

A STUDY ON EMPLOYEE ABSENTEEISM IN SUNDARAM BRAKE LININGS LTD., CHENNAI.

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Abstract

Modern industry with its high degree of specialization and interdependence of operations, requires regular and prompt attendance of all workers. In mass production industries, almost every production process is dependent upon other processes and an unexpected absence of an employee in a particular department may result in a drastic dislocation of production in another department or even in the entire plant. Absenteeism is one of the factors affecting optimum utilization of human resources. It is an industrial malady affecting productivity, profits, investments and absentee workers themselves. As such, increasing rate of absence adds very considerably to the cost of industry and hampers industrial progress. The absence of a few workmen is an imposition on others, affects work scheduling and adds to costs that push the price of absenteeism far beyond one day's salary.

The economic and social losses occurring from absenteeism cannot be determined accurately. It is difficult to make even an approximate estimate of such losses because so many factors are involved which do not lend themselves to accurate measurements. In the first place, there is a lack of evidence concerning the seriousness of industrial absenteeism because records are inaccurate and incomplete. Only a small number of organizations attempt to understand this problem or make an effort to solve it.

This paper presents the results of a study carried out in Sundaram Brakes Lining Ltd. to identify the reasons for absenteeism and its effect on productivity.

Key Words: Employee absenteeism, productivity, job enrichment, job enlargement, stress, quality of work life

Introduction:

An employee is any person hired by an employer to do a specific set of jobs. In most modern economies, the term employee refers to a specific defined relationship between an individual and a corporation, which differs from those of customer or client.

Concept of Absenteeism: Absenteeism refers to employees' absence from his regular task when he is normally scheduled to work.

According to Seligman : "Absenteeism is time lost in industrial establishments by avoidable or unavoidable absence of employees".

According to Hachette : "Absenteeism is the practice or habit of being an 'absentee' and an "absentee" is one who habitually stays away".

In India two agencies collect and compile data on absenteeism.

- a. Labor Bureau, Shimla
- b. Annual Survey of Industries, Kolkatta.

According to Labour Bureau, Shimla: "Only unauthorized absence from work about which the employer has no prior information of the workers" failure is considered as absenteeism".

According to Annual Survey of Industries, Calcutta: "All kinds of Vacations and leave are considered as absenteeism"

For the purposes of this study, we take the stand of the Labor Bureau and reckon that absenteeism signifies the absence of an employee from work that is unauthorized, unexplained avoidable and willful.

Measurement of absenteeism

Absenteeism rate can be expressed as the result of total amount of time lost through non-attendance to the planned working time (excluding over time). The calculation of absenteeism rate can be made in terms of man-days by taking into account 2 factors.

- a. The number of persons scheduled to work
- b. The number actually present

Generally absenteeism is expressed as a percentage of overall strength of the Department/ Organisation and also expressed as man days lost. But it is difficult to interpret absenteeism in terms of value lost.

Kinds of absentees

1. Escapist Absentee

2. Immature Absentee
3. Chronic Absentee
4. Casual absentee
5. Seasonal absentee

Causes of Absenteeism

The causes can be divided into personal causes and organisation causes. The personal cause includes indebtedness, sickness and family problems on which the organization has very little control.

Organizational causes include the following

- Unsuitable working conditions
- Unfavorable mental attitude arising out of boredom discontent with wages, resentment against supervisors.
- Lack of provision for general welfare.
- Inadequate medical facilities
- Increased psychological distance between management and workers, specifically friction with supervisors.

Curbing of Absenteeism

In general, the absence rate indicates a certain cost to a given company, because employees simply cannot produce as much annually when absent rates are high. Any absence weakens the company's goals and productivity; so in order to strengthen the company's performance, absenteeism should be controlled.

The following are the guidelines for controlling the absenteeism.

- Proper Company policies, management support and direction

- Collect, maintain and update absenteeism records
- Healthy supervisory interaction
- Tackling first absence
- Tackling chronic absentees
- Tackling occasional absence
- Disciplinary measures
- By medical treatment and consultation services.
- By training & orientation
- Enlist union cooperation
- Termination as a final step- while it cannot remedy the individual problem, it does serve as deterrent to others

Objectives of the Study

The field work was under taken in Sundaram Brake Linings Ltd. with the following objectives:

1. To identify the reasons for absenteeism among employees of Sundaram Brakes Lining Ltd.
2. To determine the awareness level regarding effect of absenteeism on the productivity of the Organization.
3. To give suggestions for reducing absenteeism of the employees in the Organization.

Scope of the Study

1. The survey consisted of a sample of 100 employees. The survey covered only the permanent employees of the organization.

2. The study covers staff and workers category only.
3. The study has been done in all the departments excluding Personnel and Finance departments.
4. Data used in the project are both primary and secondary in nature
5. The study provides a base for understanding the employees' problems and provides possible remedies for it.

Limitations of the Study

1. The result does not contain any information about Personnel and Account departments.
2. Due to time constraints the sample size was restricted to 100 employees.
3. Since the study deals with sensitive area of the organization, it is difficult to extract accurate information from the employees.
4. The study is not comparative in nature.

Research Design:

This study has followed largely the Descriptive model.

Descriptive research is used in surveys and fact finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs, as it exists at present. The main characteristic of this method is that the researcher has no control over the variables.

Questionnaire:

Primary data was collected by the means of administering a questionnaire to the respondents.

In order to collect the primary data, questionnaire was used as the research instrument. Questions were arranged in a logical manner. The following are the types of questions used in the questionnaire - Close Ended Questions, Multiple Choice Questions, Open Ended Questions

Sampling techniques

Judgement sampling technique was adopted. 100 samples of permanent employees were drawn from different departments.

Statistical tools

Statistical tools used in this Study are percentage analysis, Chi- Square test and one way Anova.

CHI-SQUARE TEST No. 1

Null Hypothesis (H_0): There is no significant difference between the age of the employees and the relationship with their supervisors.

Calculated value = 23.9

Tabulated value= 12.02

Degree of freedom= 6

Since calculated value is greater than the table value, Null Hypothesis H_0 is rejected. So there is a significant relationship between the age of the employees and the relations with their supervisor.

Chi-Square Test No. 2

Null Hypothesis (H_0): There is no significant difference between the facilities offered by the organization and the satisfactory level of the employees.

Calculated value = 41.556

Tabulated value= 15.5

Degree of freedom= 8

Since calculated value is greater than the table value H_0 is rejected. So there is significant difference in the association between the facilities offered by the organization and the satisfaction level of the employees.

One-Way Anova Test-1

Null Hypothesis: H_0 = There is no significant difference between Educational Qualification with respect to absenteeism.

Analysis of Variance Table:

Source	D.F	Sum of Squares	Mean Squares	F Value	Table Value of F
Between Groups	2	136.30	68.15	4.98	2.99
Within Groups	77	1054.90	13.7		
Total	79	1191.20			

Calculated value of F = 4.98

Table value of F = 2.99

Significance at 5% level.

Inference: Since the calculated value of F is greater than table value of F, reject the Null Hypothesis at 5% level of significance. Hence, there is a significant difference between Educational Qualification with respect to the absenteeism.

Findings

1. Majority (65%) of the employees are in the age group of 18-24, 49% of them are in the age group of 19-21 years, 36% are between 22-24 years, 15% are in the age group of 18 years. However age has no bearing on absenteeism.
2. Salary is the most important component of work life- be it related to productivity issues, satisfaction issues or absenteeism issues.
3. Superior subordinate relationship is at good levels, in this organization. Employees consider relationship with

supervisor as one of the top most factors in the organization.

4. Out of 100 respondents, 67% have come in through the route of company apprentices and the remaining 33% were diploma apprentices. The company apprentices have better attendance record.
5. Employees consider grievance handling to be very ineffective.
6. Majority (80%), of the employees are un-married and 20% of them are married. However, this has no impact on absenteeism.

7. Majority (52%) of the employees are educated up to higher secondary, 29% are diploma holder and rest 19% are ITI. Strangely, as revealed in the Anova, higher the qualification, greater is the absenteeism.
8. 58% of employees are aware that absenteeism affects productivity whereas 42% are not aware of it. Out of 100 respondents, 20% believe production comes to halt when they are absent, 9% say it is not at all affected whereas 48% say alternative arrangements are made.
9. Majority (49%) of the employees say that the management is not strict in attendance matters.
10. 18% of employees are suffering from chronic diseases which contribute to overall absenteeism in a big way.
11. Majority (38%) of the employees feel that the work load is high and need to be reduced.
12. The training provided by the company is not enough, say 65% of employees.
13. There is a significant relationship in the association between the age of the employees and the relationship with their supervisor.
14. There is significant association between the facilities offered by the organization and the satisfaction level of the employees.
15. There is a significant difference between Educational Qualification and absenteeism. Strange it may

seem, the employees with higher qualification seem to be absenting more.

16. Out of 100 respondents, 43% of employees leave the job for better pay, 9% leave for better quality of work life, whereas 33% of employees leave the job due to stress and 15% have other reasons.
17. Out of 100 respondents, 39% of employees say salary is the reason for possible job shifting, 23% of the employees prefer better working condition whereas 38% of the employees would like to have reduced work load. (While the above 2 inferences are not direct ingredients of absenteeism, this is a measure of dissatisfaction which indirectly influences absenteeism.

Suggestions for reducing absenteeism

1. Many policies including leave credit policies, leave availing policies, linking attendance with promotion etc. should be reviewed.
2. Job enlargement or job enrichment should be practiced at regular intervals, at least for senior employees.
3. Company should reflect and project that it is taking attendance matters seriously. This can be done by rewarding good attendance holders and punishing heavy absentees. Right now, employees feel that company is not taking such issues seriously.

4. There must be good relationship between the superiors and subordinates, so that the absenteeism can be reduced. The existing level of relationships (which is considered good) should be preserved and even improved.
5. The Company's grievance handling system should be fine tuned.
6. To ameliorate commuting difficulties of employees, the Company can arrange for transport facilities for workers. Arrangement of Bus & Train Passes can be made. Additionally, the company can make arrangements to provide bi-cycles at subsidized rates. New staff quarters can also be constructed near the work place
7. The young workers between the age group of 20-24 years can be made to attend classes, regarding, creating awareness for quality of work life, discipline of self respect etc.
8. Many of the employees are not aware that absenteeism affects productivity. They have to be educated as on how abstaining from work affects productivity.
9. They should have a well constructed Induction scheme for newly recruited employees.
10. The company should take permanent workmen through the apprentice route.

Conclusion

The study analyses the various factors that lead to the employee absenteeism - like lack of raining, quality of work life, policies regarding promotion, incentives, benefits etc. Based on the study, the researcher has given suggestions to the company to reduce the attrition and absenteeism and to increase the productivity and turnover of the organization.

In the study, it was found that out of 100 respondents, 26% of the employees travel less than 2 kms 19% of employees travel between 2 to 5 kms, 13% of employees travel between 5 to 10 kms, 14% of the employees travel between 10 to 20 Kms and 28 % of the employees travel more than 20kms. Again out of 100 respondents, 23% of the employees walk to the company, 15% come by bicycle and 29% come by bus and rest by train. These could be related to another important cause of man days lost viz., late coming. We did not study this aspect in our study and we suggest further studies could be taken up in this regard.

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