



A STUDY ON IMPACT OF EMPLOYEE ABSENTEEISM IN SELECTED MANUFACTURING INDUSTRY

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Abstract

Employee Absenteeism is the major and continuous challenge which reflects high impact on performance of organization. Employee attendance at work ensures high productivity, quality delivery and commitment towards improving the performance of organization in terms of efficiency and effectiveness of human resource management. Absenteeism is unpredictable in nature and serious workplace problem that occurs at the expenses of both employers and employees. The impact of absenteeism leads to not only leads to financial losses but also goodwill of organization. This paper attempts to identify the causes of absenteeism and measures to overcome the high rate of absenteeism.

Key Words: Absenteeism, Performance, Productivity, Organization.

1. INTRODUCTION

The term Absenteeism is generally used to refer to unscheduled employee absences from the workplace. It is a habitual pattern of absence from a duty or obligation. Absenteeism is a big barrier for any kind of organization because its effect on organization growth. Absenteeism not only damages the work progress and manpower planning in workplace, but also reduces efficiency the efficient of organization. Absenteeism is the failure of employees to remain physically present on the job when they are scheduled to work. Employees who are away from work on recognized holidays, vacations, approved leaves of absence, or approved leaves of absence would not be included.

Absenteeism is a pattern of missing work by an employee who is frequently absent from work..

Absenteeism results to employee turnover, increase labor costs for replacement, hiring costs, training cost etc.

Absenteeism is of two types –

1. **Intentional absenteeism** – where a person is absent from work due to genuine cause or intentional reason.
2. **Unintentional Absenteeism** – Where a person is absent from work without any genuine reason or unintentional cause.

1.1 DEFINITION

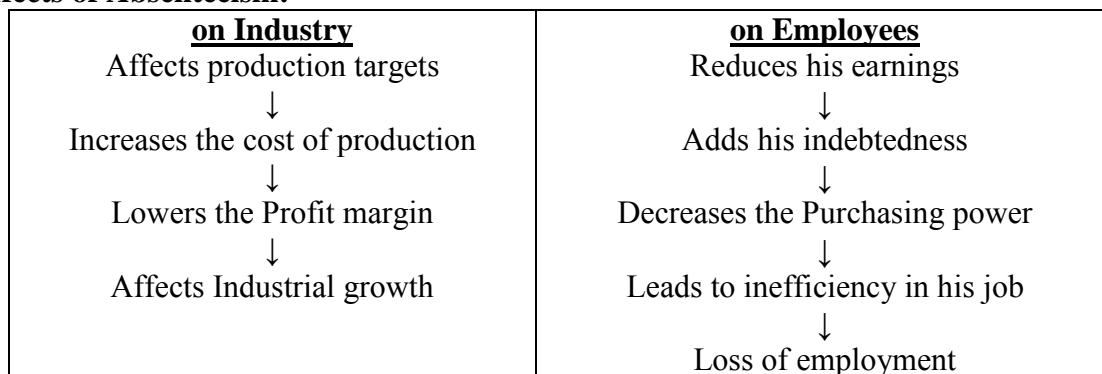
1) According to the view of K. Aswathappa: “Absenteeism costs money to the organization besides reflecting employee dissatisfaction with the company. Absenteeism is unavoidable when the employee himself or herself falls sick, his or her dependents at home suddenly become unwell or there is an accident inside the plant.”[8]

2)Rogers and Hurting (1993) “Absenteeism as a choice made by employees which occurs when an employee is absent due to reasons other than illness.” [8]

3)J ames and Brian (1992) “Absenteeism takes two forms. These two forms are frequent offender and long-term absentee. Frequent offender is deliberate and planned and is usually the result of satisfying the urge for an attitude adjustment.”

4) The labour Bureau (1962) defines “Absenteeism as the total shifts lost because of absence as percentage of the total number of man shifts scheduled to work.”

1.2 Effects of Absenteeism:



1.3 Objectives of the Study

- To identify the primary causes of absenteeism amongst employees.
- To suggest the measure for reducing employee absenteeism.

1.4 RESEARCH METHODOLOGY

Research Design	Explorative Research
Data Collection	Structured Questionnaire, Personal Interview, Research paper, Attendance Record.
Sampling Population	Selected Manufacturing Industry
Sampling Frame	5 Manufacturing Industry
Sampling Size	200 Employees.
Sampling Method	Convenience Random Sampling
Data Analysis	Percentage Analysis

2. LITERATURE REVIEW

1) Tamara Singh Et..tal (2016):

The aim of this study was to investigate the impact of absenteeism and the extent to which it negatively affects organizational performance. The study focused to understand negative result of absenteeism in the workplace and extensively seek to provide insight into the causes of absenteeism. The researcher has also suggested the strategies to be deployed by management for reducing the absenteeism and promote attendance in the workplace [5].

2) Habeebur Rahman (2016):

This paper has focused on absenteeism as a major obstacle for retail sector and how it gives the increase effect on organization growth and development. In this study the researcher has identified the impact and causes of absenteeism among employees in Retail Shops. This study ensures that the organizational performance

brings good result during the complete presence of employee[6].

3) Gethsi Beulah, Dr. Venkatrama Raju D (2014):

This article discusses workplace absenteeism of unscheduled employee in BPO industry. This study streamlines the factors influencing employee absenteeism, evaluation of performance and measures to attempt for improving absenteeism. This resulting turnover also financially impacts business because of the costs associated with finding and permanent replacement [4].

4) Dr. Abhinav Patel, Sanjay Thakkar (2014):

Absenteeism is one of the ever present problems of the pharmaceutical industry. In this study the various causative factors leading to absenteeism in pharmaceutical Industry is analyzed critically. The absenteeism factors

includes social such as alcoholism, family conflict, lack of proper motivation, working problems, health problem, transport problems, religious and age factor etc[7].

5) M.Prabhu (2013): This study aims to identify factors that result in employees' absenteeism in an organization, which may help the company manager to develop and identify attitudes of employees for minimizing absenteeism. The results indicated the necessity feedback on employee's performance. A good interpersonal relationship for the smooth functioning of the organizational activities should be maintained. High rates of employee absence may signal weak labour-management relations and low productivity [2].

6) Barkha Gupta (2013): This research paper shows how absenteeism is big barrier for retail sector organization and how it's give the inverse effect on organization growth and

development. Retail sector is grown concept in today, scenario we know that number of employees in the retail industry skew much younger than other industries. Absenteeism is a barrier for retail sector growth. This study shows that Retail sector is growing concept in today's scenario. Employee's absenteeism is a major issue for organization; however the absenteeism can be controlled and minimized by implementing good working condition [3].

7) Dr. Renuka Rathod, Mr. Basavanth Reddy (2012):

This study was conducted in concern to identify the issues, causatives and remedial measures related to absenteeism. This research helps the organization to know their current practices regarding for reducing absenteeism in Titan Industry. It suggested the measures to improve the business in better prospect and result in organizational development by reducing employee absenteeism [1].

3. DATA ANALYSIS

Table No.1: Employees Age

Parameters	Frequency	Percentage (%)
20 – 30	91	45.50
30 – 40	87	43.50
40 – 50	14	7.00
Above 50	08	4.00

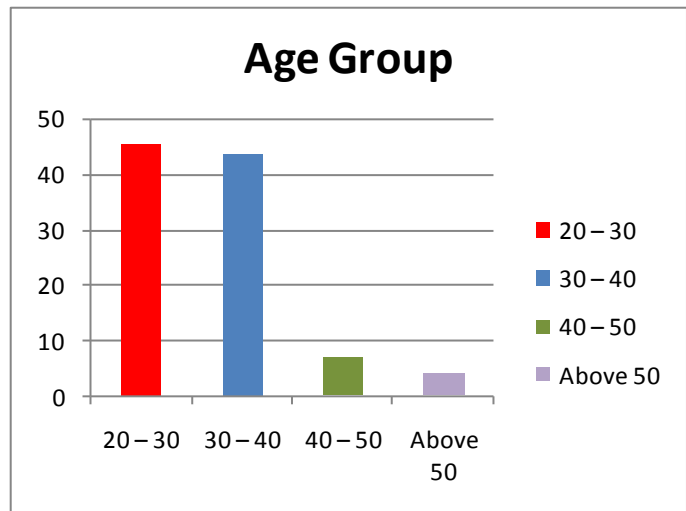


Fig.1

From the above table, it is inferred that nearly 87% of employees who participated in the survey fall under the under the age group of

between 20 to 40, and 11% of them fall above the age group of 40. This reveals that most of the employees are challenging and energetic.

Table No. 2: Employee Income

Parameters	Frequency	Percentage (%)
10000 – 20000	119	59.50
20000 – 40000	42	21.00
40000 – 50000	27	13.50
Above 50000	12	6.00

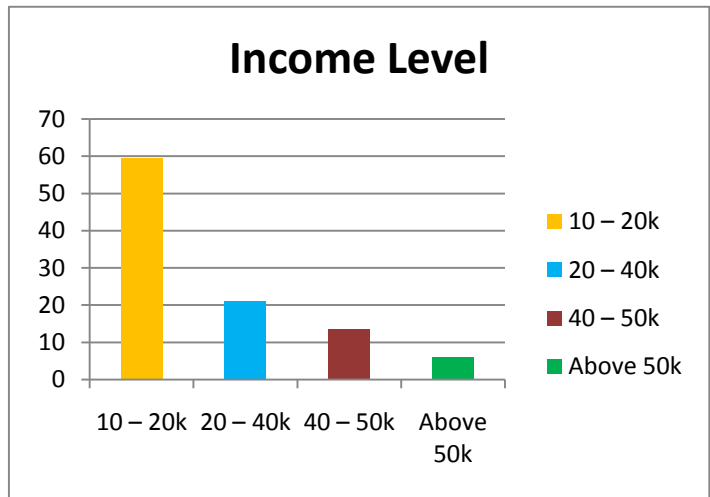


Fig.2

From the above table, it can be seen that nearly 60% of employees are in the pay band of Rs.10000 to 20000 and 34.50% employees fall in the pay band between Rs. 20000 to 50000 and only 6% of employee fall in pay band above Rs.50000.

Table No.3: Motivating Factor

Opinion	Frequency	Percentage
Employee's relations	37	18.50
Work environment	29	14.50
Future prospects	08	4.00
Recognition of work	12	6.00
Incentives & bonus	114	57.00

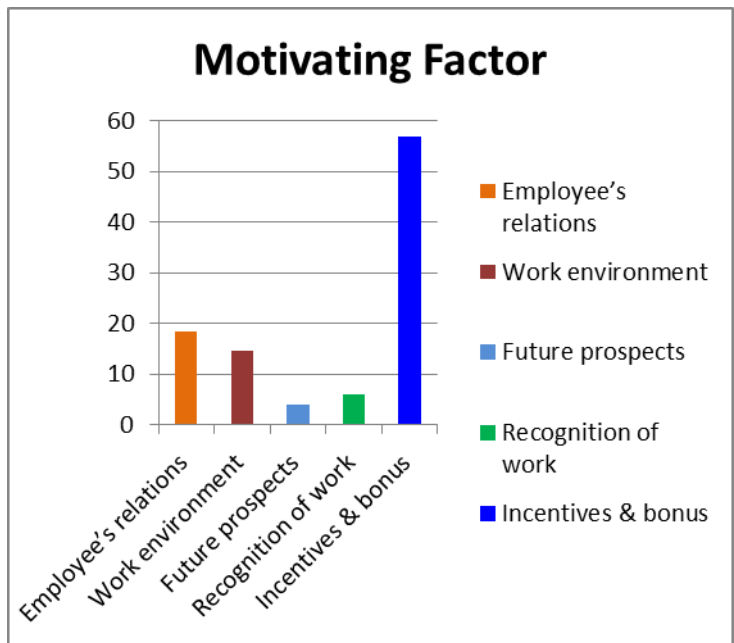


Fig.3

Table.3 states that 57% of employees considers Incentive and Bonus as major factor of motivation and least consideration to Future Prospects (4%) and Recognition of work (4%)

Table No. 4: Types of leave

Parameters	Frequency	Percentage (%)
Sick leaves	27	13.50
Casual leaves	112	56.00
Privilege leaves	18	9.00
Unauthorized Leave	43	21.50

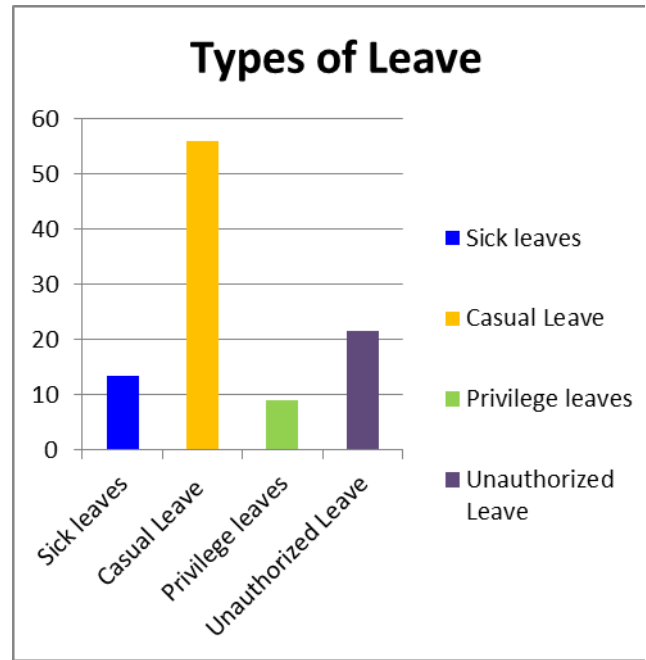


Fig.4

The above table, state that 21.50% of employees avails unauthorized leave and 78.00% of employee avail authorized leave.

This indicates majority of employee remain absent from work place with the permitted leave policy.

Table No. 5: General Reasons for Absenteeism

General Reasons	Frequency	Percentage
Health	49	24.50
Festivals and functions	17	8.50
Alcoholism	35	17.50
Family problems	20	10.00
Personal Reason	79	39.50

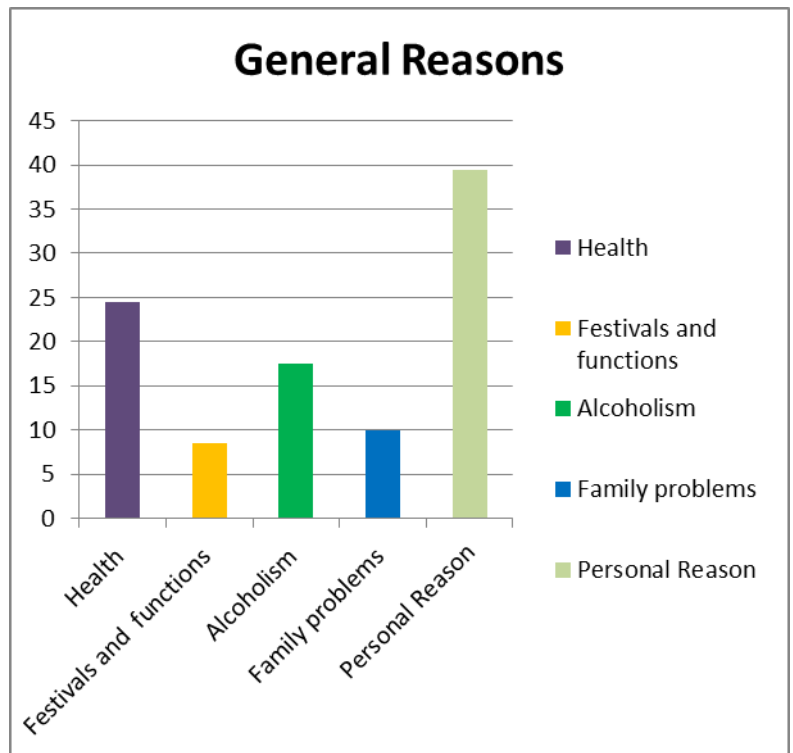


Fig.5

From the above Table it can be inferred that nearly 40% of the absenteeism is due to

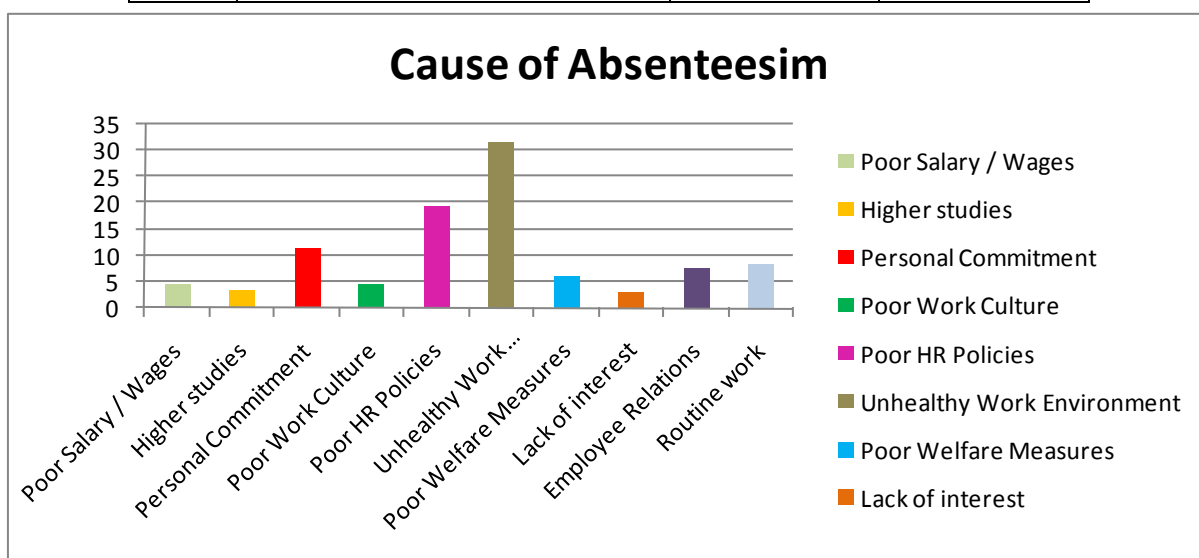
personal reasons and 24.50% of absenteeism is due to health issues and 8.50% of the

respondents' absenteeism is due to festivals and other domestic functions, 17.50% of the respondents is absent because of alcoholism and

10% of the respondents' absenteeism is due to family problem. The reasons identified are urgently needed to be resolved.

Table No.6: Causes of absenteeism:

No.	Causes	Frequency	Percentage
1.	Poor Salary / Wages	09	4.50
2.	Higher studies	07	3.50
3.	Personal Commitment	23	11.50
4.	Poor Work Culture	09	4.50
5.	Poor HR Policies	39	19.50
6.	Unhealthy Work Environment	63	31.50
7.	Poor Welfare Measures	12	6.00
8.	Lack of interest	06	3.00
9.	Employee Relations	15	7.50
10.	Routine work causes boredom	17	8.50



This graph interprets the personal reasons that make employees to stay away from work place. 31.50% of employee remain absent due to work environment, 19.50% of employee remain absent due to poor HR Policies, 6 % of absenteeism due to poor welfare measures, 9% of absenteeism due to poor salary or wages and 4.50% of absenteeism due to poor work culture. This shows approximately 71 % of employee absenteeism is due to poor administration of HR Activities and policies and remaining 29% of absenteeism due to personal reasons.

4. FINDINGS

1. Poor HR Practices like work environment, HR polices, welfare facilities and salary are the major causes of employee absenteeism in all the selected manufacturing industry.

Fig.6

2. Lack of Employee Relations results to employee loss morale and job satisfaction that makes to stay away from employment.
 3. The major determinants of job satisfaction are monetary benefits and incentives for improving motivation & morale.

5. SUGGESTIONS

1. Organizations should encourage team work that will enhance team spirit and relationship.
2. Conduct regular training sessions for employees to understand the problems faced by the employees in the work.
3. Conduct regular medical examinations for employees to safeguard the health issues.
4. Regular performance appraisal will keep in check the absenteeism of employees.
5. Giving incentives or attendance bonus can reduce absenteeism rate.

6. Employee counseling, Involvement and Engagement activities should be imparted to improve the morale to reduce negative attitude like alcoholism.
7. Ensure fair and transparent implementation of HR practices like job rotation, welfare measures, work culture etc.

6. CONCLUSION

The success of organization in terms of profitability, efficiency, growth depends on the contribution of employee towards objective. The rate of absenteeism can be reduced with mutual commitment and involvement of employer and employee. The provision of various welfare facilities, work culture, communication, training, HR Policies can reduce absenteeism to involve substantial financial commitment for the management. Hence, absenteeism is invisible and unpredictable in nature that proves fatal for the industry.

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