant relationship between employee absenteeism and parameters to control absenteeism

Against,

H1: There is statistically significant relationship between employee absenteeism and parameters to control absenteeism

Note: 1= Strongly agree, 2= Moderately agree, 3= Neutral, 4= Strongly disagree, 5= Moderately disagree

Observed Frequency table of relationship between employee absenteeism and parameters to control absenteeism

Table No.2

Sr.No	Parameters to control absenteeism	1	2	3	4	5	Total
1	Enforce the attendance policy consistently	27	95	13	38	46	219
2	Improve employee motivation	54	80	35	25	25	219
3	Prevention of accidents	60	75	15	30	39	219
4	Strict attitude to grant of leave	20	105	41	31	22	219
5	Cordial relations at work	50	91	37	18	23	219

6	Proper selection procedure	35	75	42	53	14	219
7	Reasonable wage rates	40	128	12	17	22	219
8	Proper grievance settlement	22	95	34	31	37	219
9	Improve job satisfaction	57	81	47	21	13	219
10	Reserve rewards and discipline rules for absenteeism	28	91	37	40	23	219
11	Consider changing schedules when appropriate	57	85	38	20	19	219
12	Hygiene food	129	65	8	9	8	219
	Total	286	649	195	212	191	1533

Expected Frequency table of relationship between employee absenteeism and parameters to control absenteeism

Table No.2.1

Sr.No	Parameters to control absenteeism	1	2	3	4	5	Total
1	Enforce the attendance policy consistently	41	93	28	30	27	219
2	Improve employee motivation	41	93	28	30	27	219
3	Prevention of accidents	41	93	28	30	27	219
4	Strict attitude to grant of leave	41	93	28	30	27	219
5	Cordial relations at work	41	93	28	30	27	219
6	Proper selection procedure	41	93	28	30	27	219
7	Reasonable wage rates	41	93	28	30	27	219
8	Proper grievance settlement	41	93	28	30	27	219
9	Improve job satisfaction	41	93	28	30	27	219
10	Reserve rewards and discipline rules for absenteeism	41	93	28	30	27	219
11	Consider changing schedules when appropriate	41	93	28	30	27	219
12	Hygiene food	41	93	28	30	27	219
	Total	286	649	195	212	191	1533

P- Value table of relationship between employee absenteeism and parameters to control absenteeism**Table No.2.2**

Sr.No	Parameters to control absenteeism	P-Value
1	Enforce the attendance policy consistently	0.0000158934
2	Improve employee motivation	0.0632126567
3	Prevention of accidents	0.0001093095
4	Strict attitude to grant of leave	0.0006218929
5	Cordial relations at work	0.0297048530
6	Proper selection procedure	0.0000004849
7	Reasonable wage rates	0.0000067124
8	Proper grievance settlement	0.0087270635
9	Improve job satisfaction	0.0000026103
10	Reserve rewards and discipline rules for absenteeism	0.0280949560
11	Consider changing schedules when appropriate	0.0021883366
12	Hygiene food	0.0000000000

Interpretation:

As per the above table no 2.2 of P-values, all the P-values < 0.005 (Smallest level of significance) so researcher rejected the null hypothesis H_0 and **accepted the alternative hypothesis H_1** .

This indicates, there is statistically significant relationship between employee absenteeism and parameters to control absenteeism.

Only one parameter i.e. Improve employee motivation P-Value > 0.063212667 , (smallest level of significance) i.e.0.05 so researcher rejected the Alternative hypothesis H_1 and **accept the Null hypothesis H_0** .

This indicates, there is statistically not significant relationship between employee absenteeism and parameters to control absenteeism for said parameter.

8. FINDINGS OF THE STUDY:

1. Researcher found that, there is statistically significant relationship between employee absenteeism and reasons of absenteeism. Due to personal reasons, Family issues such as sick child, severe weather and loss of family member poor, sickness are more significant than other reasons for absenteeism.

2. Researcher found that, there is statistically significant relationship between employee absenteeism and parameters to control absenteeism.
3. Researcher found that, as per table no. 2.2 there is statistically significant relationship between Proper selection procedures, reasonable wage rate, improve job satisfaction and enforce the attendance policy consistently.

9. SUGGESTIONS OF THE STUDY:

To encounter absenteeism problem particularly in study area. Following suggestions are suggested:

1. *“There is nothing so rewarding as to make people realized they are worthwhile in this world” – BOB Anderson*
With the same line researchers suggest a reward system to motivate employees to be regular at workplace, like “Most regular employee of the month”.
2. Organization can give due consideration to hygiene related issues at workplace for say food quality at canteen, water facilities and other working condition to address health problem. Organization should do hygiene awareness campaign at workplace for their employees with their families.
3. Organization must follow Minimum Wage Act 1948 at the same time to curtail absenteeism must give competitive wage rate to their employees.
4. As say, half work is done when right person, placed at right place and at a right time. Researchers suggest recruiting organization cultural fit personnel and delegating the job assignment as per his/her skill-set & interest. These enhance job satisfaction level & reduce absenteeism.
5. To provide clear, understanding & inculcate discipline, organization should design & develop appropriate attendance policy & it should be exhibit at prominent places in the company premises.
6. Organization should provide good, health & ergonomic working condition.

10. CONCLUSION OF THE STUDY:

Researchers concludes & states with the analysis report that the employee absenteeism in selected manufacturing companies at Narhe, MIDC is majority due to health issues either personal or family member. Another major reason for this absenteeism is low level of motivation in the form of low wage rate & job satisfaction.

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