Organizational behavior managing absenteeism

Absenteeism is the failure to report to work. It is costly for every organization. For how many days an employee remain absent from work will cost your around â,¤100 if his salary is â,¤24000. Even if an hourly based employee to whom you don't have to pay for absent but still cost you a lot, because According to a survey its annual cost has been estimated at over â,¤ 40 billions for U. S organizations and around â,¤12 billions for Canadian firms.

Few definitions of absenteeism are as follow,

" Absenteeism, a term used to refer to absences that are avoidable, habitual and unscheduled, is a source of irritation to employers and co-workers. Such absences are disruptive to proper work scheduling and output, and costly to an organization and the economy as a whole" (Kavita).

" Without any valid reason taking off from job is absenteeism. Absenteeism means either habitual evasion of work, or willful absence as in a strike action. It does not include involuntary or occasional absence due to valid causes, or reasons beyond one's control, such as accidents or sickness" (Colette).

To fill gap of absent employee manager has to offer overtime to other employee or to get temporary help from part timer worker to complete work of that particular employee. It creates cost and efficient work related problems as well as it burdensome other employees those who are regular and show their willingness to work on time, regularly and efficiently. It unlimitedly degrades costumer satisfaction and makes bad impact on

country economy. Experience shows that better attendance is synonymous with better quality, lower costs, and greater productivity (Hazzard, 1990).

It is obviously difficult for an organization to keep its operations smooth and achieve its goals and objective timely and properly if employees fail to report to their jobs. The work flow disrupted and some times very critical decisions are not taken timely. Generally the organization that relies on assembly line production is more madly affected by absenteeism of employees. It can result in a drastic reduction in the quality of product and in worst situation it can be a reason of complete shutdown of firm. To avoid such dreadful condition the help is taken by Organizational Behavior study. It recognizes differences and helps managers to see the value of workforce diversity, help employees balance work/life conflicts, improve quality and employee productivity by showing how to meet chronic labor shortage.

What is Organizational Behavior?

It is the field of study that investigates the impact that individuals, groups and structure have on behavior within organization for the purpose of applying such knowledge towards improving an organization's effectiveness. On other place it is stated that Organizational Behavior is study and knowledge about how people act in organization. Its purpose is to build good relationship by attaining human goals, organizational goals and social objectives. As it is concerned with employment related issues so it emphasizes behavior such as absenteeism, turnover, human performance, productivity and management.

Organizational Behavior is an applied behavioral science that is composition of numerous behavioral disciplines such as,

Psychology: The science that seeks to measure, explain and sometimes change the behavior of human and other animals.

Sciology: The study of human in relationship with their fellow people.

Social Psychology: The area in psychology that is blend of sociology and psychology that emphasize on influence of people on one an other.

Anthropology: The study of societies to learn about people and their activities.

Political Science: The study of the behavior of individuals and groups within a political environment.

Organizational Behavior in Managing Absenteeism:

Organizations base on the philosophy of management, value, vision and goals. Is derives the culture of organization whether it is formal, informal or social in nature. There are many elements Organizational Behavior deals with like, managerial duties, increasing productivity, increasing job satisfaction, reducing turnover, establishing citizenship etc. reducing absenteeism is one of them that is the topic to discuss in this literature.

Absenteeism:

When an employee frequently or constantly fails to attend work as scheduled. In particular when their absence forms a pattern which proposes that the employee is frustrated with their work or that their absence could

have been avoided. Experts suggest that 50% employees in England are not actually ill but remain absent on sick leaves. Furthermore they estimate that absenteeism in the England results in the loss of over 400 million workdays per year that is approximately 5. 1 days per employee (Gwaltney, 1994). According to a survey of 5, 000 companies conducted by Commerce Clearing House, Inc., Chicago that found that unscheduled absences cost small businesses an average of â,¤62, 636 a year in replacement costs lost, sick time, and productivity (Markowich, 1993). Absents can be due to some others reasons too such as poor working environment, or workers those who are not devoted to their work. If organization prone to face such absenteeism excessively then it can becomes very alarming situation for the firm operations and profitability.

Is it true that all absents are bad for an organization? Yes normally absence of an employee is considered not in favor of organization. But in some cases we see that employee's voluntarily absent is in favor of organization. Like stress, tiredness and illness can badly affect the productivity of an employee. In such nature of jobs where employee is required to be very attentive, so if he is not feeling well and comfortable to do work he can opt for not to come to work that is in favor of organization and society. For example surgeon and airline pilots need to be very alert on job. So if they are not feeling well then its better if they not come to work rather they reach to work and perform poorly. Even in managerial job where mistakes are less speculate but efficiency of work can be maintained if manager absent himself from work rather make poor decision. That can produce worst results. But most of time low absenteeism rate in an organization is considered positive element.

Type of Absenteeism:

Normally there are two types of absenteeism.

Approved.

Unapproved.

Organizations must well state both types of absenteeism and notify that what comes in both types of absenteeism. If employee make unapproved absent than what will be course of action. Often, organizations permit employees for vacation, holidays, grief, medical, worker's compensation leave, some personal obligations and sick leave. These come in approved category. Unapproved leave is time not covered by company policy, and taken without management's prior approval. How management deals with such absences varies from organization to organization.

Cost of Absenteeism:

Research is consistent (Bielous, 1993; Stinson, 1991; Bunning, 1988; and Wallin and Johnson, 1976) in finding that most organizations do not keep accurate accounts of employee absences and in emphasizing the need to do so. This means that disruptive absence frequently will be tolerated by managers until it reaches a painfully obvious level, at which point a crackdown will occur (Johns, 1994).

Absenteeism can be use as financial toll on small business in various aspects. The very common kind is sick leave. Organizations offer such benefit to their employee but there is a big cost hidden behind it. Following are significant hidden cost associated with absenteeism,

Lost productivity of an employee.

Overtime payout for other employee to fill in.

Decreased overall productivity of those employees.

Any temporary help cost incurred.

Possible loss of dissatisfaction of customers.

Problem with employees moral.

Why Employees are absent:

Steers and Rhodes (1984) suggested that an employee's attendance is a function of two factors: (1) the employee's motivation to attend, and (2) the employee's ability to attend. Organizational and environmental factors linked with absenteeism include: unrealistic job expectations, personnel conflicts, unsafe or stressful workplace conditions, poor employee morale, inadequate training, and unsatisfactory compensation and benefit programs. There are also a various personality characteristics that can be linked with absenteeism, including, among others, reliability, freedom from disruptive alcohol use, and dependability (Borofsky and Smith, 1993).

Developing an Absenteeism Policy:

Many small businesses don't give importance to absenteeism policy. They think that its not a big problem. Some don't offer sick leave so they don't make policies. Some have only few employees so they don't feel that an policy is needed. In such firm employees make huge incentive by showing interest in work and if don't do so their payout suffers. But some small

business and small and medium enterprises make their absenteeism policy that is mesh with federal law. Policy can add advantages for employer when he fires any employee due to indiscipline absenteeism. On the other hand it secures employees too and ensures absents for them. Most employees have good attendance records, with only about 3% of a company's employees exploiting the system by taking more than their allowed sick time or more days than they need (Markowich, 1993). However, company policy may inadvertently reinforce a " use it or lose it" attitude with policies in which employees lose their sick time if it is not used by the end of the year. This may encourage employees to view sick time as a benefit to which they are entitled.

Developing a System for Absence Tracking:

Developing absenteeism policy is useless is effective tracking system for attendance is not developed in an organization. Many organization track attendance of employees with the help of pay roll system. But those firms don't have such system employed they make it sure that they put together a system that can

Keep an accurate count of individual employee absences.

Tabulate company wide absenteeism totals.

Calculate the financial impact that these absences have on the business.

Detect periods when absences are particularly high.

Differentiate between various types of absences.

Measuring and Managing Absenteeism:

The most important question that comes first in mind when we talk about managing absenteeism is that whether we use punishment system or reward system to prevent employee from absenteeism. The researches illustrate that reward systems may be more effective than punishment. For example a large manufacturing firm found a big decrease in absenteeism by giving non monetary reward to their employees for good attendance. In another case by just giving â,¤10 to regular employee firm save around â,¤3000 for sick leaves, where 68 employees were working (Bunning, 1988).

However a researcher Markowich in 1993 reported that incentive base reward does not motivate employees to attend job regularly who abuse sick leave. Such employees give more importance to stay away from job than getting incentive. So such incentive base reward system does not motivate them to change their behavior. On other side giving incentive to already regular employees is just like wastage of time, because in this way you are paying twice your employee for same work.

As mentioned earlier that approved absence of employee can be in favor of organization but non approved absence can make big problem for organization productivity. Other employees have to work for absent employee and in worst condition work does not get done of absent employee. Here are some key points to measure absenteeism,

Find that employee was absent voluntarily or involuntarily. Voluntarily means absence without any solid reason and involuntarily means absence due to any solid reason which can not be avoided. If employee was absent

involuntarily like illness, or some other event that can not be missed then manager just need to do counseling of that employee to care of his health. But if employee was absent voluntarily then manager must get worry about. Document the reason like a Doctor's note to ascertain that absence was due to any good reason or voluntarily.

Look whether the absenteeism of that employee is excessive. Measure his rate of absents with organization's defined absenteeism policy. If employee is crossing the limits for absents defined by organization in absenteeism policy then employee is doing excessive absenteeism.

Arrange discussion session with employee to explore the reason of his absence on job. Your attitude must be very friendly and supportive toward understanding the problems and proposing its solutions rather placing blame and dispensing discipline.

If behavior doesn't get better then realize the employee the problem organization is facing due to his absenteeism and request them to improve his behavior. Employee will not consider that work is being affecting due to his absenteeism unless you notify him.

If still you don't find reasonable change in behavior of employee then put the problem in written form and make it sure that a copy is given to the employee.

Till now during this process usually employee will start to give proper intention to his job. If not so get prepare for terminating your employee because he is not serious with his job and sincere with your organization.

If we overlook above mentioned key points then we can conclude a course of action to manage absenteeism in organization. First one should educate his employees and tell them about absenteeism policy and give them copy of policy as well. Secondly monitor record of your employee accurately. Notice at what time your employees are reaching on job. If they are late or absent then ask about the reason. Keep record of reasons too. It will help to understand whether employee makes lame excuses or genuinely he has some problems. If problem is genuine then provide counseling to your employee. Here you can opt for any of the motivational theories that best suit the needs of employee to motivate him to get to work regularly. Then follow up the change in behavior of employee and finally take corrective action. Whether in worst situation fire your employee or adopt a motivational strategy following motivational theories.

Motivational Theories from Concept to Application:

There are numerous theories have been discussed in literatures and have been used to know their effectiveness through empirical field studies. Authors describe different theories on different basis. These motivational theories can be use to overcome the abuse of absenteeism in organizations.

Goal Setting Theory in Practice:

According to this theory employee lose interest in job when the job is not challenging. People like to do such work that is difficult and require efforts to complete. So we can decrease absenteeism by defining hard to achieve goals for employee. Intention to achieving goal is a good motivator to bring employee back to job. But goals must be attainable, specific and measurable, time defined and relevant to nature of job.

Reinforcement Theory in Practice:

Reinforcement theory is rewarding a good behavior of an employee immediately to encourage him to repeat it again an again. This theory ignores the factors like goals and expectations to make the employee keep working to reinforces (incentives, rewards) play a major role. Laura earns only â,¤7 per hour working in a fast food restaurant. Her job is not very challenging and interesting. But still she is very happy with her job and talk enthusiastically about her job, boss and company where she works. What brought her back to work regularly is the appreciation by his boss at work. Her boss recognizes her appreciating work in front of other employees working in her shift. There is an employee recognition program where every month an employee is selected as employee of the month and his/her picture is placed on the cash counter of fast food restaurant.

Expectancy Theory in Practice:

According to expectancy theory one employee tends to act in a certain way with the expectation that the act will be followed by higher reward to him. If we link the incentive system with regular attendance in this way we can catch many employees to get to work regularly. Variable pay is normally much suitable with expectancy theory. If we announce higher pay for regular employees then employee must motivate to join office regularly. Employee will perceive correlation of his performance with his output. That can work as a great motivator. A study of 400 manufacturing firms found that by offering variable pay to employee production of firms increase by 43 to 63 percent as well as rate of absenteeism decreased. Compensation an employee for his

good performance has been adopted by several companies. IBM, Pizza Hut and Wal-Mart are example of this theory's application.

Theory X and Theory Y in Practice:

Theory X school of thought claims negative nature of human being. The assumption is that human is lazy, dislike work and avoid taking responsibilities. Therefore they must be administer and punished for their behavior or power must be use to mold them according to your need. This theory highlights the negative factors of human behavior and use pessimist approach to deal with. This approach can be use to deal with employees those who are habitual of absenteeism and not making any change in their habit after notifying them the loss company is bearing due to their absenteeism.

Theory Y suggests that human is creative and like responsibilities. It highlights positive factors of human behavior. It uses optimistic approach to deal with human to modify their habit by using motivational traits.

From the given theories we can conclude that absenteeism can be controlled. Nut it require little understanding of employee and his problems. Human resource is l; ife blood of every organization. And loosing a trained employee can be very costly for organization so using motivational theories we can try to modify behavior of an employee and usually using this approach organizations get positive results. However in worst condition organizations have to follow approach of theory X.

Organizational Behavior in Everyday Practice:

To understand and manage organizational behavior was never difficult for managers. But with the passage of time advancement in the social circles, diversified professions and responding to manpower related issues make organizational behavior little complex and technical to manage. Furthermore function of organizational behavior expanded rapidly and today we find role of organizational behavior theories in everyday life at work. Whether in managing work force diversity, leadership, managing group, motivating employees, HR policies and practices and establishing and managing organizational culture.

Organizations are not longer constrained by geographical boundaries. Globalization makes two types of affects on manager's duties. First if manager moved to other branch in other country. Where the culture will be totally change, their values and practices will be different. Secondly if you are suppose to work with your subordinates, bosses ad colleagues those who are form different races and culture. What motivates you perhaps doesn't work for them. Your communication may be very straightforward but such communication can hurt them or they may feel uncomfortable. Organizational Behavior helps to handle such globalization issues. To work efficiently in such circumstances you need to understand the differences with these people and change your management style according to their differences. Study of organizational behavior addresses how cultural differences might require managers to modify their attitude and practices.

Organizational Behavior also deals with labor related issues in day to day life such as labor shortage. When organization is suffering from labor shortage

then only high wages and associated benefits going to work to keep and attract skilled employees. Managers have to adopt adequate recruitment and retention strategies and organizational behavior helps managers to make such strategies to cop with problems. In market mangers those who do not understand human and organizational behavior. They fail to manage their employees and productivity.

However organizational behavior doesn't have major emphasized on customer satisfaction. But researchers are paying their intention in customer satisfaction by improvement in quality. Normally focusing on customers was considered the work of people those who are studying and practicing marketing. But organizational behavior can contribute a lot to improve organization's performance by indicating, how employee attitude and behavior are associated with customer's satisfaction. Many organizations have failed just because their employees could not satisfy their customer by their services. In order to avoid this issue managers have to adopt customer responsive culture. Organizational behavior can provide considerable guidance for making such culture. Different motivational theories can be applied to encourage employee to create friendly atmosphere where accessible, courteous, and knowledgeable and promptly respond to customer need and do whatever is necessary to please the customer.

There are lots of other day to day practices where Organizational behavior is playing vital role such as improving people skills, empowering people, helping employee balance work/life conflicts, stimulating innovation and change, improving ethical behavior etc.