

Today hr issues such as low employee morale absenteeism and high turnover rate ar...

[Experience](#), [Human Nature](#)



Today, HR issues such as low employee morale, absenteeism and high turnover rate are challenging for organisations and HR managers.

Introduction As organisations have developed to suit and cater for an increasingly competitive marketplace, so too have the ideas and notions of job satisfaction. In fact, these ideas and notions have developed to such an extent through both theoretical and empirical means that it has now become the most important application of human resource management within the workplace.

In its simplest form, job satisfaction is an attitudinal variable with which to judge an employee's inclination towards their work. However, these attitudinal variables are so diverse and wide-ranging that it is fundamentally difficult to understand the most common causes undermining or underpinning job satisfaction. As such, wide ranging studies on the matter bear distinct disagreement with each other's assertions and findings, instead only finding common ground on some issues. In this essay, I will seek to make sense of these wide ranging issues and correlate the most likely causes behind human resource problems.

In particular, I intend to focus of three main subjects; low employee morale, absenteeism and high turnover rates and examine the ideas behind each issue. In addition, using this information, I will seek to explain the consequences faced by organisations and by employees themselves who are faced with low employee morale and continued job dissatisfaction.

Furthermore, I intend to examine the fundamental thinking behind the

organisational response to these matters, as well as examining the solutions implemented by human resource managers to combat the problem.

Causes of low employee morale There have been increasingly frequent studies pertaining to the causes of low employee morale in workplaces throughout Australia, with the findings generally indicating a vast array of differing causes and circumstances. However, a key factor behind the current low morale of workers seems to be intertwined with the aftermath of the Global Economic Crisis upon the Australian economy. Career One's National Sales Manager, Dawn Tingwell, believes that, " Australian workers are less satisfied with their jobs... ot only compared to last year but even since 2008. "[1] Recent surveys seem to back up these statements with CareerOne claiming that 82 per cent of Australian employees are currently considering applying for new jobs due to dissatisfaction in the workplace, with 37 per cent already actively pursuing new roles. [2] A similar study conducted in September of last year provides comparable figures, noting that " four out of every ten employees who were surveyed were seriously considering leaving their current position. "[3]

Notably, current job dissatisfaction cannot solely be applied to workers in singular industries but rather towards a wide range of job types. Most prominently to suffer from job dissatisfaction are those in administration and sales, but also in education, logistics and property. [4] This further implicates the GFC as the major culprit with these studies suggesting a macroeconomic problem rather than simply singular industrial difficulties. In a 2011 study

conducted by The Australian Workers Union, 28 per cent of employees believe that their workload has increased as a result of reduced employees in the workplace. 5] Additionally, 29 per cent of workers feel that the GFC will continue to hinder the Australian economy in the future with many believing that the increased sphere of influence that the GFC poses will result in negative effects upon their personal lives. [6] Tingwell believes this claim is relevant, stating that, “ The intense focus being placed on profit by organisations in the post GFC environment is taking its toll on worker satisfaction and loyalty... with interest rates and the cost of living on the increase, we are seeing a strong correlation between financial stress and increased job hunter activity. [7] Unsurprisingly, Human Capital Magazine notes that 88 per cent of Australian’s currently with families or involved in personal relationships, claim that these relations are becoming increasingly difficult to maintain in tandem with increased commitments in the workplace. [8] Of those 88 per cent, 34 per cent indicate further problems, maintaining they are completely unable to balance their personal lives with their working commitments, citing their employer’s inability to provide flexible working hours and a positive company culture. 9] Coincidentally, the same study notes that those employees who either worked part-time or solely from home were significantly happier than those who worked full time, further exacerbating the claims that culture in the work place and family commitments seem to be the driving forces behind job satisfaction amongst Australian employees. [10] However, notable differences have been

observed between older employees within the job sector and younger ' Generation Y' workers.

The same survey by Human Capital Magazine notes that older employees have become increasingly discontent over salary issues and the lack of opportunity for career development. [11] Conversely, the Generation Y workers reported no issues in both those areas but instead have become increasingly disconcerted with the general nature of their job activities, indicating the importance that a workers job function has towards his or her overall satisfaction in the workplace. [12]

In a Bowling Green State University report prepared by Balzer et. al, entitled the, ' User's manual for the job descriptive index (JDI; 1997 Revision) and the job in general (JIG) scales,' the authors note that, " Much of the research exploring job satisfaction suggests that satisfaction with one's job or work is related to the work tasks being undertaken. "[13] This inclination is shared by Richard Halmer and Bruce Findlay, from the Australian Catholic University and Swinburne Institute of Technology respectively.

Their report, entitled, ' The effect of workplace relationships on employee job satisfaction for 25 to 35 year olds,' suggests that, " satisfaction with one's work tasks is the greatest predictor of overall job satisfaction. "[14] In addition, their paper shows remarkably similar results to the survey conducted by The Australian Workers Union, believing that due to, " changes in the working conditions of modern employees...(it has become) increasingly challenging, particularly for Australia's younger workers, to find

<https://assignbuster.com/today-hr-issues-such-as-low-employee-morale-absenteeism-and-high-turnover-rate-are-challenging-for-organisations-and-hr-managers-essay/>

job satisfaction. They cite difficulties in the workplace including increased working hours and intensifying job demands as the underlying problem, noting that there is a, “ common current workplace rhetoric of, “ do more, for less...and faster. ””[15] Consequences of low employee morale The consequences of low employee morale are wide ranging but mainly form themselves into two defining characteristics; increased employee job dissatisfaction which ultimately leads to increased employee absenteeism.

As noted previously, employee job dissatisfaction is caused by a number of issues with Nicole Fink asserting that low morale in the workplace needs to be addressed immediately. In an article published by The Leading Edge, a strategic management magazine, she states that: Leaders who fail to address morale issues in the workplace face the following: decreased productivity, increased rates of absenteeism and associated costs, increased conflicts in the work environment...and increased employee turnover rates and costs associated with hiring and training replacement staff. [16]

Through the use of meta-analyses on various studies which correlate job dissatisfaction and absenteeism, Rick Hackett, Professor of Human Resources Management at the DeGroote School of Business, has found that there is a distinct connection between the two. He notes that, unsurprisingly, lower job satisfaction leads to higher absenteeism from the workplace, believing that the relationship may be explained through three different methods: “ Dissatisfaction with the job may lead to higher absence; high absence may lead to lower job satisfaction; or a third variable (e. g. ,

burnout) may lower job satisfaction and heighten absence. [17] A 2002 study by De Boer et. al entitled, ' Unfairness at work as a predictor of absenteeism,' indicates that this type of behaviour forms the basis for the theory regarding ' withdrawal' models of absence, which, " regards absence from work as voluntary withdrawal from aversive work conditions. "[18] A 2010 thesis entitled, ' Antecedents and consequences of employee absenteeism: A longitudinal perspective on the role of job satisfaction and burnout,' by Ybema et. al agrees with these assertions, believing that absenteeism usually indicates high stress in the workplace.

The authors state that, " Absence from work is a major problem for many work organizations and their employees. Such absence disrupts the work processes, leads to loss of productivity, and heightens the work load among colleagues. "[19] Unfortunately, the main concern of absenteeism is the knock on effect it has towards other employees who are often left to bridge the gap in productivity left by those absent fellow employees. In turn, this further exacerbates the increase of stress in the workplace and creates a disharmonious working environment, leading to additional absenteeism.

This increased absenteeism and its knock on effects have posed increasingly large financial problems for companies and economies. In an 2007 study implemented by The Gallup Organisation, they estimated that 22 million employees across America were " actively disengaged...costing the American economy as much as \$350 billion dollars per year in lost productivity including absenteeism, illness, and other problems that result

when employees are unhappy at work. "[20] In addition, the 2007 CCH Unscheduled Absence Survey noted that employees were finding it increasingly difficult to actively prevent absenteeism in the workplace.

The survey went on to state that the pinnacle of America's largest employers estimate the loss of \$760, 000 per year in direct payroll costs, with even higher losses being considered when reduced productivity and the ongoing effects of low morale were considered. [21] Interestingly, Richard Steers and Susan Rhodes note in their thesis, ' Major influences on employee attendance: A process model,' that frequently absent workers seem to fit the character of the older and younger workers surveyed by Human Capital Magazine. They state that: Workers who are absent frequently or for a prolonged time may get less interesting tasks, may get into conflict with their supervisors or their colleagues for not fulfilling the tasks that they are supposed to do, may not be promoted, may be paid less, and may be treated with less respect than workers who are not absent. [22] On a personal level, the consequences for those who are absent from work for a prolonged period of time are substantial. A 2005 study entitled, ' Prediction return to work in employees absent because of psychological problems,' notes that those who are absent for extended periods are often, " diagnosed as emotionally exhausted, burned out, overstrained, or depressed. "[23]

Solutions for HR managers to tackle the low employee morale As more and more studies are being conducted into the causes and consequences of low employee morale, companies are becoming increasingly innovative in

providing solutions for these problems. Primarily, more companies are beginning to understand the distinct influence that company culture has on human resource issues in the workplace environment. Chris Blake, National Australia Bank's (NAB) Regional General Manager of People & Organisational Development, believes that organisational culture is currently the most important human resource issue in the working environment.

He states, " This is something we've (NAB) been working on for a few years – the whole issue of the organisation's culture and how that contributes to the performance of the organisation over time. "[24] Additionally, Blake believes that the other key factor to organisational culture is simply by making sure that employees are constantly engaged. He argues that fundamentally there are two elements to employee engagement, believing that, " Number one is, do they understand what the organisation's purpose is?

And number two is do they understand their role and purpose within that? "[25] Bob Barbour, People and Culture Director for Lion Nathan, agrees with this sentiment and believes his company's employee value proposition is a key policy in inciting positive organisational culture. He states that the four year initiative has been highly successful, explaining that: It's based on what we believe people really want from an employer, and that is to be the best you can be, which is all about personal growth and development.

People want to make a difference, so our proposition is aimed at people who want to feel like the job they're doing really makes a difference, so they feel connected to the business. We know this drives engagement, and they have

a great time doing it. [26] Barbour also notes that the processes have to be constantly reviewed and that building a positive culture is an ongoing practice, explaining that organisational culture at Lion Nathan is reviewed every couple of years.

He states that, “ The hard data we get is the basis for us to develop insights, which we then translate into action plans as to how we’re going to continue to improve our achievement culture. ” In agreement with the focus placed on employee engagement, a 2007 study by Human Resource Magazine noted that 29 per cent of Australian companies believed recognition and reward in the workplace was the number focus for motivating employees. In addition, 26 per cent of companies cite career and leadership development as an important factor, as well as learning and development (21 per cent). [27] Craig Thomson, Head of Human Resource Services (Australia) at Coca-Cola, believes that, “ Most people want to work for a good boss, they want good leadership, they want feedback on how they’re going and they want to have a sense of personal challenge and growth in their role. ”[28] He cites Coca-Cola’s performance plan system as the catalyst of the company’s successful organisational development, noting that every employee is able to discuss their work performance and goals with their manager every trimester. [29] In addition, all employees are provided with one-on-one sessions to discuss career development and opportunities, as well as how their individual development plan fits into the broader organisational plan. [30] Thomson also believes that retention and recruitment are essential to developing strong organisational culture, noting that whilst the labour market is tight in

times of economic deflation, using employees as a knowledge base has been highly successful. He states that: An area that we've really started to have some success in is through an internal referral program.

So where employees know other people in the market, we see this as an avenue, an opportunity and a way of getting in touch with a broader base of people. That's been a successful strategy for us. [31] Barbour agrees with this notion, explaining that through the use of research companies and advertising agencies, as well as surveying the employees of Lion Nathan, they were able to successfully re-invigorate the companies attraction and retention strategy. He states, ' we've got consistent advertisements in the marketplace which are heavily focused on what we'd like to be seen for at the end of the day, which is great people, great brands. [32] Conclusion Low employee morale and job dissatisfaction should be considered as an ongoing problem that is not only faced by Australian companies, but also on a global scale. The distinct importance of the issue cannot be undermined, considering it is an ongoing problem that has seemingly plagued and displaced organisational culture for decades. Issues such as increased workloads, the inability to balance work life with personal commitments, salary issues and career advancement are just a number of issues that need to be addressed.

Unfortunately, this has caused severe consequences for organisations with lack of engagement in the workplace and subsequent absenteeism costing millions of dollars in lost productivity. On a personal level, employees have

also been noted to have become physically burnt out and depressed.

However, through increased empirical and theoretical studies that have focused on the problem, modern organisations are finally beginning to better understand, develop and implement processes designed to effectively combat the issue.

Through the use of better retention and advertising, employers are able to employ workers in the workplace who are able to sustain a high quality working environment. Additionally, further implementation of value propositions, as well as harbouring and nurturing career development and leadership have allowed better engagement in the workplace, leading to less dissatisfaction and absenteeism. Overall, these changes have seemingly provided drastic improvements to the modern working environment through the retention and implementation of positive employee morale.

However, job dissatisfaction and employee morale has long been a constant problem that needs to be planned and developed for, suggesting that whilst current trends look to be positive, constant adherence needs to be maintained. WORD COUNT: 2936 Bibliography Balzer, W. K. , Kihm, J. A. , Smith, P. C. , Irwin, J. L. , Bachiochi, P. D. , Robie, C. , Sinar, E. F. , & Parra, L. F (1997) Users' manual for the Job Descriptive Index (JDI; 1997 Revision) and the Job in General (JIG) Scales. Bowling Green, OH: Bowling Green State University. Burke, K (2011) Restless generation lacks job satisfaction Sydney Morning Herald, Available: <http://www.mh.com>.

<http://www.mh.com/au/executive-style/management/restless-generation-lacks-job-satisfaction->

<https://assignbuster.com/today-hr-issues-such-as-low-employee-morale-absenteeism-and-high-turnover-rate-are-challenging-for-organisations-and-hr-managers-essay/>

20110912-1k64b. html Last accessed 4th January, 2012 CCH 2007

Unscheduled Absence Survey (2007) CCH Incorporated, Last accessed: 4th January, 2012 De Boer, E. M. Bakker, A. B. Syroit, J. E. & Schaufeli, W. B

(2002) Unfairness at work as a predictor of absenteeism. *Journal of Organizational Behavior*, 23, 181–197. Donaldson, C (2007) HR's burning issues. *Human Capital Magazine*, Available: www.hcamag.com/resources/hr-strategy/hr8217s-burning-issues/113449/ Last accessed 5th January, 2012 Donaldson, C (2007) HR's burning issues.

Human Capital Magazine, Available: www.accumulate.com.au/DownFile.aspx?fileid=32 Last accessed 7th January, 2012 Fink, N The High Cost of Low Morale: How to Address Low Morale in the Workplace through Servant Leadership. *The Leading Edge*, Available: <http://www.roberts.edu/Academics/AcademicDivisions/BusinessManagement/msl/Community/Journal/TheHighCostofLowMorale.htm> Last accessed 5th January, 2012

Finnegan, RP, Frank, FD, Taylor, CR (2004) *The race for talent : retraining and engaging workers in the 21st century*. *Human resource planning : HR*, vol. 27, no. 3, pp. 12-25 Hackett, R.

D (1989) Work attitudes and employee absenteeism: A synthesis of the literature. *Journal of Occupational Psychology*, 62, 235–248. Harmer, R. & Findlay, B (2005) The effect of workplace relationships on employee job satisfaction for 25 to 35 year olds. Paper presented at the 5th Annual Conference of the APS on the Psychology of Relationships Interest Group 2005. Houtman, I. & Blatter, B (2005) Prediction return to work in employees

<https://assignbuster.com/today-hr-issues-such-as-low-employee-morale-absenteeism-and-high-turnover-rate-are-challenging-for-organisations-and-hr-managers-essay/>

absent because of psychological problems. The European Health Psychologist, 2, 8–12. Kirsch, C (2007) Loyalty and disengagement—taming the retention monster. All Business, Available: <http://www.1lbusiness.com/labor-employment/human-resources-personnel-managem ent/5509029-1. html> Last accessed 4th January, 2012 Most Australian workers want to quit their jobs (2011) News. com. au, Available: <http://www. news. com. au/money/most-aussie-workers-want-to-quit-their-jobs/story-e6frfmci-1226022356541> Last accessed: 4th January, 2012 Nelson, D & Hammond, J (2011) The AWU-Auspoll Job Satisfaction Index 2011. Auspoll, Available: www. awu. net. au/tracking_poll_for_media_release. pdf Last accessed 7th January, 2012 Steers, R. M. & Rhodes, S. R. (1978) Major influences on employee attendance: A process model.

Journal of Applied Psychology, 63, 391–407. Work-life balance causes relationship/job dissatisfaction (2007) Human Capital Magazine, Available: <http://www. hcamag. com/news/domestic/work-life-balance-causes-relationshipjob-dissatisfaction/113300/> Last accessed: 5th January, 2012 Ybema, J. Peter, G. Smulders, W & Paulien, M (2010) Antecedents and consequences of employee absenteeism: A longitudinal perspective on the role of job satisfaction and burnout. European Journal of Work and Organizational Psychology, 19: 1, 102-124 ————— [1]Most Australian workers want to quit their jobs (2011) News. om. au, <http://www. news. com. au/money/most-aussie-workers-want-to-quit-their-jobs/story-e6frfmci-1226022356541> [2]Ibid [3]Burke, K (2011) Restless generation lacks job satisfaction. Sydney Morning Herald, <http://www. smh. com. au/executive->

<https://assignbuster.com/today-hr-issues-such-as-low-employee-morale-absenteeism-and-high-turnover-rate-are-challenging-for-organisations-and-hr-managers-essay/>

style/management/restless-generation-lacks-job-satisfaction-20110912-1k64b.html [4]Op. cit. Most Australian workers want to quit their jobs [5] Nelson, D. Hammond, J (2011) The AWU-Auspoll Job Satisfaction Index 2011. Auspoll, www. awu. net. au/tracking_poll_for_media_release. pdf [6]Ibid [7]Op. cit. Most Australian workers want to quit their jobs 8]Work-life balance causes relationship/job dissatisfaction (2007) Human Capital Magazine, <http://www.hcamag.com/news/domestic/work-life-balance-causes-relationshipjob-dissatisfaction/113300/> [9]Ibid [10]Ibid [11] Ibid [12] Ibid [13] Balzer et. al (1997) Users' manual for the Job Descriptive Index (JDI; 1997 Revision) and the Job in General (JIG) Scales, Bowling Green State University [14] Harmer, R & Findlay, B (2005) The effect of workplace relationships on employee job satisfaction for 25 to 35 year olds. Paper presented at the 5th Annual Conference of the APS on the Psychology of Relationships Interest Group 2005. 15] Ibid [16] Fink, N. The High Cost of Low Morale: How to Address Low Morale in the Workplace through Servant Leadership. The Leading Edge, Roberts Wesleyan College. [17] Hackett, R (1989) Work attitudes and employee absenteeism: A synthesis of the literature. Journal of Occupational Psychology [18] De Boer at. al (2012) Unfairness at work as a predictor of absenteeism, Journal of Organisational Behaviour [19] Ybema et. al (2010) Antecedents and consequences of employee absenteeism: A longitudinal perspective on the role of job satisfaction and burnout. European Journal of Work and Organizational Psychology [20] Op. cit. Fink [21] CCH 2007 Unscheduled Absence Survey (2007) CCH Incorporated [22] Steers, R & Rhodes, S (1978) Major Influences on Employee Attendance: A

<https://assignbuster.com/today-hr-issues-such-as-low-employee-morale-absenteeism-and-high-turnover-rate-are-challenging-for-organisations-and-hr-managers-essay/>

Process Model. Journal of Applied Psychology [23] Houtman, I & Blatter, B (2005) Prediction return to work in employee absent because of psychological problems. The European Health Psychologist [24] Donaldson, C (2007) HR's burning issues (2007) Human Capital Magazine, [www. hcamag. com/resources/hr-strategy/hr8217s-burning-issues/113449/](http://www.hcamag.com/resources/hr-strategy/hr8217s-burning-issues/113449/) [25] Ibid