

THE IMPACT OF ABSENTEEISM AMONG IT SECTOR EMPLOYEES IN CHENNAI CITY

Dr.K.VEEARAGHAVAN, Assistant Professor, P.G. & Research Department of Commerce, Dwaraka Doss Goverdhan Doss Vaishnav College, Chennai, Tamil Nadu.

Abstract:

Today the IT sector has played a vital role in the GDP of the Indian Economy. The Impact of Absenteeism among IT sector employees paves the right way for IT companies to provide a quality work environment. The causes for employee absenteeism are pay disparity, employees' work, bad relationships with superiors and inappropriate leave systems followed by the different organizations. Apart from that there are many factors are lead to employee absenteeism and its impact on the work environment. This paper contains the impact of absenteeism among IT sector employees in Chennai city and their expectations are measured.

Keywords: Absenteeism, Leave system, Work life; Pay benefits

1. Introduction of the study:

Human resource management plays an important role in any business and managing them is a challenging work before the managers. They are responsible for providing a good ambience for the employees along with benefits. Otherwise, it leads to absenteeism among the employees in the organization. Absenteeism is a serious workplace problem and an expensive occurrence for both employers and employees seemingly unpredictable in nature. It is often easier for organizations to make arrangements to cover staffs, which are going to be off for long periods. However, employees taking odd days off here and there are more problematic, and can have an immediate impact. If remains unchecked, this type of absence reveals the wrong signals to colleagues who, in some jobs, are likely to have to cover for those absent. If employers fail to take action, a 'buggins turn' mentality may emerge. Frequent absences may have serious repercussions when employees are employed in customer-facing roles or employed on production lines. The impact of absence may be most directly felt and the need to arrange cover at short notice may be paramount.

I. IT Industry Profile:

The Indian Information Technology (IT) industry has played a major role in placing India at the international level. This industry is mainly governed by IT software and facilities for instance System Integration, Software experiments, Custom Application Development and Maintenance (CADM), network services and IT Solutions. India's domestic IT Market over the years has become one of the major driving forces of the industry. The domestic IT infrastructure is developing contexts of technology and intensity of penetration. The Indian Government has established a National Taskforce on IT intending to format a durable National IT Policy for India. Endorsement of the IT Act, which offers an authorized structure to assist electronic trade and electronic operations. The Government of India is striving to move steadily to minimize structural and political bottlenecks, attract higher investment and improve economic performance. The Indian IT sector persists to be one of the flourishing sectors of the Indian financial system indicating a speedy expansion in the coming years.

II. Statement of problems:

Absenteeism is harmful to both employers and employees. It reduces employee earnings, reduces productivity in the workplace, and is more expensive for management and tension among colleagues. Absenteeism is an important problem faced by all sectors. It directly or indirectly reduces the level of production and services and increases the pressure level among the co-staff members. Especially in the IT industry why absenteeism is happening and how employees and organizations are affected more. The

study can help to understand the various reasons that should be taken care of to reduce absenteeism in organizations. Hence, it is essential to study the Impact of Absenteeism among IT Sector Employees in Chennai City. Such an understanding facilitates the IT industry to have a good work ambience and to provide a happy work life.

III. Significance of the study:

The study is based on the feelings and expectations of IT sector employees about absenteeism. This study can help to understand the Impact of absenteeism among IT sector employees in Chennai city and their reasons, the ways used to reduce the absenteeism. Generally, the IT industry contributed a significant share of India's GDP and created more employment among the people. The IT industry needs to empower the organization and employees according to the global standard and satisfy the needs and wants of employees also. This study can understand the gap between the expectations of employees and employers. Hence, this study aims to fulfil the gap between employers and employees with regard to absenteeism.

IV. Objectives of the Study:

1. To identify the causes for absenteeism and understand the impact of absenteeism on the work environment towards IT sector Employees in Chennai City.
2. To measure the satisfaction level of employees towards the IT industries leave policy.
3. To measure the factors that help to reduce the employees' Absenteeism in the IT Sector.

V. Research Methodology:

This study consists of both primary and secondary data that were used to have a better focus on the objectives framed. Primary data was collected from the Employees of IT sectors in Chennai City, through a self-structured questionnaire. It incorporates four dimensions on employee absenteeism i.e., Causes of employee absenteeism, Impact of employee absenteeism, Satisfaction level in the Leave system and Employee profile including gender, marital status, age group, educational qualification, work experience monthly income etc., were also gathered. The focuses on absenteeism among employees in the organization, the secondary sources of information were collected from Journals, Magazines, Articles, Books and Websites. A total of 78 questionnaires were distributed to Employees of the IT sector working in different organizations by way of convenience sampling method. The Completed questionnaires were received from 55 employees who represent 95% of the response rate but only 52 questionnaires were used, the remaining questionnaire discarding partially filled and defective responses.

VI. Review of Literature:

According to Thompson "employee absenteeism refers to missing part or whole days of work due to personal illness, personal business, or other reasons. May be avoidable and unavoidable". According to Rhodes, Susan R. Psychological Bulletin the three major categories of variables are examined: work attitudes, work behaviours and values, needs and preferences. The work attitudes include overall job satisfaction; satisfaction with work itself, pay, promotionsco-workers, and supervision; job involvement; internal work motivation; organizational commitment; and turnover intention. Kavoussi (1978) compared the unauthorized absenteeism rates in two large textile factories and recommended that closer attention be paid to improving the work-life of an employee. According to Raghvan (1978) the Ex-Chairman of BHEL, a public sector organization, stressed the need for workers' participation in management. According to him, equal "participation of workers in both the work and life creates more job satisfaction on the other good family life. According to Goff, Mount, & Jamison, 1990 "Employee absenteeism due to personal illness, personal business and absence without leave, as measured in number of hours. According to Johns, 2007; Employee truancy is failing to report for scheduled work. As such, it is the violation of a

social obligation to be in a particular place at a particular time. Traditionally, Employee truancy was viewed as an indicator of poor individual performance and a breach of an implicit contract between employee and employer. Thus, it was seen as a management problem and framed in economic or quasi-economic terms. Indeed, economists most frequently view absenteeism in labour supply terms. More recently, Employee truancy has increasingly been viewed as an indicator of psychological, medical, or social adjustment to work.

VII. Results & Discussions:

The below table explains the data relating to Absenteeism among IT Sector Employees in Chennai city based on their reasons and expectations. Generally, absenteeism is an important cause in organizations and it leads to more problems among the co-staff members and employers. The demographic profile of employees is as follows.

Table No. 1.1 Demographic Profile of Employees

Variables	Particulars	No. of Respondents	% of Respondents
Gender	Male	30	58
	Female	22	42
Marital Status	Married	21	60
	Unmarried	31	40
Age Group	20-30 years	17	33
	31-40 years	13	25
	41-50 years	15	29
	51 years and Above	07	13
Educational background	Engineering	28	54
	UG (Arts & Science)	08	15
	Diploma with Degree	09	17
	Post Graduate	07	14
Work Experience	Below 5 years	19	37
	6-10 years	13	25
	11-16 years	12	23
	Above 16 years	08	15
Monthly Income	Below Rs.25,000	15	29
	Rs.25,000 to Rs.50,000	14	27
	Rs.50,000 to Rs.1,00,000	13	25
	Above Rs.1,00,000	10	19
Dependents in Employees' Family	One	30	58
	Two	15	30
	Three	06	12
Distance of workplace	Within ½ km	19	37
	Nearly 10 km	13	25
	More than 10 km	20	38
Mode of transport	Walk	04	08
	Two Wheeler	17	33
	Car	20	38
	Bus	05	10
	Train	06	11
Leave taken by employees (monthly)	One Day	23	44
	Two Days	17	33
	Three Days & Above	12	23

It is found from the Table No. 1.1 58% of the respondents are male and remaining percentage of the respondents are female; According to marital status 60% of the respondents are married people and rest of them are unmarried; According to Age group it is quite clear that 33% of respondents fall under the age group of 20-30 years; 29% of the respondents are in the age group of 41-50 years; 25% of the respondents are in the age group of 31-40 years and rest of them are from the age group of 51 years and above; According to Educational background 54% of the respondents are Engineering graduates; 17% of the respondents are graduates with diploma; 15% of the respondents are Arts and Science graduates and rest of them are post graduates; According to work experience 37% of the respondents are in the category of below 5 years of experience; 25% of the respondents are in the category of 6-10 years of experience; 23% of the respondents are from the category of 11-16 years of experience and rest of them having more than 16 years of experience; According to Monthly Income classification 29% of the respondents earning below Rs.25,000; 27% of the respondents are in the income group of Rs.25,000 – Rs.50,000; 25% of the respondents are in the income group of Rs.50,000 – Rs.1,00,000 and rest of them earning above Rs.1,00,000; According to dependence in Employees family 58% of the respondents having one dependent; 30% of the respondent’s dependent is two and rest of them having three dependents; According to work place distance 38% of the respondents are from more than10 kms of distance; 37% of the respondents are from ½ kms of distance and rest of them are from nearly 10 kms of distance; According to mode of transport 38% of the respondents coming by car; 33% of the respondents using two-wheeler for travel; 11% of the respondents coming by train; 10% of the respondents using bus for travel and rest of them coming by walk; According to leave availed classification 44% of the respondents have taken one day leave; 33% of the respondents have taken two days of leave every month and rest of them taken leave as three days due to personal and other commitments.

Table No. 1.2 Causes of Employees Absenteeism

(5 = Highly Important, 4 = Important, 3 = Neutral, 2 = Un-important, 1 = Highly unimportant)

Factors	Highly Important	Important	Neutral	Unimportant	Highly unimportant	Weighted average
Sickness	16	24	9	3	-	4.01
Family Problem	18	27	3	33	-	4.09
Social Functions	6	18	16	12	-	3.34
Lack of Interest	2	10	15	25	-	2.78
Work Load	3	12	9	24	4	2.73
Working Conditions	6	16	11	17	2	3.13

The weighted Average value of the above table reveals that the employees feel that Family problems (4.09) and Sickness (4.01) are the **important** factors that cause truancy in the organization; factors like Social functions (3.34), Working conditions (3.13), Lack of Interest (2.78) and workload (2.73) are neither **agreed nor disagreed** by the employees as the causes for absenteeism.

Table No. 1.3: Impact of Employees Absenteeism

Impact	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Weighted Average
Mental stress	13	17	8	10	4	3.48
Productivity	3	22	13	9	5	4.46
Affects relationship with superiors	10	16	23	3	-	3.63
Loss of income	10	10	25	7	-	3.44
Reluctant to work	5	23	19	5	-	3.53

(5 = **Strongly** Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, 1 = Strongly disagree)

The weighted Average of above table reveals that employees **strongly agree** productivity (4.46) is greatly affected by the Truancy. Employees **agree** that truancy has affected their relationship with

superiors (3.63) and also made them reluctant in their work (3.53). Employees neither agree nor disagree that mental stress (3.48) and income loss (3.44) occurred due to absenteeism.

Table No. 1.4 Satisfaction Levels of Employees in the Leave System

Leave system	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Weighted Average
Casual leave	11	13	18	5	5	3.38
Paid leave	15	12	15	6	4	3.53
Earned leave	12	7	10	10	13	2.90
Encashment leave	10	15	20	7	-	3.53
Sick leave	24	10	10	5	3	3.90

(5 = Highly satisfied, 4 = Satisfied, 3 = Neutral, 2 = Dissatisfied, 1 = Highly Dissatisfied)

The Weighted Average Table No.1.4 that employees are **Highly Satisfied** with the sick leave (3.90) and paid leave and Encashment leave (3.53) offered by the organization. Employees are **neither satisfied nor dissatisfied** with the other leave systems like casual leave (3.38) and earned leave (2.90) offered by their management.

Table No. 1.5 Relationship between Experience and Mental Stress

Null Hypothesis Ho: There is a relationship between mental stress and experience in the workplace.

Alternative Hypothesis H₁: There is no relationship between mental stress and experience in the workplace.

Mental stress Experience	Strongly Agree	Agree	Neutral	Dis agree	Strongly Disagree	Row Total
Below 5 years	1	2	1	2	1	7
5-10 Years	2	1	2	3	2	10
10-16Years	3	4	2	7	4	20
Above 16 years	2	2	5	-	6	15
Column Total	8	9	10	12	13	52

Table No 1.6 Relationship between Experience and Mental Stress

Observed Frequency(O)	Expected frequency(E)	O-E	(O-E) ²	$\frac{(O - E)^2}{E}$
1	1.07	-0.07	0.005	0.005
2	1.21	0.79	0.62	0.51
1	1.34	-0.34	0.11	0.08
2	1.61	0.39	0.15	0.09
1	1.75	-0.75	0.56	0.32
2	1.54	0.46	0.21	0.14
1	1.73	-0.73	0.53	0.30
2	1.92	0.08	0.006	0.003
3	2.30	0.7	0.49	0.21
2	2.5	-0.5	0.25	0.1
3	3.07	-0.7	0.49	0.16
4	3.46	0.54	0.3	0.08
2	3.84	-1.84	3.38	0.88
7	4.61	2.39	5.71	1.24
4	5	-1	1	0.2
2	2.30	-0.30	0.09	0.04
2	2.59	-0.59	0.35	0.13
5	2.88	2.12	4.50	1.56

-	3.46	-3.46	11.97	3.46
6	3.75	2.25	5.06	1.35
$\sum O = 52$				$\sum(O - E)^2/E$ = 10.86

Level of Significance $\alpha = 0.05$

Degrees of Freedom = $(R-1)(C-1) = (4-1)(5-1) = 12$

Chi-Square = $\sum(O - E)^2/E = 10.86$

Conclusion: $X^2 @ 5\% = 21.026$

The calculated value of the chi-square (10.86) is less than the tabulated value (21.026). Hence there is a relationship between Mental Stress and experience.

Conclusion:

This study may concluded that employee absenteeism is an extremely important concept in the IT sector and would not be tolerated; otherwise, it would lead to worsening absenteeism and a host of other negative effects on the employees and the organization. The sooner management and supervisors act on absenteeism, the better for the department, organization and the employees. It's important to realize that there are many success stories in business where employee absenteeism was reduced to an acceptable rate. The company is to make a Proper selection of employees for the particular post and take the employees' welfare into account to provide a better working environment without being stuffed with stress.

Suggestions:

- The company may permit half-day leave for social functions of the employees to attend which helps to improve work policy.
- The company may provide incentives, bonuses and other monetary benefits to increase productivity and reduce reluctance to work.
- The company may conduct a meeting once in a month which will improve the superior and subordinate relationship in a better manner.

References:

1. Alison Earle and Jody Heymann (2006). "A Comparative Analysis of Paid Leave for the Health Needs of Workers and their Families around the World", Journal of Comparative Policy Analysis, Vol.8, No.3, p.241.
2. Marie Gottschalk (2007) "Back to the Future? Health Benefits, Organized Labour and Universal Health Care", Journal of Health Politics, Policy and Law, Vol.32, No.6, p.923.
3. Padhi, P.K (2007). Labour and Industrial Laws, New Delhi, Prentice Hall of India.
4. Robert J Lemke, Robert Witt and Ann Dryden Witte (2007). "The Transition from Welfare to Work", Eastern Economic Journal, Vol.33, No.3, pp.359-373.
5. Alok Kumar (2008). "Capital Tax, Minimum Wage and Labour Market Outcomes", Review of Economic Dynamics, Vol.11, No. I, p.133.
6. Lea Henriksson (2008). "Reconfiguring Finnish Welfare Service Workforce: Inequalities and Identity", Equal Opportunities International, Vol.27, No. 1, pp.49-63.
7. Randhir Kumar Singh and Gaur Hari (2009). "Welfare Measures and its Impact on Manpower Productivity", downloaded from <http://www.indianmba.com>.
8. Rick Csiernika (2009). Journal of Workplace Behavioral Health, Vol.24, No.1 & 2, January, pp.147-164.