

Project on the effects of absenteeism management essay



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The differences in people (diversity) are very important as it strengthens the quality of the company (Gibson and Littlewoods, 2005). Poor management does not cause only absenteeism but a set of problems may surface. To control absenteeism, it has to be determined first. Measuring may range from clocking in clocking out system to office attendance register. When it comes to control, management are required to think outside the box. There are many control measures that can be put in place but their drawbacks should be known so that maximum benefits of each option used are reaped. Control measures for absenteeism range from incentives to punishment, but each method used should consider the environment in relation to benefits and costs associated. As absenteeism is a warning to hidden problems, management are fully responsible for investigation. However, a certain level of absenteeism may be necessary as some of the causes are beyond the employee's control.

Preamble

Absenteeism is a form of organisational mischief. To consider it that way, a myopic approach will be taken and henceforth, stifles organisational performance. Why people absent themselves from work? Not all elements of organisational culture are more visible and readable although some are (Schein, 1985). Absenteeism is good! A good manager should welcome absenteeism as by itself is not a problem but a pointer to the problems that may fail the organisation to attain its goals and objectives. What sinks a ship isn't what sailors can always see, but is what they cannot see (Hellriegel, Slocum and Woodman, 1998). Employees register their displeasure in the work environment through coming to work late, conflict, late submission of

reports, formation of informal groups, unwilling to take extra responsibilities and absenteeism. Given the negative effects absenteeism may cause on the organisation, management should improvise best ways to mitigate its effects. A certain level of absenteeism is desirable as some causes of absenteeism are natural (Yorges, 1996). However, absenteeism, for the health of the organisation, it must be managed. Both employer and the employee must fulfil the demands of the psychological contract.

Causes of absenteeism

Causes of absenteeism can be classified as voluntary; being factors that can be avoided by the individual and involuntary; these are factors that are beyond the individual's control. Relations conflict result in dysfunctional behaviour (Robbins, 2003) that may lead to absenteeism. Since conflict tend to keep people away and absenteeism is no exception to this.

Low worker morale and poor working conditions affect attendance negatively. Other causes of absenteeism are:

Transport problems

Poor physical fitness

Poorly structured job

Poor supervision and inadequate supervision

Personal problems like childcare , marital and substance abuse

Work load imbalance (work overload)

Effects of absenteeism on organisational performance and work order

Absenteeism has two-fold effects. Although Albensi in 2003 coined out that absenteeism is a major contributor to indirect costs (productivity and disruption of scheduled work), one can view it as a pointer to real problems (positive side of absenteeism). Following Albensi's thinking and looking at the negative side of absenteeism, the following can be said.

No matter whether absenteeism is voluntary or involuntary, the need for work reschedule has to be done. Work reschedule will entail two aspects which may:

Hiring another person do the work while the job incumbent is away. The organisation will be obliged to pay for both (in the case of involuntary absenteeism) people and hence increasing the wage bill. Furthermore, administrative costs associated with job rescheduling and hiring of new personnel.

Newly hired personnel will require training in order to copy up with the assigned task and to offer services according to the company's guidelines. What will happen to productivity during training? Employee learning curve should also be considered since experience is developed over time.

The second option will be to hand-over the work to existing employee. This option will result in work overload with possibilities of affecting quality negatively. Poor quality of goods/services will result in customer complaints and hence drive away business to the competitors. In addition, overtime will result since the work will be above the normal work load.

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Techniques to measure absenteeism

Having analysed the causes and the possible impact of absenteeism on the organisation, it is now imperative to find how its presence or absence can be determined.

Clocking system: As a way of measuring and knowing who is in and who is not in, employee clocking system can be used. To avoid abuse in some cases, special machines (biometric) may be used to detect each individual. People will need to be told beforehand the benefits of the system so that it gets acceptance.

Analysis of wage bill: The analysis of wage bill and manpower requisition from departments (line managers) is also another valuable source of absenteeism measurement. The increase in wage bill of contract workers will be vouched back to departmental requisition, and this will tell whether the contract worker was replacing absent staff or not. However, it is a tedious work which may require extra time for those working in finance and /or human resources department.

Percentage absence: In percentage terms, absenteeism may be measured as follows;

$$\frac{\text{Number of working days lost} \times 100}{\text{Average number of employees} \times \text{number of workdays}}$$

This measure will determine the total absence of all employees and it will be difficult to attribute such absence to individual employees. The measure provides the overall absenteeism percentage for the organisation.

Call rate to switch board: Number of unanswered calls (bounced back to switchboard) when transferred to individual's extension/desk. When an employee is absent from his/her desk, calls will bounce back to switchboard. When call analysis is made, it can be used to determine the absent rate of a certain individual at a particular time in moment. This measure may not give objective measure since it will even record absence although the office bearer

may have visited the toilet at that time. When the system of measurement becomes subjective, it leads to low morale and to some extent conflicts.

Frequencies of disruption of scheduled work: Absenteeism undermines order (Watson, 1999). The number of times the scheduled work is disrupted because of the need to reschedule as a result of employee absents. A work reschedule log book has to be opened to maintain a record of such work reschedule and their nature.

Absence frequency: The Company can as well use the following method to ascertain the absence frequencies of their different employees over a certain period of time. The method works out the number of days lost per employee when is it multiplied by average duration of absence.

Number of absence spells

Week/month/year

Daily attendance office register: The log in of staff when they report for duty and after work (log out) may be used to determine the absence and attendance rate of each individual worker.

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For the best outcome in measurement of absenteeism, at times, best results are obtained when a combination of two measures are used at once. Robust in measurement systems is of paramount importance to ensure objectivity.

Management of absenteeism

There is a point when absenteeism becomes undesirable (absenteeism above sector level), which hinders the attainment of company's goals and objectives. To remain focused, management will be required to mitigate its effects without affecting staff morale negatively. Management in trying to solve the absenteeism issue should bear in mind that employees value both work and non- work factors and hence the two affect employee motivation.

The main absenteeism management techniques may be broadly categorised as:

Incentives and non incentive

Punishment

Incentives and non incentive

Psychological model recognise employee attendance as a function of motivation and ability (Steers and Rhodes, 2005). As noted by Thorndike in 1911, there is a direct correlation between employee attendance and motivation, furthermore rewarded behaviour is more likely to be repeated. When employers are meeting both psychological and written contracts, attendance improves except for involuntary absence. When desirable behaviour is rewarded, employees will feel motivated (Skinner, 1953). From the above, one can conclude that rewards (cash, promotion, awards, and

bonuses) play an important role in combating absenteeism as proved by both behaviour reinforcement theory and psychological model. Management must realise that a mere attendance must not be rewarded for, since it does not help the organisation to achieve its goals and objectives. Therefore, attendance and performance must be aligned together in coming up with a rewarding structure of the staff.

Employee Assistance Programmes (EAP)

Problems that cause absenteeism emanate from work (harassment and violence) and home (illness/drugs and relationship problems). Management should therefore 'fit in their employees' shoes'. This can be done through offering free counselling and where possible in case of illness, medical bills may be met by the employer.

Change in work place

Changes in work environment may also cause employee absence.

Behavioural modification (Lewin, 1940) may be used to change employee's behaviour and attitudes. Employees need to be involved (Jenster and Hussy, 2005) in all processes of change that affect their working conditions. The reason why change is done and the impact on staff should be clearly elaborated. Acceptance of new working practices should also come with incentives so that it may be integrated within the existing system with fewer problems. The dominant culture will be discarded and the method may face a drawback if some spheres where staff are not ready for change and at the same time not willing to exchange change with incentives.

Flexible work arrangements

The flexible work arrangements may help in two ways which are increasing level of motivation and encourage individuals to attend. Flexible work arrangements will also help easy competition between work and non work factors of absenteeism. In 1973, Hewlett - Packard pioneered this idea and in 2004, most of the U. S companies had adopted it. The wide adoption of flexible work arrangements shows that it brings positive results in terms of staff performance and the organisation in totality. Management should also consider the cost associated by being flexible. Flexibility may require among other things, job share and a certain number of employees (above the normal), telecommunication, compressed work weeks and flexi time. Company should do cost benefit analysis since costs like training and development and pensions may not be ignored in implementing this work system.

Good leadership and management style

Poor leadership and management style that do not involve staff in decision making may result in absenteeism. A good leadership and management style that is people oriented gives ownership to staff and hence discourages staff absence. The success of Virgin Group's Richard Branson and Apple's Steve Jobs is based on their good understanding of staff which makes them to apply appropriate techniques in problem solving. Involvement of staff as a way to reduce absence, must be scrutinised as staff involvement entails twofold aspect; more time is required and staff are not used to decision making. According to the contingency theory on management, the

appropriateness of a particular management skill will depend on the circumstances surrounding.

Work redesign

Redesign of work may improve staff attendance as in some cases, staff absent themselves from work because of boring work. Job design, management style and scheduling of work affect absenteeism (Bond, Flaxman and Bounce, 2008) and these should be evaluated from time to time whenever there is absenteeism issue. Work/job design will involve job enlargement and job enrichment. It also took a knowledgeable manager to realise that the cause of absenteeism is in job design. In practice, it's difficult and will require some form of job evaluation and the affected person to reveal the cause.

Team work and communication

The empirical evidence shows that team work and effective communication can reduce staff absenteeism. There is direct relationship between communication and absenteeism. Management are required to make use that whenever there is something to be communicated to staff, appropriate channel and jargon are used. In addition to this, communication should not be one way but a two way so that feedback will be provided. For example, a manager may ask his /her subordinate to do something, but the subordinate is not given opportunity to respond whether he/she can do that. If in some cases, the subordinate sees it unfair, he /she may voluntarily avoid that by not coming to work. The team work bond play a crucial role in motivating staff and hence attendance.

Clear goals and objectives

Absenteeism may be alleviated by setting clear goals and objectives. Staff have to be involved and where necessary explanation be given to them. There are situation when goals and objectives are not clear resulting in conflicts. The success of Apple and Virgin Group is a clear testimony of clear goals set by Jobs and Branson respectively. Clear goals will put the staff in picture of what is expected from them in terms of working times, performance standards, leave days entitlement and sick leave system. When these are known the incidences of abuse due voluntary absenteeism may be avoided.

Health promotion and wellness programmes

Why companies run health and wellness programmes when they cost so much? Executives and management are focused, what is happening now does not really matter, but what matters to them is for how long (in the future) the situation will remain like it is now. As some of staff absence is caused by illness, provision of health and wellness services within the organisation can reduce absenteeism. The ability to combine work and play (Kets de Vries, 2007) remains a source of motivation and hence promotes staff attendance. Health promotions programmes may include education on smoking and drugs. The benefits that are likely to be derived include quitting of smoking and drug abuse by some of the staff leading to a health organisation. Companies like Netone and Econet in Zimbabwe has taken these initiatives and employee absence is on decline. Wellness programmes are the most favoured by most organisations as they reduce not only absenteeism but stress also. Such programmes are earmarked at lifestyle

promotion and they include gyms. Johnson & Johnson and Microsoft after they have introduced gyms at their work places, absence rates had dramatically gone down. Although this option might appear to be expensive in the short run, in the long run it pays off.

Staff interview /questionnaire

When absent staff are back to work, management may hold interviews with them to find out what was the cause. Management may also circulate questionnaires to find the reasons why and how to control absenteeism. However, management should be sceptical about this option as interviewing and circulating questionnaires to staff that have been absent may amount to breach of equal employment opportunity and individual rights (can lead to litigation). Interviews and questionnaires circulation should be done on company wide basis so that no element of staff intimidation will prevail.

Grievance settlement

The faster the grievances are settled the better. Unresolved grievances result in withdrawal of employees in the form of absenteeism. Management is therefore required to draw up an efficient and fair grievances handling. This will include solving identified grievances within the shortest period of time. Individual solutions of keeping a distance as a way of grievances solving seems to create even more problems as mentioned above.

Punishment

Management of absenteeism may take the following form;

Reduction of annual leave entitlement: Staff s' unofficial absence days will be netted off against their annual leave entitlement. This will solve the problem in the short term but in the long run, the same behaviour is likely to continue. The motivation level of the staff concerned will be negatively affected.

Withholding of sick pay: Once more again this will be like a make -up solution and likely to result in low staff morale.

The two methods of punishment mentioned above are short lived and their operation put a dent on employer and employee relationship. Staff may become agitated leading to below standard performance. Absenteeism should not be taken as a problem but an outcome of hidden problems.

When the above suggested fail to give the desired outcome (reduction in absenteeism), the employer will be left without a choice but to resort to disciplinary one. Under this option, the action will be executed in three stages depending on the degree of absence and whether the reason given by the individual in support of his/her argument suffices.

Verbal warning: The line manager will meet with the respective employee and the employee will be told about the need to improve his/her attendance. In addition, he/she will be told of further action to be taken if the attendance does not improve. This option may be seen as cohesion and will make the staff to live with a fear mentality. However, Charles Parker a manager at New Jersey auto dealership has this to say; ' The day I tossed my binder on him, he actually sold couple of cars'. The action by Parker represents McGregor's theory X. How many staff will produce good results after being tossed with a <https://assignbuster.com/project-on-the-effects-of-absenteeism-management-essay/>

binder and for how long? People are not the same and hence they are motivated differently. Contingent theory of motivation should be applied for better staff performance.

Written warning: If there is no behaviour change and the reasons given are not valid, a written warning will be issued. A further assessment will be made whether the employee concerned is still fit to continue serving the organisation. If the line manager is not satisfied, the next step will be taken.

Suspension: The employee in question will be informed of his/her suspension after a full consultation with the relevant supervisors has been made and agreed. After suspension, a hearing will be held to decide the final outcome which may lead to dismissal.

This option may be considered appropriate when it comes to dealing with extreme staff behaviour/attitude. I suggest such fatal action is taken, an investigation be carried to determine the cause of continual of undesirable behaviour. If a company adopts this as a better solution, it may be deprived of its key employees who want to leave for a competitor by developing such behaviour/attitude. It is therefore required that management should carry out exit interviews to avoid from repeating the same mistake.

Conclusion

Economic theory of labour absence suggests that there is competition between absence and presence. Both non work and work factors are important and therefore management should remain with the responsibility of managing the trade-off for the benefit of both (company and the

employee). Employees are valuable assets which enable the organisation to
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attain its goals and objectives (Armstrong, 2004). However, management guru, Peter Drucker supported Armstrong's idea when he compared human resources to assets that can appreciate and depreciate. Absenteeism is not a problem but a 'directional arrow' like the ones on the motorways.

Management should investigate the causes, its measurement and come up with management techniques. He who knows others is wise (Lao tzu, 2005).

Management in trying to mitigate absenteeism, are required to take a holistic approach as individual situations are different (Miles, 2003). Carrot or stick management will result in low staff morale. Absenteeism and conflict share one common characteristic; both are inevitable and they represent both a challenge and opportunity to management.

Critical Reflection

Organisational behaviour theories are important in everyday practice but they should be used with caution.

In 1943, Maslow came up with a human motivational theory on hierarchy of needs. The theory help managers in daily practices to realise which factors of motivation are critical and which ones should be satisfied first. The hierarchy also help managers to understand the progressive levels that an individual take in their employment life. But to apply the same concept to all staff, it will be fooling hardy as individual has different background. In practice, depending on the organisation or individual, the human needs may be more than five. Furthermore, background, economic environment and level of seniority will determine the level of needs which is important to the employees. For example during the recession period, most people were

motivated by safety needs. The recent takeover by Kraft of Cadbury (UK)
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reflected the importance of job security when Kraft closed one of the London factories (economic factors; recessionary period). Managers should apply Maslow's theory selectively on individuals and also considerations should be given to the environment.

The second important theory is culture theory. Culture shapes the organisation, different people's values, beliefs and attitudes need to be harnessed for the success of the organisation. In support of this are Gibson and Littlewoods (2005) and they even said culture diversity strengthens the quality of the organisation and brings in creativity. The views of Gibson and Littlewoods are evidenced by the success of Beiersdorf, Unilever and many other global operating companies. Such companies employ people from different societies, countries, and hence background, but the ability to manage them is powerful in their success. Culture theories are important because nowadays most companies have global operations (Barclays Bank, Unilever etc). To realise the benefits of culture diversity, a company should be prepared to invest in culture embracement practices. These practices include effective communication (awareness of values of culture diversity) among employees, team work and support, policy planning (recruiting) and training and development. Culture theories they are usually applicable in multinational / global operating companies. In small organisations, culture embracement is very difficult as the culture of the founder(s) always rules. Such practices in small organisation, stifles innovation.

The third body of theory is on management. Theories like human relationship, organisational behaviour and leadership (path goal theory); they give leaders and management a platform. To apply them to the fullest <https://assignbuster.com/project-on-the-effects-of-absenteeism-management-essay/>

will be a disastrous to the organisation as situation differs one to another hence contingent theory. These management theories play a very crucial role, as they are used by managers to plan, lead, coordinate and organise. Management and leadership theories they important because they serve the following; teach management how to make people productive, managers are also informed of what qualities are required of them to be called good managers and they help on how to deal with issues. But managers must use their knowledge depending on the situation at that time.

Given the dynamic of the environment, managers are now using situational theories, because effectiveness of theories has lost relevance due to the advancement in technology (virtual business).