

# A STUDY ON ABSENTEEISM OF EMPLOYEES AND LABOUR TURNOVER AMONG OMEGA PVT. LTD, TRICHY.

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ABSTRACT

Absenteeism is a major problem that uproots the economic prosperity of any industry or an organization. Turnover is expressed as an annual percentage of the total workforce. C.S. Chethan Kumar, (2011) the mainstream of the manufacturing industries in India are facing productivity problems due to workers absenteeism. The author says that management needs to be active to control worker absenteeism, Objectives of the study: To identify the reasons for absenteeism. To identify steps required to decrease the rate of absenteeism. A Research design is the planned sequence the universe of the study consists of the persons who were inmates of omega, trichy. There were 300 inmates of the entire process involved in conducting research type is descriptive in nature and census method was used to collect the data. The study was conducted with 40 persons those who were from various department in their official meeting, after meeting persons are cooperated with researcher for data collection. Hence the census method was adopted. Suggestion is to Introduce incentive schemes to encourage employees to come to work, Offer an attractive salary package.

**KEY WORDS: ABSENTEEISM OF EMPLOYEES AND LABOUR  
TURNOVER**

## **ABSENTEEISM OF EMPLOYEES:**

Absenteeism is a major problem that uproots the economic prosperity of any industry or an organization. It can be reduced but not completely eradicated. It is an ever-existing problem of the industrial sector. Absenteeism means absence of workers from the regular work without prior permission, notice or sanction.

## **CAUSES OF ABSENTEEISM:-**

In order to identify the causes and extent of absenteeism, proper records should be kept in every department for various causes of absenteeism by such divisions as age, sex, days of the week and classes of jobs. It should be noted that is almost impossible to give a list of exact reasons and their percentage. The evaluator of the personnel programme should classify the data relating to absenteeism and try to analyse the various causes of absenteeism. Generally, the following reasons are accountable for absenteeism at work:

1. **Nature of Work:** - When work is tough and monotonous in nature, the workers get tired physically and mentally. So he frequently remain absent without information to the employer.
2. **Poor Working Condition:** - Poor working conditions affect the worker's health adversely and mentally. So he is tired of work-environment and thus they may remain away from work without any notice to the employer.

3. **Absence of Regular Leave Arrangement:** - Every worker requires at least 15 to 20 days leave in a year for his personal work. The employer should provide for such leave to all workers. However, in many factories, workers are not given leave as and when required. Naturally, workers remain absent without any intimation to the employer. Thus, absence of regular leave arrangement leads to labor absenteeism.
4. **Accidents:** - Industrial accidents and occupational diseases bring about absenteeism depending upon the nature of the purpose and machinery used. Accidents make the workers incapable of work for some days. They also create mental problem.
5. **Poor Control:** - Poor production and material control can result in absenteeism. Unless the flow of work between departments is balanced and continuous, workers may stay away from their jobs because they lose their interest in the work and also the feeling of the importance of being dependable.
6. **Irregular Transport Facilities:** - Many factories are located away from the city limits. Naturally, workers have to travel long distances. In case of any disturbance in the transport system, workers are unable to reach their place of work at the proper time and they have to remain absent. Thus, transport difficulties lead to labour absenteeism.
7. **Lack of Interest:** - Lack of interest and lack of feeling of responsibility and worth-whileness are also fundamental causes of absenteeism. Attitude of mind caused by environment and sociological factors may condition some to develop a feeling of irresponsibility about going to work.
8. **Attraction to Village Life:** - Majority of Indian workers come from villages to towns for employment. Physically, they are in towns, but mentally they are in villages. Their relatives and family members are in the villages and naturally they feel like visiting their villages often. This leads to absenteeism. In addition, workers have to go to their native places due to illness of family members, court matters, socio-religious festivals, agricultural operations, etc. such causes lead to high labor absenteeism.
9. **Alcoholism and Gambling Habits:** - A number of workers in factories are used to drinking, gambling and other habits. Such workers are unable to attend duties regularly due to such habits. This leads to absenteeism particularly among the male workers.
10. **Miscellaneous Causes:** - A miscellaneous group of causes include such factors as bad weather, another job, personal business, friends visiting from distant locations, absence of strict discipline, willful disregard of rules, religious and social festivals, etc.

#### **THE CAUSES OF ABSENTEEISM ARE MANY AND INCLUDE:**

- Serious accidents and illness
- Low morale
- Poor working conditions
- Boredom on the job
- Lack of job satisfaction
- Inadequate leadership and poor supervision
- Personal problems (financial, marital, substance abuse, child care etc.)
- Poor physical fitness
- Inadequate nutrition
- Transportation problems
- The existence of income protection plans (collective agreement)
- Provisions, which continue income during periods of illness or accident.
- Stress
- Workload
- Employee discontent with a collective bargaining process and/or its results
- Low level of education.

- Alcoholism
- Lack of recreational facility.

### **EFFECTS OF ABSENTEEISM:-**

Labor absenteeism is harmful to both the employers and the workers as follows:-

1. Normal work-flow in the factory is disturbed.
2. Overall production in the factory goes down.
3. Difficulty is faced in executing the orders in time.
4. Casual workers may have to be employed to meet production schedules. Such workers are not trained properly.
5. Overtime allowance bill increases considerably because of higher absenteeism.
6. When a number of workers absent themselves, there is extra pressure of work on their colleagues who are present.
7. Habitual absentees may be removed from service causing them great hardship.

### **MEASURES FOR CONTROL ABSENTEEISM**

- Adoption of a well-defined recruitment procedure
- Cordial relationship between supervisors and workers
- Provision of reasonable wages and allowances and job security for workers
- Motivation of workers and social measures
- Improved communication and prompt redressal of grievances
- Liberal grant of leave
- Safety and accident prevention
- Provision of healthy and hygienic working conditions
- Development of workers education

### **LABOUR TURNOVER:**

For any organization to run and actualize its objectives there is need for work force that will drive the processes of the organization. As the world shift further into a knowledge-based economy that relies majorly on information, knowledge and high level skills, human capital will become progressively more central to business organizations across the globe. The work force of any organization represents its employees. Ideally, every employee in any organization is expected to continuously render productive service to the organization and remain in that organization until retirement. However, in reality, this is not so. This introduces us to the concept of employees' turnover.

The concept of labour turnover is often used interchangeably with employees' turnover. It means the rate at which employees leave a business enterprise.

A number of other terms have been used interchangeably with employee turnover, such terms include: quits, attrition, exits, mobility, migration or succession. It represents the relative rate at which a business enterprise gains or losses its employees.

Labour turnover refers to the movement of workers into and out of an organization. Labour turnover has been a subject of manager concern and scholarly study for at least half a century because labour turnover rate is an index of the stability of workforce in an organization.

### **A FEW METHODS TO REDUCE LABOUR TURNOVER ARE:**

- (i) Improve factory working conditions.
- (ii) Handle worker's grievances faithfully.
- (iii) Do not abuse and fire workers for petty matters,

- (IV) try to minimize fluctuations in the work load.
- (v) Give appropriate wages and incentives to the workers.
- (vi) In matters of hours of work compensation, disputes, etc., go by the appropriate Labour Laws.
- (vii) Take care of employee's health and welfare.
- (viii) Adopt safety and good housekeeping practices.
- (ix) Motivate the employees and try to high up their morale.
- (x) Be impartial in the matters of promotion and transfer.

**Huang,(2005).** It explored that the workers involved in smoking, gradually start remaining absent and this creates loss of production to the company. This habit increases day by day and gives rise to frequent absence of the workers involved. Therefore timely stoppage of this habit is essential.

**Kumar ( 2011)** It was found that employee turnover or retention influenced by motivational factors existed in the organization. It was shown that work motivation to the employees is highest for personal growth than non-financial gains.

## **INTRODUCTION:**

“Research Methodology has been understood as all those methods and the techniques that are used for condition of research” This chapter deals with the methodology which is adopted for the study. It includes Aim of the Study, Significance of the study, Objectives of a Study, Research Design, Universe and Sampling, Census Method, Tools of the Data Collection, Operational Definition , Pre-testing, Pilot Study, cauterization and Limitation.

## **SIGNIFICANCE OF THE STUDY:**

Now a days many organization affected by the problem of absenteeism of employees and labour turnover. Its affect the organization. It is an ever-existing problem of the industrial sector. Throughout the world absence from work has generally been considered on the increase, even though many companies have positive programmers attempting control absenteeism but absenteeism and labour turnover continue to hurt corporate profits severely. Hence, the researcher aims to find out the reason for “ABSENTEEISM OF EMPLOYEES AND LABOUR TURNOVER”

## **AIM OF THE STUDY:**

The aim of research study is to know about the loss and impact of organization due to "ABSENTEEISM OF EMPLOYEES AND LABOUR TRUNOVER "

## **TITLE OF STUDY:**

A study on absenteeism of employees and labour turnover in omega pvt. Ltd, Trichy.

## **OBIECTIVES OF THE STUDY**

- To identify the reasons for absenteeism.
- To measure the employees absenteeism level.
- To identify steps required to decrease the rate of absenteeism.
- To study, employees working conditions
- To identify factors that motivates the employees, which minimize absenteeism.
- To study the major causes for labour turnover

## NEED FOR THE STUDY

Absenteeism is a habitual pattern of absence from a duty or obligation. Traditionally, absenteeism has been viewed as an indicator of poor individual performance, as well as a breach of an implicit contract between employee and employer; it was seen as a management problem, and framed in economic or quasi-economic terms. More recent scholarship seeks to understand absenteeism as an indicator of psychological, medical or social adjustment to work

As a result, many employees feel obliged to come to work while ill, and transmit communicable diseases to their co-workers. This leads to even greater absenteeism and reduced productivity among other workers who try to work while ill. Work forces often excuse absenteeism caused by medical reason if the employee provides supporting documentation from their medical practitioner.

## SCOPE OF THE STUDY

The development of any organization depends on the regularity of employees. The study is conducted to know the various levels and reasons for absence of employees in an organization. By looking at it, one can adopt corrective measures to decrease irregularities in the organization, leading to organizational growth.

## PILOT STUDY:

It is the preliminary study to be carried out by the researcher. The researcher has gathered information about the organization through a pilot study. It covers the entire process of research that is processing of data and report writing.

## TOOLS OF DATA COLLECTION:

The researcher has adopted the questionnaire method as a data collection instrument. In this method, a set of questions is given to a person concerned with requesting him/her to answer the questions and return back the questionnaire.

## SOURCE OF DATA COLLECTION:

The source of data were primary and secondary

### Primary Data:

The primary data is collected from the respondents by administering a structured questionnaire and also through observations, interviews and discussions with management.

### Secondary Data:

The secondary data is collected from the offices, libraries, journals, magazines, newspapers, annual reports, and earlier related studies, etc.

## RESEARCH DESIGN:

A research design is the planned sequence of the entire process involved in conducting research. The type is descriptive in nature.

## UNIVERSE:

The universe of the study consists of the persons who were inmates of Omega, Trichy. There were 300 inmates.

## SAMPLING:

The study was conducted with 40 persons who were from various departments in their official meeting. After the meeting, persons are cooperated with the researcher for data collection. Hence, the census method was adopted.

## LIMITATIONS

- The study is confined to only a limited area.
- The limited number of respondents.
- Time involved in the study is too short.
- Other employees will have to do excess work which will lead to decrease morale of employees
- Manager will have to spend excess time on the discipline or may find the replacement of the employee
- The productivity will be affected if the employee is released from the company and also will have to spend money in-order to train the new employee

## CHAPTERIZATION:

The chapter enlightened with the various aspects of research methods adopted in the study was made clear.

- ❖ CHAPTER I – Introduction
- ❖ CHAPTER II – Review of literature
- ❖ CHAPTER III- Rata analysis and interpretation
- ❖ CHAPTER IV- Research methodology
- ❖ CHAPTER V – Findings, suggestion and conclusion

## DISTRIBUTION OF RESPONDENTS BY THEIR TYPES OF LEAVE TAKEN OFTEN

S. NO	PARTICULARS	NO. OF. RESPONDENTS	PERCENTAGE
1.	MEDICAL LEAVE	7	14
2.	CASUAL LEAVE	25	50
3.	PRIVILEGE LEAVE	13	26
4.	ALL	5	10
	<b>TOTAL</b>	<b>50</b>	<b>100</b>

## INTERPRETATION:

The above table shows that half of the respondents (**50 per cent**) take casual leave and (**26 per cent**) of the respondents take privilege leave and (**14 per cent**) of the respondents take all medical leave and (**10 per cent**) of the respondents take all type of leave. **MAJOR FINDINGS:**

- 32 per cent of the respondents belong to the age group of 25-30.
- More than half (60 per cent) the respondents were male.
- More than half of the respondents (60 per cent) were Hindu.
- More than half of the respondent's education is under graduate.
- Half of the respondents(50 per cent) income were below 10000 – 20000
- Majority of the respondent's marital status is unmarried.
- More than half of the respondents (68 per cent) have 4- 6 members in family.
- More than half of the respondents (60 per cent) number of year of service is 1-3 years.
- Majority of the respondents (74 per cent) says yes for the work environment is good.
- Half of the respondents (50 per cent) find more difficult in third shift.
- Half of the respondents (50 per cent) said yes for possibility to get leave whenever they require.

- More than half of the respondents (62 per cent) take 0-3 leave in a month.
- Half of the respondents (50 per cent) take casual leave often.
- Majority of the respondents (72 per cent) said no to the process of applying leave through their superior is time consuming.
- Majority of the respondents (82 per cent) said no to the management provide adequate facilities.
- Majority of the respondents (84 per cent) said no to the pay offered in the management is enough?
- Less than half of the respondents (42 per cent) said sickness as the reason for take leave.
- Less than half of the respondents (46 per cent) said incentives/ wage hike is the motivational factor to improve their regularity.
- More than half of the respondents (62 per cent) said no to the happy with the health and safety measures of the management.
- Less than half of the respondents (40 per cent) attending marriage and other function of the personal reason on absenteeism.
- 36 per cent of the respondents said other changes can be controlled absenteeism.
- Less than half of the respondents (42 per cent) said low salary is the reason for labour turnover.
- Majority of the respondents (84 per cent) said yes to the relationship with coworker is good.
- Majority of the respondents 70 per cent said yes for the management provides any opportunity for personality development of the employee.
- Vast majority of the respondents 90 per cent said yes to that they know the value of the benefit offered.
- More than half of the respondents (62 per cent) said yes to the management regularly exchange ideas with employees.
- More than half of the respondents said yes to the current job is challenging.
- Vast majority of the respondents 92 per cent yes to the working environment is positive.
- More than half of the respondents said current job is stressful
- Less than half of the respondents (46 per cent) said yes to relationship with the management is good.
- Majority of the respondents (76 per cent) said no to the advancement opportunity have a direct affect an employee decision on leaving the job.
- More than half of the respondents (54 per cent) said yes that their job affects by unethical leaders.
- Vast majority of the respondents 90 per cent said yes to the geographic location affect the decision for staying in the company.
- More than half of the respondents (56 per cent) said no to the work life affect by poor team works which leads to turn over decision.
- Majority of the respondents( 70 percent) said unfair pay increase their turnover decision
- More than half of the respondents (62 per cent) said no to the job responsibility is not given to them feel like leaving the job.
- More than half of the respondents (54 per cent) said yes to the spouse relocation affects the turnover.
- Vast majority of the respondents (84 per cent) said no to the work stress is the main reason for changing the job.
- Majority of the respondents (70 per cent) changing job in 1-4 years.
- Less than half of the respondents said adequate pay is their view to reduce labour turnover.

### SUGGESTIONS

- Write attendance policy and set clear attendance expectations.
- Older and more experienced staffs are generally less likely to be absent. So hire more experienced people.
- Offer an attractive salary package. Because highly paid employees are less likely to be absent, so offering an attractive compensation package can build loyalty and reduce abs endemism.

- Small things that can have a big effect and ensure that your employees are happy to come into the office. So provide a pleasant working environment.
- Consider introducing more predictable working hours and limiting overtime as these measures can help to reduce employee absenteeism
- Consider offering their opportunity of working from home occasionally or extending flexi time
- Include the rules in your disciplinary code and absenteeism policy and communicate the rules.
- Introduce incentive schemes to encourage employees to come to work. Make sure the incentives are directly linked to absenteeism and of reasonable value.

## CONCLUSION

Absenteeism is a total man-shifts lost because of absence as a percentage of total number of man-shifts scheduled to work. It is calculated using various rates such as Absenteeism rate, Frequency rate, and Severity rate. Absenteeism also affects the organization from multiple angles for which various measures absenteeism. The situation in the career development of both the individuals and the organization results in employee turnover the rate of change in the employees of an organization during a definite period is extremely mobility. It is also known as external career. Thus it is the shifting of the employees into and out of the organization.

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## A STUDY ON ABSENTEEISM OF EMPLOYEES AND LABOUR TURNOVER

### ABSENTEEISM OF EMPLOYEES:

1. Age:

- a) 20-25 b) 25-30 c) 30-35 d) above 40

2. Sex:

- a) Male b) female

3. Religion:

- a) Hindu b) Muslim c) Christian d) others

4. Education:



a) UG b) PG c) M.Phil. d) Ph.D.

5. Monthly income:

a) Below 5000 b) 5000-10000 c) 10000-20000 d) above 20000

6. Marital status:

a) Unmarried b) Married c) Widower d) Separation

7. Number of members in family?

a) 1-3 b) 4-6 c) more than 6

8. Number of year of service?

a) below 1 year b) 1-3 years c) 3-5 years d) above 5 years

9. Is your work environment is good?

a) Yes b) no

10. Which shift do you find more difficult work?

a) General shift b) first shift c) second shift d) third shift

11. Is it possible for you to get leave whenever you require?

a) Yes b) no c) sometimes

12. How many time you taken leave in a month?

a) 0-3 b) 4-7 c) 8-15 d) more than 15

13. Which leave you take often?

a) Medical leave b) casual leave c) privilege leave d) others e) all

14. Is your process of applying leave through your superior is time consuming?

a) Yes b) no

14. How many hours on an average of your working overtime?

a)less than 1 hour b) 1-2 hour c) 2-3 hour d) more than 3 hours

15. Does your management provide adequate welfare facilities?

a) Yes b) no

16. The pay offered in the management is enough?

a) Yes b) no

17. For what reason you take leave?

a) Sickness b) Lack of interest in job c) Poor working hours d) Personal reasons

18. What is your motivational factor to improve your regularity?

a) Good employees b) Good working condition c) Future prospects d) Incentives/ wage hike

19. Are you happy with the health and safety measures of the management?

a) Yes b) no

20. What is your personal reason on absence?

a) Attending marriages and other functions b) Visiting places c) Domestic problem d) Lack of coordination among colleagues e) Difficult to get on time f) Feeling depressed g) Serious illness to self

21. How absenteeism can be controlled?

a) Change in management style b) Change in work condition (job rotation) c) Encouragement and appreciation e) Other changes

### **LABOUR TURNOVER:**

22. What is a reason for labour turnover?

a) Low salary b) Poor working condition c) Lack of coordination with superior

23. Is your relationship with coworkers is good?

a) Yes b) no

24. Does your management provide any opportunity for personality development of employee?

a) Yes b) no

25. Do you accept that you know the value of the benefits offered?

a) Yes b) no

26. Does your management regularly exchange ideas with employees?

a) Yes b) no

27. Is your current job is challenging?

a) Yes b) no

28. Is your working environment is positive?

a) Yes b) no

29. Is your current job is stressful?

a) Yes b) no

30. Do you have good relationship with management?

a) Yes b) no

31. Did the advancement opportunity have a direct effect on employee decision on leaving the job?

a) Yes b) no

32. Does your job affect by unethical leaders?

a) Yes b) no

33. Does your geographic location affect the decision for staying in the company?

a) Yes b) no

34. Does your work life affect by poor team works which leads to turn over ?

a) Yes b)no

35. Did unfair pay increase your turnover decision?

a) Yes b) no

36. Did job responsibility is not given do you feel like leaving the job?

a) Yes b) no

37. Do you think spouse relocation affects the turnover?

a) Yes b) no

38. Do you think work stress is the main reason for changing the job?

a) Yes b) no

39. How frequent you change your job?

a) Within 1-12 months b) 1-4 year c) above 4 year d) no change

40. What is your view to reduce the labour turnover?

a) Adequate pay b) Less working hour c) Good working condition d) Good supervisor

