CHAPTER 2
LITERATURE REVIEW

This study tries to assess different impact of absenteeism on organizational productivity of capital goods industry with special reference to transformer companies in Agra region. As a known fact, Capital goods industry is the backbone of the manufacturing activity. Vibrant capital goods industry is a pre-requisite to propel the growth of the manufacturing activity in any country, Exim Bank Report, (2008). Now a days this sector is also facing certain downfall due to certain reasons, including external as well as internal and one of the reason behind this downfall is workers absenteeism. Basically small and medium sized companies share 90% of the contribution in electrical equipments sector. Report of the Working Group on Capital Goods & Engineering Sector for the 12th Five Year Plan, (2012-2017).

Hardly there is any research conducted in capital goods industry studying the impact of absenteeism. This research is devoted to study the impact of absenteeism on productivity. It is also going to focus on the factors causing absenteeism at workplace. From past years many researchers have studied different aspects of Absenteeism in various areas not only at all India level but at international level. The various findings of past researches were of great help for the researcher to sort out the different factors to be used in the study. This review also helped in finding out the differences between the past researches and the current research on the same topic. Let us look at glance on the earlier researches which focused attention on absenteeism. Fact is that literature in the area of impact study of absenteeism that too in capital goods sector is quite sparse.

2.1 INTRODUCTION TO ABSENTEEISM

Absenteeism is a civilizing problem. It is affected by organizational norms and customs. It is like an infectious disease that is communicated from one to another. The absenteeism rates are similar in work crews even the leaders who show little commitment to attendance practices had one of the highest absenteeism rates in his organization ,Allen and Higgins, (1979). Absenteeism is, however, too complex and an obscure concept to permit exact curative measures. There is no magic formula available to work as solution for absenteeism in various organizations operating under different circumstances and conditions of work.

With so many factors affecting absence rates, it would be unrealistic to expect to find one simple answer to the problem of industrial absenteeism, Bhatia, (1984). Past absenteeism is a good indicator to predict future absenteeism, even past job absenteeism can indicate future or new job absenteeism, John M. Ivansevich, (1985). Absenteeism is an unplanned, disruptive incident; but more specifically it can
be seen as non-attendance when an employee is scheduled to work, Merwe and Miller, (1988). The article states that absenteeism is one of the chief threats to Indian industry. Absenteeism causing poor utilization of plant India is facing redundancy problem on one side and the other side abnormal absenteeism in industries. We can improve our gross national product without any investment. Absenteeism not only causes production loss but also causes lessening of gross national income, when the gross income of workmen reduces; naturally his buying capacity also reduces if he could not manage the primary and secondary needs timely and properly. He has to face problems like poor family harmony poor health more mental and physical tiredness which will again lead to absence from work, P. Sivakami, (1995).

A research on absenteeism said that relatively neglected aspect of worker commitment is punctuality, yet it is clear that late arrival at work imposes direct and indirect costs on the employer. As well as the direct cost of lost output and the knock-on effects of lateness in integrated production systems, late arrival can be viewed as a "withdrawal behaviour” which is a correlate of, or precursor to, shirking, absenteeism or turnover. Just as employers invest in personnel policies intended to reduce absenteeism and turnover or to elicit additional worker effort, they will find it profitable to design policies which influence employee lateness, Ken Clark, (2003).

Another paper focused on absenteeism due to smoking. It explored that the workers involved in smoking, gradually start remaining absent and this creates loss of production to the company. This habit increases day by day and gives rise to frequent absence of the workers involved. Therefore timely stoppage of this habit is essential, Huang, (2005).

Basically absenteeism refers to the non-attendance of workers for planned work when they are likely to attend. The diverse conduct in which nonattendance is calculated has made inter-company evaluation complex and international assessment impossible. The concern is also something forbidden in organizations for different, but related, reasons. First, it may be that organizations are just too humiliated to tackle this matter internally let unaccompanied thrash out it overtly in management journals. Thus, for a company to divulge that it has an absence problem is perhaps to disclose being professed as being a bad employer. Secondly, managers, just for self consoling treat absenteeism as an act of God that has to be tackled, rather than as an organizational problem that is capable of being solved, Tyson, (2006).

As soon as a company tries to measure absences, trustworthiness may be vulnerable because it is very difficult rather to investigate and find out the exact cause of absenteeism and hence the correct classification of failure to attend. Any methodical approach to the problem of absenteeism has to recognize the myriad of distinct and inter-reliant factors which may be the concrete reasons behind
organizational absenteeism. Reasons for non-attendance at work are often situation, personal and organization specific, so much so that individual difference factors are ‘washed out’ by these more powerful factors. There is a surprising scarcity of conceptual frameworks that may reflect the research findings of employee absenteeism. Yet, in understanding the reasons why it occurs, it is crucial that the foremost sets of variables should be acknowledged collectively in a systematic layout, Inkpen & Ramaswamy, (2006). Financial assistance and counseling should be given to such employees so as to reduce absenteeism in them, Jinhee Kim et.al. (2006).

In another paper author said that Absenteeism is a crucial problem in the workplace one can expect that the impact and patterns would differ from one sector to another. For instance the seriousness of absenteeism in a hospital or the security sector would not be the same as for a coffee shop or being absent from a school. However, absenteeism needs to be addressed in all sectors of the economy since it leads to losses in production and output. This problem is flourishing in nature, if not controlled well in time, may cause huge damages, Chauke, (2007).

The another fact about absenteeism explored by this research paper is that the employer faces both direct costs from the lost production of the absent worker and commotion problems due to the costs of monitoring and sometimes counselling absentees; and sick pay in excess of the statutory minimum. Indirect costs arise from disruption to the work patterns and productivity of attending staff, specifically where teamwork is important. Employees too face indirect and direct costs. Direct costs include any lost wages and benefits, whilst indirect costs may be decreased promotion chances, or the greater likelihood that they will be laid off or sacked, Donna Brown, (2010).

This paper explored the fact about direct association between employee absenteeism and job satisfaction. It is further exposed that the absenteeism of workers in a workplace may be caused by a lot of factors which in most cases are related to the dissatisfaction of the employees. Seven major extrinsic sources of job satisfaction relative to absenteeism including Pay, Promotion, Work Interest, Supervision, Co-Workers, Working condition and fairness of supervisors are considered, Kehinde, (2011).

Absenteeism in industry is out of control and reaching alarming proportions. According to industry reports, if absenteeism is more than 10% , then the assembly line will be affected in terms of productivity. The mainstream of the manufacturing industries in India are facing productivity problems due to workers absenteeism. The author says that management need to be active to control worker absenteeism, C.S. Chethan Kumar, (2011). This research paper on absenteeism suggests that absence from work is a multifaceted matter prejudiced by multiple causes, both of personal
and of organizational nature. Job satisfaction has also been identified as one of the factors affecting an employee’s motivation to work attendance. There is no worldwide agreement concerning the relationship between absenteeism and job satisfaction. Some research has found no correlation between these two variables whereas other studies indicate a weak relationship between these two variables. It has also been suggested that absence and job satisfaction might be more strongly related under some conditions, for instance in case of blue collar workers, (2011).

Employee absenteeism, being a serious financial burden for businesses which wish to continue their struggle in tough competitive conditions of today, has become a very important issue to be resolved, Senel & Senel, (2012). Researchers explored that absenteeism, low performance level, severance and distrustful behaviours are the behaviours that sway the productivity and competence of business enterprises. Such behaviours bring high costs to companies and therefore are the issues that must be monitored and dealt with properly. Worker absenteeism accounts for much lost work-time, and therefore has important implications for both firm income and productivity. Absence causes the significant costs for businesses. Therefore understanding the factors that cause absenteeism may help managers to better manage employees’ absences, resulting in increased productivity and profitability, Bilgin Senel, (2012).

This paper explored that to administer absenteeism a wide range of information for proper planning and policy formulation is needed. This paper explored that absenteeism needs to be tackled in a smart way and strategically as it creates big losses in the company. It is a severe problem, if not cured well in time may result into break down of production., Kwesi, (2013).

The researcher stated that In today's world absenteeism is one of the major problems faced by organizations across the orb. It makes the work flow disrupted and causes imperative decisions to be deferred. The HR department is entrusted with the role of creating and enhancing the value of Human Resource and, in roll dealing with the challenges and intimidation in the changing organization scenarios. Absenteeism results in financial losses both because of the resultant reduction in productivity and the cost of sick leave benefits or others are paid as wages for no work. Absenteeism reduces the contentment level of the employee and makes him unsecured about his job in the organization, C.Swarnlatha, (2013).

Further the author said that a biggest feature in the Indian industries is absenteeism and its effect on labour competence. Employee’s absence Rates, its effect on productivity are topics of discussion among many country as high rates of employee absence may signal weak labour-management relations, consequential in low productivity. Experience has shown person-days are lost on account of absenteeism impacts more than due to industrial disputes and linked situations. Absenteeism
among the labour affects predominantly its economy, in comparison to other factors. Unsympathetic effects on productivity for the employers and loss of wages among employees are experienced, M. Prabhu, (2013). Absenteeism is a quandary that has plagued organizations for many years, unfortunately organizations are still struggling to pact with this costly problem. Employees have limited knowledge of absenteeism and the implications it has on the employer. Further the author said that workers must be trained regarding absenteeism so that they may also understand the repercussions of absenteeism, Clare Bermingham, (2013).

The majority of employers have limited ability to accurately and regularly track how much absenteeism is reducing their bottom line earnings. Absence management systems track absenteeism, manage absence policies and work schedules, and control overtime, allowing management to recoup lost earnings. Reducing absenteeism will also help employer’s better meet production and service demands without requiring an increase in headcount, Circadian Report (2015). Here the author says that Absenteeism has always been one of the unrelenting trouble in industry. Absenteeism is generally understood in different ways by diverse persons. It is usually understood as an employee or a group of employees residual absent from work either incessantly for a long period or repeatedly for short periods. From the study, it was originate that the low wages, work load, celebration of festivals, unaware of authorized leave etc. are the causes for remaining absent for the work, Chandramouli, (2015). The author explored that ensuing from absenteeism; businesses are faced with impeded productivity, inefficient delivery, and reduced performance, thereby negatively affecting sustainability. Absenteeism is, therefore, a momentous concern in the field of human resource management. The occurrence of absenteeism in the security sector necessitates investigation so that precious contributions may be made that will, ultimately, empower management and positively contribute to the discipline being studied, Tamara Singh, (2016).

2.2 CAUSES OF ABSENTEEISM

Absenteeism is a cultural problem it is affected by organizational norms and traditions. It is communicated from one to another. The absenteeism rates are similar in work crews even the leaders who show little commitment to attendance practices had one of the highest absenteeism rates in his organization, Allen and Higgin, (1979). Further author says that absenteeism is a cultural problem. It is affected by organizational norms and traditions and it is communicated from one person to another. Allen and Higgins, (1979). This paper was bending towards the detailed study of absenteeism or the absence behavior and also focused on application of absence management policy. Further paper explored certain factors causing absenteeism like absence policy, low skills, job satisfaction levels, illness benefits, disutility of labors etc. Conistas and Vichas, (1980). The study considered loss of
commitment as one of the determinants of absenteeism. It further says that time interval also changes levels of absenteeism. During initial periods absenteeism is stable because of stable commitment.

The finding says that decline in commitment and increase in absenteeism are the precedes of absenteeism like psychological (more in men) and temporary (more in women), Dan Farrell and James C. Petersen, (1984). The researcher tried to investigate that out of present employees which are less likely to be absent in future. Further they explored that past absenteeism is a good indicator to predict future absenteeism, even past job absenteeism can indicate future or a new job absenteeism, John M. Ivansevich, (1985). Author identified the role of motivation to attend, and ability to do so can increase presenteeism and further author explores that pressure to maintain good attendance record can lead to consequence of losing a job, Eric W. Larson, Cynthia V. Fukami, (1985). The author tried to find the role motivation to attend, and ability to do so. This paper focused on these two things to decrease absenteeism, Erik W Larson et.al (June 1985). This study cited the causes of absenteeism only due to individuals on injury and illness. That means the paper focused on in voluntary absenteeism. Further the work loss from absence due to illness has been estimated at 2 -3 % of total annual hours of schedule work. Paul Leigh, (1986).

This paper focused on lateness resulting in absence in future. Lateness was defined as arriving ten or more minutes late for a particular shift. It defines absenteeism unanticipated failure to report on an assign day, whether excused or not. The author said that increase lateness results in absenteeism, Joseph G. Rosse, (1988). Voluntary and involuntary absenteeism are two different constructs, they are differently associated with different subsets like personal and attitudinal variables, so to remove both kind of absenteeism one similar method cannot be used conclusively they should be tackled differently, Russel W. Driver and Collin J. Watson, (1989). The method of reducing absenteeism can be social system factors like workplace attitude, withdrawal motives and performance behavior. Results suggested that organizational social systems may have a potent influence on employee behavior, Robert P Steel et.al. (1990). Study focused attention on no fault absenteeism control programs. It says that by modifying the policies related to no fault absenteeism we can bring desired change in the behavior of an employee and an employer. These plans function mechanically.

Author says that employer must devise no fault absence policies as they are consistent with existing labor contracts, Michael L. Moore et.al. (1992). One more determinant of absenteeism can be gender specific absenteeism. Women tend to be more absent than men as they have the responsibility of child care, family responsibility etc. Even all the factors responsible for absenteeism differ according to
gender. Finally the researcher concluded that women who are into jobs have dual responsibilities and so they tend to be more absent than men. Audrey Vanden Heuvel and Mark Wooden, (1995). The researcher focused on absenteeism nurses. The factors considered as causes of absenteeism burnout and job stress. Patricia A. parker and James A. Kulik, (1995). Stress can also cause absenteeism in employees. Stress predicts dissatisfaction and strain and this strain due to stress is associated with absenteeism, so high level of stress results in strain and excessive strain results in sick absenteeism. Parl Ulleberg, Torbjorn Rundmo, (1997).

This paper says that stress predict dissatisfaction and strain. Strain and absenteeism mark are associated. It further says that high level of strain leads to sick absenteeism. Parl Ulleberg and Torbjorn Rundmo, (1997). This research threw lights on impact of group beliefs about absenteeism on individual absenteeism. It focused on identifying the bases of employee’s beliefs about what they expect in terms of absence behavior. Further it says that absenteeism is a result of individual level factors like negative work attitudes but a common finding said that individual absence behavior is affected by other members in the organization. Sometimes this social behavior of absence becoming as a norm for an individual and is called as absence culture, Ian. R. Gellatly et.al. (1998). The author focused on school absenteeism. It said that absenteeism disrupt learning environment and leads to lower level of achievement. It further discussed feeling of meaninglessness, normslessness, and isolation as causes of absenteeism. It further suggested that high track position can reduce absenteeism, Amy J. Orr, (1998).

Here the author tried to tell that the inequity in the relationship with the organization, with the feeling of resentment and poor organizational commitment leads to absenteeism. Here equity in exchange relation in organization means whatever the employees invest in organizational relationship and what they received back from those relations. Another important facts observed by author is that employees use absenteeism as means to restore equity in relationships, Sabini A. Geurts et.al. (1999). This study explored the effects of family to work conflict on withdrawal behaviors at work including absenteeism. It further revealed that family to work means that people get tensed at home that affects its work and vice-versa. It also discusses factors like elder care and child care giving rise to partial absenteeism, Leslie B. Hammer et.al. (2003).

Financial stress is also one of the reasons for absenteeism. This research proved that employees with high level of financial stress are likely to experience a higher level of absenteeism out of which most of the employees who use credit cards suffer from financial stress. As a suggestion author says that financial assistance and counseling should be given to such employees so as to reduce absenteeism in them, Jinhee Kim et.al. (2006).
The another weaker side of organization that is providing a benefit to the absent employees is PTO (paid time off) that is an ignorance towards cost of absenteeism, intention to say that accidents and illness are not the only reasons for absenteeism there are lot other reasons incurring both direct and indirect costs of absenteeism, Chris Navarro, Cara Bass, (2006). The author explored the effect of financial stress on absenteeism which proved that employees with high level of financial stress are likely to experience a higher level of absenteeism. Credit card users as a result were found to be absent more frequently. As a result the another suggested financial assistance and financial counseling to be giving to such employees, Jinhee Kim et.al. (2006).

The researcher focused on PTO that means paid time off, a benefit provided to employees and ignorance toward cost of absenteeism. Further its explores that accident and illness are not the only reasons for absenteeism there are lot other reason incurring both direct and indirect cost, Chris Nabarro and Cara Bass, (2006). The research focused on occupational injuries, to analyze the effects of healthcare networks on post injury duration of work absence. Further the paper explored that workers compensation network reduce both healthcare cost and duration of work absence for work related injuries. Actually Network care provides various healthcare programs that helps in healing faster, which can reduce absenteeism, William G. Johnson et.al. (2006). Various benefits like Private Medical Insurance PMI, Health screening, employee assistance programs, flu vaccinations or gym memberships can help reducing sick absenteeism and stops them in converting into long term absence, Employee benefits magazine, (2007).

Author found that average cost per employee has raised, so many companies are trying to focus on the issue of eliminating or reducing unnecessary absence level so as to control cost. So the author founds supervisor as the main person to control absenteeism. Further the author has suggested certain techniques to be adopted by the supervisors that can reduce absenteeism like return to work interviews, disciplinary procedures etc.

Finally it concludes that facilitative methods should be used to reduce absenteeism rather than punitive methods because as a result employees can become absent at work, Stefani Yorges, (2007). Occupational health personnel can also help in reducing absenteeism as OH personnel are key players in designing programmes and strategies for ensuring prevention of work related illness and accident, Linda Goldman & Joan Lewis, (2007).

The another research focused on unscheduled absence and the people calling last minute giving fake reasons for being absent. Even the author says that employer taking corrective actions for absence management are not that effective for employees.
So the employers must pay attention to the demographics of their workforce and should consider how these demographics can affect employee needs so as to reduce absenteeism. Another research focuses on management strategies to reduce absenteeism as it can produce a culture of attendance. Further the researcher suggests that return to work interviews after each absence can reduce further absenteeism, A.B.D Maclean, (2007). The article focused on various benefits that employers can provide employees which help in reducing sick absence and cures short sick absence and stops then in converting to long term absence, ProQuest Employee Benefits. London, (2007).

This article focused on gender specific absence culture and concluded that women are more frequently indulged in absenteeism than men. Therefore it says that a separate absence culture for women is the reason of high women absenteeism and it can have an impact on organizational policy, Eric Patton and Gary Johns, (2007). Another research again focused on gender specific absenteeism as the different ways should be adopted to reduce gender specific absenteeism. So in organization women tend to be absent more than comparison to men and women are more prone to sick leaves. So absenteeism rates should be calculated gender wise and then accordingly corrective measures should be used, Eric Patton & Gary Johns, (2007). This article shows diversity as one of the factor causing absenteeism it found that perceived organizational support significantly predicted attendance, Derek R. Avery et.al. (2007).

This paper focused on unscheduled absence and the people calling last minute giving fake reasons for being absent. Even researcher says that employer taking corrective actions for absence management are not that effective for employees. Companies mostly use disciplinary action, yearly review and verification of illness etc. further author says that organizations should adapt certain different ways to remove absenteeism, Annual CCH Survey Nov, (2007). This research unfolded a fact that most of the workers who call in sick in the last minute, is actually for other reasons not sickness or illness. It found family issues, personal needs, and stress as other reason of absenteeism. Survey also focused on decreasing presenteeism so as to decrease absenteeism, ProQuest Elwin Green, (2007). Long term sickness and absence due to it was the key area of this research. The researcher also said that poor health increases the disutility from work. On an average the longest sickness absence identified by researcher was six months. Further it concluded that old age people decided to exit after long term sickness, Daniela Andrel, (2007).

This article directly focused on suggesting some important ways to tackle absenteeism like- communication involving line managers like early investment as a mode of saving money, keeping in touch with employees during sickness and leave and balancing threats with incentives, ProQuest Kate Allen, (2008). Another cause of
sick absenteeism is neck pain. It is a very common problem resulting in absenteeism, Pierre Cote et.al. (2008). In this study the researcher studied the impact of teacher absence on education of the students. Further it explored that teacher absence reduce student performance. It also suggested that the greatest tool for assessing teacher’s performance is to calculate student’s achievements, Raegen T Miller et.al. (2008). Perceived behavioral integrity of managers, if found to be positive leads to job satisfaction and if found negative leads to absenteeism. PBI means alignment between manager’s word and deeds. The positive PBI can lead to organizational citizenship behavior and reduced absenteeism, David J. Prottas, (2008). This paper focused on absenteeism in public sectors and says that it is high in public sector units. It focuses on certain determinants that affect absenteeism like age, gender, seniority, wage, number of employees etc. further it suggests one integrative model. First is individual approach that is how personal attributes affects motivation and ability to attend work.

The one is socio-psychological approach where absence behavior is influenced by co-workers. So the absence frequency in public departments can be determined by individual and socio-psychological determinants, Ann-Kristina and Lokke Nielsen, (2008). In this research the author tried to trigger absenteeism in schools as the paper says that youths from 5-17 years are indulged in absenteeism resulting in violence, suicide etc. intention mentioning this paper is that absenteeism is existing in every unit even in schools, Christopher A. Kearney, (2008). This study focused on absenteeism in public sector and says that it is high in PSU’s. It focuses on certain determinants that affects absenteeism like age, gender, seniority, wage and number of employees etc. Further its suggests one integrative model including individual approach that is how personal attributes affects motivation and ability to attend work and the other is socio-psychological approach there absence behavior is influenced by co-workers, Kristina Lokke Nielsen, (2008).

This paper tried to find out the relation between 3 variables of organizational ethics and their relation with culpable and innocent absenteeism. It was concluded Ethical climate, teacher tendency to misbehave and justice were related to frequency that is culpable absenteeism and climate variable was related to duration that is innocent absenteeism. Further the author says that if the employees have negative perception regarding organization justice than it leads to voluntary or culpable absenteeism, Orly Shapira- Lishchinsky & Zehava Rosenblatt, (2009). This paper focuses on “Improving return to work interview” method as one of the most effective method of managing absence. Further it says that systematic absence policy can definitely reduce absence so it concludes that effective, time and again revised management policy can reduce absenteeism, Nadia Williams, (2009). Author tend to predict future absence through observing current sickness absence. It concluded that employee with long sickness absence tend to be depressed in future period and can be
This research focused on those individual behaviors that prompt absenteeism. It was further designed to examine both positive and negative psychological states and both absenteeism and turnover intentions, ProQuest Yaly Flores et.al. (2009). Here the writer says that now a day’s people are more cautious about going to work and due to that they are bringing their cold and cough in the organization. This is presenteeism causing absenteeism, Pro Quest (2009).

This paper focuses on managing sickness absence with the help of managers. Paper also says that public sector employers are well versed in managing absence compared to private sectors. It also gives emphasis on giving training to line managers for managing absence. It also says that absence is more in public sector, Nic Paton, (2009), Nadia Williams, Mar, (2009) this study tried to explore attention on “improving return to work interview” method as one of the most effective method to manage absence. Further it says that systematic absence policy can definitely reduce absence. So it concludes that effective and time and again revised policy can reduce absenteeism.

Another research, where the author tried to predict future absence through observing current sickness absence, concluded that employees with long sickness absence tend to be depressed in future period and can be more absent in future period. The author concluded depression as the major cause of absenteeism, Maria Melchior et.al Aug, (2009). The article suggested various methods to manage long term absence like asking for medical reports, keeping in touch with absent employee, preparing a return to work plan and using disciplinary procedure etc. Pro Quest Nadia William, Personnel Today, (2009).

Flu can be another major cause of innocent absenteeism if not taken proper steps, so authors focused on a Flu H1n1 and its impact on employee innocent absenteeism. Health care experts even predict a hike of 20 to 30% in absenteeism due to flu, Craig Harris, (2010). This paper throws light on keeping record of absence. It says that these records help in combating absence. This paper also proved that absenteeism is high in public sectors. Here the author says that absenteeism is higher in public sectors. It further says that employer ignorance is one of the reasons for absence which incur a high cost, Dan Thoma, (2010) In this the author tried to tell that inequity in the relationship with the organization, with the feeling of resentment and poor organizational commitment leads to absenteeism. Here equity in exchange relations in organization means what the employees invest in organizational relationships and what they receive back from those relations.

Another important fact observed by author is that employees use absenteeism and turn over as means to restore equity in relationship. So conclusively equity in
relations can reduce absenteeism. Sabine A. Geurts et al. (2010). The Article focused on absenteeism in public sector and said that it is high in public sector. It further says that employer ignorance is one of the reason for absence which incurs a high cost, Dan Thomas Personnel Today, (2010). This Article throws light on keeping record of absence. It says that these record help in combating absenteeism, it also said that absenteeism is high in public sector units, Pro Quest Personnel Today, (2010). Authors focused on flu H1N1 and its impact on employee innocent absenteeism. Health care experts even predict a hike of 20 to 30 % in absenteeism due to flu, Craig Haarris, (2010). Author says that another reason for absenteeism could be bad weather but still there should be a uniform policy and used notification of absence as a tool to record absence, whatever may be the cause, Joanna Bourke, (2010). The author focused on absence policy.

Sounds interesting, it says that absence policy by its name prove that it is focusing on absenteeism rather than the name should be performance policy. It further suggests that if one have trustworthy relation among employer and employee, have good line management, and some control over the work then individual absenteeism can be reduced, Pro Quest, Noel O’Reilly, (2010). This article tried to co-relate 14 principles of Fayol with absenteeism. It further focused on managers, working in factory and said that if managers want their employee to work efficiently and effectively without fail they first need to focus on basic principles of management, Asha R. Gupta, (2010). Firstly this paper focused on the research conducted both in private sector as well as public sector. It focused on certain factors causing absenteeism like alcohol, impact of wages, improving attendance through no-fault absenteeism etc. It also said that attitude regarding job involvement and satisfaction can predict public sector absenteeism, Denise Baker-Mc Clearl et.al (2010).

2.3 ABSENTEEISM AND PRODUCTIVITY

This research stated that there is very less research done on the impact of absenteeism but still they explored the effects of absenteeism as decreased productivity, increased costs, more grievances and increased accidents, Goodman & Atkin(1984). This investigation stated the impact of absenteeism as the loss in productivity. Further the author says that if the regular monitoring is done in the field of absenteeism then it not only reduces cost but also improves productivity, Babaita, (2008). This study disclosed the fact that worker absences have large negative impacts: the expected loss in daily productivity from employing a temporary substitute is on par with replacing a regular worker of average productivity with one at the 10th–20th percentile of productivity, Herman & Rockoff, (2011).

One of the article on absenteeism stated that “Absences have real consequences. Most obvious is that they add to the workload of others. But survey
respondents also said they increase stress, disrupt the work of others and lower morale, SHRM (2014). His research stated that absenteeism has huge impact on industries, the overall working is affected if absenteeism persists in industries. According to the Time ware’s report, (2015), businesses may be recording the number of absences in the place of work, they aren’t actively measuring the impact of employee absenteeism, even though the large costs associated with it, S Rabiyathul Basariya, (2015).

2.4 PRODUCTIVITY AND ORGANIZATIONS

Productivity is a vital part of any organization as the more productive an enterprise is, the higher profit rates it will have. Skills that will be the most central for knowledge organizations are those that are allied with the brains of the individual. Presently, these skills are tough to teach and harder to levy. The dare that institutions of elevated learning universally will face, will be their capability to endow their pupils with these inventiveness skills. Those universities around the world that will succeed in devising and revising curricula emphasizing these skills will be able to take over the leadership of the education for the twenty-first century and beyond, Burkett, (2006). Employees possessing these creativity skills will enable knowledge organizations to engage in ingenious actions to bring about innovation and productivity.

Knowledge organization managers will have to learn the rules and operate by them. In order to evolve a work relationship that will unleash the minds of Generations X and Y for innovation and productivity gains for the organization. The operational measures of productivity, effectivity and quality are subordinate to the results concept. Many working environment studies, intended to show the benefit of measures implemented, report on side issues alone, that is, productivity, effectivity and quality, omitting how profits have been improved through measures taken, Glyn, (2006).

One thing that helps in initiating productivity is management development. Management development is concerned with de specialization and with focusing on the generalist role as well as with training in specific management skills. Many programs attempt, in addition to stressing the importance of increasing management competencies, to bring managerial styles into conformance with a desired organizational culture. In most programs one or the other of these is dominant. But in no case can either one be ignored completely. Whether the goal is improved quality, increased productivity, or the integration of individual and group needs, management development can be used in a systematic way to create and shape change in an organization, Barrett, (2006).
Productivity varies due to differences in production technology, differences in the efficiency of the production process, and differences in the environment in which production occurs. The ability to include efficiency change as a component of productivity change depends on the data one has to work with, and the assumptions one is willing to make. Data can be either a single time series or a panel, and can consist of quantities only or quantities and prices.

Assumptions can be strong or weak. With sufficiently strong assumptions it is possible to use a single time series on quantity data only to tell a story about the contribution of efficiency change to productivity change. For employees to be empowered, the company must provide means for employees to participate both at the shop or office floor and at higher levels in the organization. Investment induces productivity growth by installing new technologies and by positive externalities. These common characteristics imply a second important feature, Sawyer, (2006).

The long-run growth rate is path-dependent for activities of former generations influence the productivity of present and future capital accumulation. Concerning the technical progress function, this statement manifests itself in the relation between the flow of investment and the technical dynamism of an economy. The more technical dynamism an economy has acquired in the past, the more productivity growth is induced by a given growth rate of investment. The robustness of an economy or a business is a complex function of many variables. Especially important among those variables, however, is the efficiency with which goods and services are produced. When it costs more to produce goods and services domestically than to import them, the balance of trade suffers and the growth of the local economy is slowed. Human factors research aimed at increasing productivity is obviously relevant to this problem. Moreover, productivity can influence standard of living in various ways.

When the productivity of one country increases relative to that of others that country's products become more competitive on world markets; increases in worldwide productivity mean more goods and services available generally for the same cost, Stedt, (2006). Productivity is one of those words that most people probably believe they understand until they have occasion to try to say precisely what it means. As applied to the production of material goods, productivity is usually expressed as a ratio, for which the numerator is some measure of output or what is produced or the value of same, and the denominator is some measure of input or what is used up in the production process or the cost of same. In theory, the same ratio may pertain when what is produced is a service or other intangible good, but in practice, quantification can be very difficult because of uncertainty about what exactly gets consumed in the production process or about what the product is really worth. Finding ways to increase the productivity of individuals, systems, corporations, or other entities is an
appropriate concern for human factors researchers and an objective that the human factors community is in a position to help attain, Gong & Semmler, (2006).

2.5 INTERPERSONAL RELATION IN CONTEXT WITH ABSENTEEISM, BEHAVIOR EMPLOYEE TURNOVER AND PRODUCTIVITY

The researchers disclose the fact that differential treatment, being unfair and biased behavior leads to unhealthy relations at workplace. Some employees involved in deviant behavior like absenteeism give rise to conflicts in the organization which further increases absenteeism, Miner, (1990). Constructive interpersonal relationships at work have valuable impact on both organizational and individual variables. Research has confirmed that friendships at work can improve individual employee attitudes such as job satisfaction, job commitment, engagement and perceived organizational support and employee availability and presence. Valued work relationships can influence organizational outcomes by increasing institutional participation, establishing supportive and innovative climates, increasing organizational productivity and indirectly reducing the intent to turnover, Anderson & Martin, (1995). Learning depends on members sharing knowledge and creating new solutions so things will be done more efficiently and effectively. Thus, learning can be seen as a dynamic behavioral process of interaction and exchange among work unit members.

The author says that quality of work relationships are directly associated with learning behavior. As employees build healthy relations in organization, that becomes healthy for organizational climate. Employees behavioral learning takes place in that environment and this benefits the organization as whole, Carmeti et al. (2008). In another related research author says that workplace environment have impact on organizational outcomes. Healthy work environment is constituted by many factors, out of that one is interpersonal relations. Good relations improve productivity and overall performance of the organization. Since Interpersonal relations at workplace serve a critical role in the development and maintenance of trust and positive feelings among employees in the organization. Hence this may affect employee’s attitude, Chandrashekhar, (2011).

Another fact to be known is that how well employees get along with the organization influence the employee’s error rate, level of innovation and collaboration with other employees, absenteeism and ultimately time period to stay in the job. Improving the interpersonal relationships at workplace reduces complaints and absenteeism while increasing productivity. More satisfied workers are with their jobs the better the company is likely to perform in terms of subsequent profitability and particularly productivity, Leblebici, (2012). Interpersonal relationships are a vital formula at the workplace. Positive relations can take the shape of various types of
exchange between superior/colleagues and subordinates. Various studies conducted in this respect indicated that workplace relations directly affect a worker’s ability to work and produce. Workers spent lot many hours at workplace and many relationships are formed during this time period. Good interpersonal relationships lead to more satisfied and committed employees, greater productivity, better job performance and a positive job attitude, Ebrahimi, (2013). Positive relationships at work obtain mounting concentration in business studies. They are regarded as stimulators of constructive stance to work and employee wellbeing, and manacles employee overloading. They provide employees with a higher sense of meaningfulness, safety and availability. As the result, various positive effects for the organization performance are reported, such as effective knowledge management and decrease in absence and employee turnover.

The author says to gain organizational effectiveness one must have good interpersonal relations in the organization and to get good interpersonal relations, there must be an effective and efficient leader, Lis, (2014). This research revealed that interpersonal relations can influence employees’ work-related attitudes, intentions, and behaviors such as job satisfaction, job performance, turnover intention, and absenteeism when employees have trustful friends at work, they can get help or advice from their friend coworkers and, therefore, gain feelings of security, comfort, and satisfaction with their job at work.

Also, employees in friendship tend to engage in altruistic behaviors by providing co-workers with help, guide, advice, feedback, recommendation, or information on various work-related matters, Lee & Ok, (2008). Relationships are the primary assets of an enterprise, thus many industries today seem to be migrating from transactional mindset to relational mindset, further the author says that it is now clearly understood that to get good results in long run the organization must foster healthy interpersonal relationships in the organization. These healthy relations enhance functional goodwill of the industry and leads to customer satisfaction. Healthy interpersonal relations give a feeling of safety and satisfaction to employees and they become more productive and are available all times with the feeling of job commitment, Peter, (2014).

Commerce owners wishing to vie at a world-class level must comprehend the human side of their organization and business processes. Understanding this fact further author explains the importance of interpersonal relations. Reality about business relationships is that they are just like any other relationship; they necessitate lots of endeavor to preserve and they must be mutually beneficial to all the stakeholders. Researchers emphasized that as in any business association, a business owner must be agreeable to give, share and support, not just take or receive. Management must provide a kind of atmosphere and treatment to employees that may build healthy and positive interpersonal relations. Relationships possess the potential
for growth and are a vital success factor. The business owners signaled that the relationships they have with their staff contributes to the effective and efficient functioning of the businesses.

The owners believed it was true that good relationships contribute to the increase of productivity in their businesses. The good relations also reduce problems like absenteeism, conflicts, disputes and of course labor turnover, Xesha et al. (2014). Performance of members of any organization depends on the capability to successfully interrelate with their superiors, subordinates and co-workers within the organization and consumers, suppliers and general public outside. Interpersonal relations, therefore is a very important issue involving any organization. Most organizations have people problems rather than business troubles. People tribulations are due to flawed interpersonal relations, which hamper the accomplishment of organizational goal. Efforts should be made therefore to augment the interpersonal skills of the people at work. Interpersonal relationships at work have an advantageous impact on both organizational and individual variables. Research has demonstrated that friendships at work can improve individual employee attitudes such as job satisfaction, job commitment, engagement and perceived organizational support Patricia, (2015).

2.6 BEHAVIOR IN CONTEXT WITH IPR, ABSENTEEISM AND PRODUCTIVITY

Absenteeism is considered as a significant and insidious problem in industry. As a result, theories have been developed and numerous studies conducted to identify the causes of absenteeism. Probably one of the most common theories is the notion that absenteeism is caused by employees voiding a painful or dissatisfying work situation. By the same token, this hedonistic theory would predict that employees who find their job more challenging, more interesting, or more pleasurable in other ways will be absent less often than employees who find their work less pleasurable. Although it is recognized that absenteeism may be caused by the employee's inability to come to work, motivation to attend work is assumed to be a major factor determining how often an employee is absent.

In the world of work, absenteeism is one of those stubborn problems for which there is no clear culprit and no easy cure. Employees who are dissatisfied with various aspects of their jobs are more likely to be absent, Rhodes & Steers, (1990). Unfairness and unfavorable work conditions results in absence behavior. Employees start showing negative attitude when they start feeling that organization is not true to them and is not showing cooperative attitude towards them. Feeling of unfairness, poor interpersonal relations gives rise to deviant behavior and absenteeism. It was seen that difference in behavior with employees further lead to different behaviors by employees, Behave, (2002).
Research has identified employee attitudes can affect absenteeism. Relatively small but consistent negative effects on absence have been found for organizational commitment. Generally employees having a feeling of low job satisfaction lead to low commitment and job involvement. Unfair treatment by employer, poor interpersonal relationships results in feeling of stress and depression that increases absenteeism, Romero & Strom, (2011). Dissatisfaction towards job is a kind of behavior that reflects how employees feel about their jobs. If employees remain dissatisfied with their job in the organization they may engage in counterproductive behaviors such as poor service, destructive rumors, theft and sabotage of equipment, turnover absenteeism and counterproductive behavior results in a financial cost to the organization in terms of lost productivity. Remaining on the track author says that deviant workplace behavior can adversely affect the organization therefore it should be controlled and managed in such a way that it converts into a positive deviant behavior, Muafi, (2011).

Today’s scenario clearly reflects from its trend that to sustain in this era of high and tough competition, an organization, to survive, has to put lot many efforts within the organization to satisfy their workforce in a way that they start holding a strong positive attitude like job involvement and job commitment towards their organization. Further author says that dissatisfied employees display characteristics of low productivity, absenteeism, and turnover. These traits are highly costly for the organization. One of the aspects of this paper useful for this research is interpersonal relationships. The author says that good IPR can definitely lead to high job satisfaction which in turn can reduce problems like absenteeism and turnover, Indermun & Bayat, (2013).

The other research clearly says that absenteeism is that curse which alone is enough to drown the organization. In today’s world absenteeism is one of the major problems faced by organizations across the ball. It makes the work flow disrupted and causes important decisions to be deferred The HR department is established with the role of creating and enhancing the value of Human Resource and, in turn dealing with the challenges and threats in the shifting organization scenarios. Both because of the resultant reduction in productivity and the cost of sick leave benefits or others are paid as wages for no work. Absenteeism reduces the contentment level of the employee and makes him unsecured about his job in the organization of the organization. Absenteeism is the biggest threat to an organization as it brings a feeling of dissatisfaction among employees due to which employees never get involved with their jobs and it decreases productivity and increases absenteeism and turnover, Swarnlatha & Sureshkrishna, (2013).

Employee motivation, shift work system, team work and other means of enhancing employee happiness and job satisfaction should be applied by management
to reduce employee absenteeism and labor turnover to improve overall organizational performance. Lack of motivational techniques, biased behavior, and lack of healthy work environment provokes the workers to hold negative attitude towards work and the workplace which is reflected in employees’ behavior and then increases turnover and absenteeism in the organization, Adegboyega et al (2015).

2.7 LABOR TURNOVER IN CONTEXT WITH ABSENTEEISM, IPR, BEHAVIOR AND PRODUCTIVITY

The topic employee’s turnover is far and wide studied with manifold perspectives and recommended various factors are the causes of turnover of an employee in an organization. Turnover means the intent of an employee to quit his concomitant organization. Turnover, is the ratio of number of employees who has left the organization divided by the average number of people in the concerned organization during the specified periods, Price, (1977). Job satisfaction and employees’ turnover are inversely proportional. With decline in the vigor of one, there is increase in the strength of the other. “Job satisfaction and turnover are negatively related”, Griffeth et al. (2000). High levels of employee turnover lead to low performance and ineffectiveness in organizations, and result in a huge number of costs and negative outcomes, Ingersoll & Smith, (2003).

Several researchers have found that high turnover rates might have negative effects on the prosperity of organizations, Aksu, 2004; Hinkin & Tracey, (2000) among others. Job satisfaction is a strong interpreter of absenteeism, while commitment forms, particularly organizational commitment, are related to turnover intentions. Turnover has considerable impact on organization productivity as it should be properly addressed and measured.

Towering turnover and absenteeism rates often demonstrate poor management and/or conflict within the bond with labour. It is the responsibility of the human resources department and the line managers to keep an eye on and establish reasons for high absenteeism, CIPD, (2005). Scheduled time off for employee vacations is a foreseeable cost of doing business, Bordia, and Irmer, (2007). The impact of staff turnover results in an extra work load for the remaining staff member’s performance and on organisational effectiveness’s, Mathis and Jackson, (2007).

Labour turnover affects both workers and firms. Workers practice commotion, the need to learn new job-specific skills and find different career prospects1. Firms undergo the loss of job-specific skills, interference in production and incur the costs of hiring and training new workers, Gaia Garino, (2007). The high turnover rate in industrial organizations continues to be a concern for various organizations. This is because organizations spend a lot of resources in training and investing in its
employees. Losing talented and expert workforce will result in not having the competent staff to run the organization at various levels. Also, it will require new investments in human resources to close the competency gaps, Mohammed Rashid Al-Qahtani, (2016).