Factors Effecting Employee Absenteeism

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Abstract
This study investigates the relationship of employee absenteeism with various factors. We gather the literature from different articles and after literature review we have find that there are many factors which affects employee absenteeism but we take only four independent variables for conduct a research, and we have find that if health of an employee will be affected then employee will also absent from the work, if life stress are increased then absenteeism also increased, Transport facility are not good then absenteeism increased and if employee are not satisfied with job then absenteeism are will also increased. And For this paper we collect the data from 30 employees of through questionnaire on 5 point likert scale in which we check the reliability of each variable and the reliability of dependent variable (EA) is 0.784, reliability of (H) is .313, reliability of (S) is 0766,reliability of (T) is 0.734 and the reliability of (JS) is 0.751, after checking the reliability after checking the reliability we check the correlation of all variables and prove that the correlation of independent variables with dependent variable is highly positive +1. After check the correlation we have find the regression line which tells us that if we change the 1 unit of beta how much change will in dependent variable. Finally the paper concludes with a discussion of employee absenteeism as it relates to all four factors.

Purpose of the study:
The purpose of this study is to examine the impact of health related events, stress, and transport issue and job satisfaction on the employee absenteeism.

Keywords: health related events, stress, transport problem and jobs satisfaction absenteeism

Problem statement:
Factors contributing to the employee absenteeism

Objectives of study:
- To identify the reason of employee absenteeism
- To measure employee absenteeism level
- To identify factors to reduce the employee absenteeism
- To identify factors which motivate employee and thus increase absenteeism

Introduction
The development of any organization depends upon the regularity of its employees. This study is conducted to know the various level and reasons for absence of employees in an organization. By looking it one can adapt corrective measures to decrease irregularities in the organization lead to organizational growth. Absenteeism is a habitual pattern of absence from a duty or obligation. Expressed more briefly, it is the non-attendance at work of workers expected to be present. Non-attendance may
be due to sickness or other causes, and is considered by employers to be something of a problem, particularly when no explanation of absence is given.

When a company has an absentee problem, it has a profit problem. Indeed, absenteeism can take a financial toll on any business, be it a small business or a multinational company. But there are other significant effects associated with excessive or unmonitored absenteeism:

Decreased Productivity: A team is composed of people doing interrelated tasks. If one fails to deliver, it creates a domino effect on productivity. When an employee is absent but is integral to daily work functions, others take his place and their own primary responsibilities and motivation suffer.

Demotivate Employees: Those same employees who are at least present, even if not fully engaged, lose enthusiasm for their work. If the fact that they are compensating for the absent employee is not recognized, morale, engagement and retention are also at risk.

Customer Loyalty and Satisfaction: It's obvious; employees are the backbone of any company and its customer service. As productivity and morale decline, so too will customer loyalty and satisfaction.

Increased Costs: Overtime, temporary staff and lost productivity increase the overall costs not otherwise catered for by the company.

Job Dissatisfaction: Employees monitor absenteeism of other employees. If these absences are allowed to go unchecked by management, they invariably lose respect for the company’s leadership. This may lead to overall dissatisfaction and could result in labor turnover if not addressed.

**Literature Review:**

There is a negative relationship of work related experiences with the absenteeism of an employee. If the firm pays a high wage, workers might interpret the firm’s behavior as a gift and react with positive reciprocity, i.e. they provide more work effort and are less absent (Akerlof, 2006).

Globerson and Ben-Yshai (2002) found that seniority was associated with lower absenteeism. Blau (2004) carried out a study which examined organizational commitment and job involvement as predictors of absenteeism and tardiness behavior. Vanden Heuvel and Wooden (1995) reported that married parents tended to be absent, regardless of their gender. Workers react with negative reciprocity and more absenteeism to low wages (Dohmen et al., 2006).

Job satisfaction is negatively correlated with absenteeism (Winkelmann, 1999). Farrell and Stamm (1988) and by Steel and Rentsch (1995), is that women will be absent from work more than men. The meta-analyses of Meyer et al. (2002) and Mathieu and Zajac (1990), show that affective commitment is negatively related to employee absenteeism. Absenteeism and other withdrawal behaviors like lateness and personnel turnover reflect “invisible” attitudes such as job dissatisfaction or a low level of organizational commitment (Sagie, 2008).
Globerson and Ben-Yshai (2002) found that seniority was associated with lower absenteeism. Schwarzwald (1992) found that service employees increased their absenteeism as a result of failure to get a promotion. Previous studies of absenteeism have established a negative correlation between wages and absenteeism as a proxy for work effort (Barmby et al., 1991; Brown and Sessions, 1996). Studies using individual data like household surveys analyse the impact of individual wages on workers’ absenteeism behavior (Allen, 1981a; Leigh, 1984; Drago and Wooden, 1992; Allen, 1996; Winkelmann, 1999; Barmby and Gesine, 2000). Lee and Newman (2010) found that the performance of disabled employees was rated from average to excellent.

Theoretical framework:
Our primary interest variable is employee absenteeism and the independent variables contributing to absenteeism are health related events, stress, transport issue and job satisfaction.

I.V

Health related events also contribute to absenteeism of an employee. Boles et al. (2004) reported that health risks may be associated with absenteeism. So the first hypothesis is
H1 = There is a positive relationship between health related events and employee absenteeism.

Stress contributes to employee absenteeism. According to James N. MacGregor, J. Barton Cunningham and Natasha Caverley (2008) it is revealed that stress and life events are related to absenteeism of an employee.

H1 = There is positive relationship between Stress and employee absenteeism.

If the firm provides transports, workers might interpret the firm’s behavior as a gift and react with positive reciprocity, i.e. they provide more work effort and are less absent (RI Kids Count, 2007).

H3 = There is a positive relationship between transports problem and absenteeism.

Jobs satisfaction also contributes to absenteeism of an employee. Williams et al. (2004) reported that if employees are with own jobs then his number of absentees are low mean jobs satisfaction are associated with absenteeism.

H1 = There is a positive relationship between jobs satisfaction and employee absenteeism.

Research Design
There are three types, they are
1. Explorative
2. Descriptive
3. Experimental

Hypothesis methodology is used in the present study.

Study Setting
There are two type
1. Contrived
2. Non contrived
We are used in this non contrived setting and in Non contrived we used field study

Time Horizon
And in the present study we are used a cross sectional / on short study because we are collected data one time only

Sample and procedure
The population for the present study included 30 employees of Zari Taraqiati Bank Limited Islamabad. They were enrolled in different departments. The data was collected from 30 employees which include male and females of different levels through questionnaire on likert scale. Among which 58% were male and 42% were female. The sampling was non convenient sampling and the study was hypothesis testing.

Data collection
The questionnaire was an amalgamation of several instruments and associated measures on employee health, stress, transport, jobs satisfaction and absenteeism factors.

Health-related events
We asked a number of questions concerning objective events that were health related used by James N. MacGregor, J. Barton Cunningham and Natasha Caverley (2008). These were: I am healthy? has I frequently visit my doctor? Illness on health? I regularly do exercise: the job I
have now probably affects my physical health?

**Stress**

We used five stress related question used by (James N. MacGregor, J. Barton Cunningham and Natasha Caverley, 2008), and asked respondents to please give that particular answer I work under a great deal of tension? I have felt fidgety of nervous as a result of my jobs? Problem associated with my job have keep me awake at night? I have felt nervous before attending meeting in the company? My jobs tends to directly affect my health?

**Transport**

Respondents were also required to answer transport queries used by Karin Sanders (1998). Transport/conveyance facility is good? Transport fare is affordable? Transport has appropriate timings?

**Jobs satisfaction**

We used three Jobs Satisfaction question used by (Akerlof, G.A. and Yellen, J.L, 1990), and asked respondent to please give that particular answer I am satisfied with job? I like the type of work that I do? I will never leave this job on my own?

**Data Analysis**

**The Variables and their Measurement**

This study examines the relations between employee absenteeism (dependent variable) and health related events, stress, transports, jobs satisfaction (independent variables). The measurements of these variables are explained below.

Cronbach’s alpha of employee absenteeism is 0.784, which indicates a high level of internal consistency for our scale with this specific sample. The Cronbach’s alpha of health related event is 0.313, which indicates a high level of internal consistency for our scale with this specific sample, The Cronbach’s alpha of stress is 0.766, which indicates a high level of internal consistency for our scale with this specific sample Cronbach’s alpha of transport issue is 0.734 and Cronbach’s alpha of jobs satisfaction is .751 it also indicates a high level of internal consistency for our scale with this specific sample.

After checking the reliability after checking the reliability we check the correlation of all variables and prove that the correlation of independent variables with dependent variable is highly positive +1. After check the correlation we have find the regression line which tells us that if we change the 1 unit of beta how much change will in dependent variable.

**Results**

**Respondent based on Age level**
The above table infers that, 20% belongs to the age group of 21-30 years, 10% belongs to the age group of 22-40 years, 23.3% belongs to the age group of 41-50 years and 46.7% belongs to the age group of 51 & Above years.

Respondent based on Status level
Table shows that in respondent 53.3% was married and 46.7% was single.
### Respondent based on salary level

<table>
<thead>
<tr>
<th>Salary Level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
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<td>7000-10000</td>
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<td>6.7</td>
<td>6.7</td>
<td>6.7</td>
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<td>16.7</td>
<td>16.7</td>
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<td>Above 16000</td>
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<td>56.7</td>
<td>56.7</td>
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</table>

**Mean = 3.33**  
**Std. Dev. = 1.028**  
**N = 30**
<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
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</thead>
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<td>Master</td>
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<td>63.3</td>
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<td>PhD</td>
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<td>3.3</td>
<td>3.3</td>
<td>86.7</td>
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<tr>
<td>Other</td>
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<td>13.3</td>
<td>13.3</td>
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<td>Total</td>
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<td>100.0</td>
<td>100.0</td>
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</table>

**Qualification**

- Mean = 2.1
- Std. Dev. = 0.885
- N = 30
### N.F.M

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<th>Valid Percent</th>
<th>Cumulative Percent</th>
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</thead>
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<tr>
<td>Valid</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>three</td>
<td>3</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>four</td>
<td>8</td>
<td>26.7</td>
<td>36.7</td>
</tr>
<tr>
<td>Five</td>
<td>11</td>
<td>36.7</td>
<td>73.3</td>
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<tr>
<td>Above five</td>
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<td>26.7</td>
<td>100.0</td>
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<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
<td>100.0</td>
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Mean = 2.8
Std. Dev. = 0.961
N = 30
Tests of Normality

<table>
<thead>
<tr>
<th></th>
<th>Kolmogorov-Smirnov</th>
<th>Shapiro-Wilk</th>
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<td>Employee.Absenteeism</td>
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<tr>
<td>Health</td>
<td>.140</td>
<td>30</td>
</tr>
<tr>
<td>Stress</td>
<td>.195</td>
<td>30</td>
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<tr>
<td>JobSatisfaction</td>
<td>.176</td>
<td>30</td>
</tr>
<tr>
<td>Transport</td>
<td>.159</td>
<td>30</td>
</tr>
</tbody>
</table>

a. Lilliefors Significance Correction

Kolmogorov smimov of employee absenteeism sig level is .087 and it’s grater then 0.05 so data is normal because if in kolmogorov smirnov is >0.05 then data is normal if <0.05 data is not normal.

Health Sig. is the .140 and it is grater then .05 so health sig is normal. Stress Sig. is .005 it’s <.05 so stress data is not normal. Jobs satisfaction level is .019 it’s <0.05 so that is also not normal. Transport Sig. is .051 and it’s a grater then 0.05 so data is normal.

Correlation Analysis

Correlations

<table>
<thead>
<tr>
<th></th>
<th>Health</th>
<th>Stress</th>
<th>Transport</th>
<th>Job Satisfaction</th>
<th>Employee. Absenteeism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.461*</td>
<td>.222</td>
<td>-.140</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.010</td>
<td>.239</td>
<td>.462</td>
<td>.983</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Stress</td>
<td>Pearson Correlation</td>
<td>.461*</td>
<td>1</td>
<td>-.187</td>
<td>-.059</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.010</td>
<td>.323</td>
<td>.758</td>
<td>.321</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Transport</td>
<td>Pearson Correlation</td>
<td>.222</td>
<td>-.187</td>
<td>1</td>
<td>.213</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.239</td>
<td>.323</td>
<td>.259</td>
<td>.997</td>
</tr>
</tbody>
</table>
The correlation coefficient may range from –1 to 1, where –1 or 1 indicates a “perfect” relationship. The further the coefficient is from 0, regardless of whether it is positive or negative, the stronger the relationship between the two variables. Thus, a coefficient of .453 is exactly as strong as a coefficient of -.453. Positive coefficients tell us there is a direct relationship: when one variable increases, the other increases. Negative coefficients tell us that there is an inverse relationship: when one variable increases, the other one decreases. In this table all variables have positive relationship with dependent variable mean employee absence. Its mean that as the work related, health related and life related events increase then employee absence will also increase.

**Job Satisfaction**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>30</th>
<th>30</th>
<th>30</th>
<th>30</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>-.140</td>
<td>-.059</td>
<td>.213</td>
<td>1</td>
<td>-.294</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.462</td>
<td>.758</td>
<td>.259</td>
<td>.115</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Employee Absence**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>30</th>
<th>30</th>
<th>30</th>
<th>30</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>-.004</td>
<td>.187</td>
<td>.000</td>
<td>-.294</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.983</td>
<td>.321</td>
<td>.997</td>
<td>.115</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).

Sig. (2-tailed) - This is the p-value associated with the correlation. Sig value shows the error chances in social science. It should be less than 0.05. In results the sig value of Health is .09 which means that there is 9% error chance in results and the sig value of stress is 0.3 which shows the 3% error chances and the sig value of transport & jobs satisfaction is 0.9 & 0.1

N - This is number of cases that were used in the correlation. Because we have no missing data in this data set, all correlations were based on all 30 cases in the data set. However, if some variables had missing values, the N's would be different for the different correlations.
Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>4.093</td>
<td>1.384</td>
<td></td>
<td>.007</td>
</tr>
<tr>
<td>Health</td>
<td>-.392</td>
<td>.374</td>
<td>-.236</td>
<td>-1.045</td>
</tr>
<tr>
<td>Stress</td>
<td>.369</td>
<td>.262</td>
<td>.310</td>
<td>1.410</td>
</tr>
<tr>
<td>Transport</td>
<td>.180</td>
<td>.203</td>
<td>.184</td>
<td>.887</td>
</tr>
<tr>
<td>Job Satisfacation</td>
<td>-.399</td>
<td>.221</td>
<td>-.348</td>
<td>-1.809</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee.Absenteeism

Sig. Health is .306 is greater than 0.05, so it shows that there is insignificant because if in coefficients Sig. is <0.05 variable is significant if >0.05 variable is insignificant. Stress Sig. is .171 is >0.05, so it shows that there is a insignificant. Transport is .383 is greater than 0.05, so it shows that there is insignificant. Job Satisfaction Sig. is .083 is >0.05, so it shows that there is a insignificant.

T. Health t is -1.045 is less than 2, so it shows that there is insignificant because if in coefficients t value is >2 variables is significant and if t is <2 variable is insignificant. Stress t is 1.410 is greater than 2 it shows that there is insignification. Transport is .887 is less 2 so it’s insignificant. Jobs satisfaction is -1.809 is less than 2,so it shows that there is insignificant.

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.401a</td>
<td>.161</td>
<td>.027</td>
<td>.76599</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), JobSatisfaction, Stress, Transport, Health
This section presents the results of all the regression analyses, including the estimates of the regression coefficients indicating the direction and size of the conditional effects and interaction effects of independent variables on the employee absenteeism. In the table of model summary the R indicates the simple correlation, and R square indicates how much of the dependent variable, employee absenteeism, can be explained by the independent variable, Health, Stress, Transport and Jobs Satisfaction. We know that y=a+bx, in the table of coefficient 4.093 is constant alpha and its value is fixed. -0.392, 0.369, .180 and -0.399 is the beta and Health, Stress, Transport and Jobs Satisfaction are X respectively.

As 0.022 is less than 0.05, so it shows that there is a significant difference in mean of independent variables.

### Discussion:

This study show that there is a positive relationship of employee absenteeism with health related events, stress, transport issue and jobs satisfaction related absenteeism. All do not have strong impact on the dependent variable. All affect differently the absenteeism of employee. Amongst all work related variable will have more effect on absenteeism. Akerlof (2008) also prove that if work conditions will be in favor of employee then he will be less absent from the work. Winkelmann (2005) and Sagie (2009) also reported that work related experiences are related to employee absenteeism.

### Conclusion:

Employees are being absent from the work due to unfair reward system, when they do not get the opportunity to promote. When there is no good relationship between
coworkers and supervisors. So organization must put his focus on the improvement of work related all activities and experiences to an employee.

References:


