CHAPTER 1

INTRODUCTION

The on-going economic reforms in India have necessitated serious reflection in the industrial sector of the country. Industrialists in India have always felt that their trump card was the relatively cheap labour and their concern for manpower productivity took a back seat. A very revealing finding of this thesis is that the workforce has silently but radically improved. New entrants to the labour force are generally better educated and better informed. Job-holders are becoming highly professionalised and knowledgeable. The labour force is aware of their rights and don’t want their employer to take advantage of them. Injustice is not accepted easily. Workers’ demands and priorities have changed drastically. They want to grow and develop and want to attain a reliable and satisfactory status in life. They don’t want to be treated as deadwood in the hands of their employers and work as per the latter’s whims but rather want themselves to be treated with respect and want employers to treat them as the most important resource for fulfilling the targets of large-scale production. Some of the factors held responsible by past studies for absenteeism and job dissatisfaction like wages, perks and privileges, welfare facilities, holidays etc. have today become the secondary factors of attraction. In the present times, absenteeism and job dissatisfaction generally arise because of organisational adjustment problems, behaviour and attitude of co-workers and employers, inability to match preferred work with professional needs, unhealthy management practices, income from other sources and government agencies. Workers are motivated by opportunities that offer challenges, achievement and growth. Further, retaining such workers for long is a difficult job. Being cosmopolitans in their outlook, these professionalised workers are known for organisational rootlessness and job-hopping. The company has to make several allowances to discourage rootlessness. Regular attendance and punctuality have to be relaxed, dual-promotion ladders have to be established so that distinguished technical people can rise in their ranks.

In India, absenteeism continues to be a grave problem. Every industry is suffering from the problem of absenteeism and job-dissatisfaction. Factors causing absenteeism contribute differently depending upon the variations in culture, living pattern, education, expectations of future upliftment, management practices etc. What may contribute to absenteeism in one culture, may not be a reason for absenteeism in another culture. Yet there
are some factors that influence absenteeism across all cultures. Many of the industries have to incur huge losses because of continuous absenteeism. For instance, The National Aluminium Company had a decline in aluminium production by 20 percent in 1998-99. Whereas NALCO runs the largest integrated aluminium complex at Angul in Orissa, the decline in the production is attributed to the lack of maintenance, employee absenteeism, and hot summer (Financial Times, Aug 21, 1998). In another instance, the Government of India introduced the Insurance Regulatory Authority Bill 1997 in Parliament with an aim to formulate a stringent regulatory mechanism to monitor and scrutinize foreign and private entry into the insurance sector. However, the bill was withdrawn following poor floor co-ordination and mass absenteeism (Economic Times Feb 4, 1998).

Industries have begun to resort to motivational and punishment methods to reduce absenteeism and increase job-satisfaction levels but despite their continuous efforts, organisations are still not able to cure such chronic problems to a minimum. Full employment, universal literacy, health care and raising the quality of life for all its citizens without discrimination, caste, creed and gender are equally formidable tasks to be accomplished by industries and government. It is too well known that a perfect match between effort and reward will produce better performance from an individual. When the individual perceives that he or she has been treated unfairly, the performance suffers which results into job-dissatisfaction and absenteeism.

The chapter is structured as follows:

1.1 Background
1.2 Rationale/Need For Study
1.3 Central Theme Of The Study
1.4 Objectives
1.5 Methodology
1.6 Sample And Sources Of Data

1.1 Background

In the beginning of history, men lived by hunting and fishing. Then, they became shepherds and cowherds and lived a pastoral life. Later, they took to agriculture and settled in small and large villages. At this stage came various skills, such as carpentry, blacksmith, cobbler, weaving, etc. Finally, over the last two hundred years, human civilization reached
the industrial stage of economic life. Agriculture and handicrafts have come to occupy a secondary place in the industrial economy. Production by machines rather than manual has led to large-scale production to capture worldwide market. Large cities and towns have come into existence replacing small villages. People are clearly divided into two types - those who own industries and those who work there for their livelihood.

The profile of industries has undergone a radical change from one of old and traditional to one of new and ultra-modern. The number of modern industries has increased and these produce a variety of products. Considerable advances have been made in the fields of technological and managerial skills. This has enabled the country not only to operate highly complex and sophisticated industrial enterprises, but also for their planning, design, and construction. Considerable progress has also been made in industrial research as also in the absorptive capacity with respect to using, adapting, and developing modern industrial technology.

With increased global competition and a rapidly changing market, Indian industry is facing challenges. Simultaneously, globalization is offering opportunities that were rarely available before. The greatest challenge-cum-opportunity is based on the changing profile of the workforce. Incremental improvements in health, education, mobility, and accessibility of information have combined with deep-rooted social and cultural factors to provide a unique blend of characteristics. This blend has to be understood and acted upon by the industry, labour, trade unions, government, and by the society at large.

Knowledge and awareness levels of workers are much higher than it used to be a couple of decades ago. Workers seem to be mentally prepared for technological changes so as to ensure their survival. They are not indifferent to the developments in business, society, or other aspects of life. They have not been isolated from the societal, political, economic, and industrial changes at the micro and macro level. Gradually but surely, awareness of quality and cost is becoming a part of their day-to-day life.

With the growing awareness and knowledge of workers and increasing demand for better standard of living, industries have become a place to satisfy all their needs. This has also shown its side-effect on industrial relations with the distance between employer and employee having increased. Employers and workers are becoming increasingly unable to understand each other clearly, giving rise to industrial disputes, as both are unable to satisfy...
their needs. As a result, industries are becoming sick and nearing closure. Workers are dissatisfied and lack job interest so that they do not hesitate to remain absent.

The present study serves the main objective in finding out whether the factors causing absenteeism have remained constant over time with the changing industrial culture and demands of employers and workers. The study also seeks to investigate whether the parameters for job-satisfaction have remained constant with growing awareness and demand for better standard for living or whether they have shown any change. The main intention is to highlight the changes so as to maintain better industrial relations in the future in order to increase job-satisfaction and decrease absenteeism.

1.2 Rationale/Need For Study

Every industry wants to overcome absenteeism and tries various motivational ideas to minimize it but all industries do not succeed in applying motivational methods so that the problem persists. Absenteeism leads to lower productivity and depressed motivation, morale and job-interest among workers. It also increases employee turnover and diminishes job satisfaction. Workers, keeping themselves absent from job, are unable to grow and develop their potential and creativity, which turns out to be harmful for industrial growth. Thus, absenteeism needs to be controlled for better growth and development of both the workers as well as industries.

Job-satisfaction among workers is very important for maintaining better industrial relations, growth and development in industries. Satisfied workers generally do not keep themselves absent from the job and will always tend to work hard and perform better. They will think of ideas to increase their standard of living, better career for themselves and their children and promote creativity and innovation. They strive to be career-oriented, motivated, efficient and creative, all of which are very important factors for a healthy and progressive industrial sector.

Satisfaction to employers and workers can come when both the parties work together keeping in mind the expectations of both the sides. If expectations from either side are not satisfied, there will be dissatisfaction, disputes, conflicts, fights, strikes, lockouts etc, which is harmful to the employers, workers, economy and the society as a whole.

Organisations need to create an environment wherein people can identify themselves with their work. It is true that no two individuals are alike and so also are their needs. What motivates one individual need not necessarily motivate the other. It is definitely tiring and
difficult but very important to understand what is it that motivates each and every individual. It is necessary for every organisation to realize and recognize the need to give a better deal to people around them, for the success of any organisation is determined by its people, their caliber and their desire to succeed and out-perform.

Companies have profound and far-reaching effects on the lives of the individuals who work for them, so it becomes the obligation of companies to make the effects positive and satisfactory, full of zeal and happiness. But often companies bring stress, fear, frustration and dissatisfaction to their people, which they take home with them each night. This creates problems at home which people bring back to work in the morning everyday and the cycle becomes vicious ultimately harming the workers and the organisation directly.

Most often, organisations prefer employing only workers' skills or brains, if possible, and not the whole of it. A person's hands and skills cannot be separated, they are part of the whole individual. In other words, the workers' skills cannot be separated from his background and knowledge, his physical condition from his emotional state of mind, his home life from his work life and above all his work culture from his family culture. They are intimately and inextricably interconnected. For this reason, fulfillment of the individual's basic need is important if he has to give his best to his work.

Organisations should understand that workers' do not come tailor-made to suit their organisation's needs and jobs. They usually come in assorted traits and characteristics - good, bad, lazy, clever, stupid, indifferent, dishonest, innocent, etc. They must also realize that they cannot have perfect workers' to work with. It is their primary responsibility to mould, train and motivate them to be efficient so that the goals of the organisation and workers' can run parallel with high satisfaction levels causing no absenteeism due to the industrial climate.

Organisations make efforts to motivate the workers' by giving them increments, promotions, and also sponsor them for training workshops. For a while, people go into an upbeat phase but very soon the interest starts waning. However, employers do not put in continuous efforts to try and find the real cause of this declining interest.

Today, organisations expect unlimited dedication and loyalty from workers. So to the individuals too, monetary compensation provides only partial relief. Human potential can be used optimally when an individual is compelled to match up with competing skills. In India, industrial sectors have started applying the 1:2.3 strategy in their recruitment process, i.e., one man performing a role meant for three, and being paid the wages meant for two. But such
multi-skilling has also shown many side effects that cannot be ignored. Employers want every worker to take up more than a single responsibility and expect that he should also be able to fulfill his duties efficiently. But completion of all the responsibilities simultaneously is not possible for all the workers.

In many industries there is a very little communication between managers and workers. Managers give instructions and workers follow blindly. Often, communication is confusing and incomplete and managers feel annoyed if instructions are to be repeated. Such behavior creates more mistakes and rejection in work leading to increasing cost and decrease in profits. A manager is a team-leader and is directly responsible for the outcome - good and bad. But today, while the managers take the credit for the good, the bad is blamed on the workers.

There is an increasing need to change the working atmosphere in the organisations. There needs to be more emphasis on team-work, correlation, coordinating, parallel-communication, soft-spokenness, inducing creative ideas from the Shopfloor, encouraging workers to perform better, giving equal respect, identifying the needs, creating a lively working atmosphere and having flexible timings to uplift the organisation.

Workers are an important and primary human resource and not machines. They are to be used optimally without hurting their feelings and to be treated with respect. As it is very well said - use me, reward me, respect me. The employer should keep these three concepts in mind.

It should be noted that money and position has never been the motivating factor. If workers are asked what is most important for them on the job neither money will be the first indicator nor the position. Teaching people a bunch of new techniques or skills creates little impact. A manager needs to play a vital role in imputing confidence among workers and creating awareness that each and every worker is an invaluable asset to the organisation. This process touches each individual, each function, each unit and each bit of output whether it is a service or a product.

There is also a need to improve the working of the labour courts because in many ways they too are responsible for increasing absenteeism. Organisations, which have surplus labour, are burdened with absenteeism, as workers are difficult to be laid-off because of their long years of service, unions and labour courts. In such industries, workers get into the habit...
of remaining absent without any reason. So it becomes important for industries to avoid keeping surplus labour.

The problem of absenteeism can only be solved if organisations create a homely and peaceful working atmosphere. When superiors feel that certain workers are unhappy, they should hear them out seriously and pay regular attention to workers' concerns and grievances.

It is very well said that when we do not know how to lead our people, we try incentives and disincentives. Punishment, far from motivating workers to make improvements, leads them to turn defiant and defensive. At the same time, blindly rewarding workers' cannot increase job-satisfaction or decrease absenteeism. The employers have to create a sense of belongingness in the workers' minds and realize that workers are important and are primary factors in increasing production and profits.

One should not forget that the seeds of excellence are in each one of us. Everyone can become a winner with desire, dedication and determination. One has to remember that opportunity is always under one's feet. All what one needs is to recognize it. One has to develop a desire to be positive is life. When things don't seem to work out, one doesn't have to despair, because tough times never last. They are not terminal, but only transitional. One has to take charge and take control. Everyone has problems – nobody is free from them. A life free of problems is an illusion, a mirage. Accept that fact and move on.

We have entered the new millennium not to simply march blindly, eventlessly but to accomplish something that is productive and fruitful, and a path for the new generation. All one has to do is to succeed, get started and never quit.

1.3 Central Theme Of The Study

The Indian industry is undergoing changes day-by-day. The present economic scenario demands rapid transition and adjustments. The industrial sector in Gujarat is no exception.

Vadodara, which has emerged as one of the major industrial centers of Gujarat, has witnessed growth and development in sophisticated technology, global markets and competition. In all this, the role of the industrial worker is pivotal. Ultimately, it is the human element, which is the decisive factor in any industry. Therefore, understanding the human aspects of the industry, specifically the often-overlooked industrial worker has been the focus of this research study. The emphasis is on gaining an insight into the personal profile, financial factors, job profile, psychological, social and physical adjustment factors of the
worker since as these ultimately influence the productivity in the organization. At the same time, management views regarding workers' efficiency, productivity, regularity/irregularity, effects of absenteeism on industries, government agencies responsible for increasing absenteeism, reasons for increasing dissatisfaction among workers have also been discussed.

The main focus of the study is to find out the causes behind remaining absent and the parameters for increasing job-satisfaction. With growing awareness and demand for better and luxurious living, the causes and parameters are likely to have changed. The main intention is to highlight these changes so as to usher better industrial relations with growth and development of both the workers and the management.

The findings of this research study intend to hopefully provide the foundation for an in-depth future research, which should be useful to industrialists, professional managers, trade union activities, NGOs and the government. If this study succeeds in making workers, employers and government think and retrospect for maintaining better industrial relations, it has done its job.

1.4 Objectives

One of the most significant conclusions from most of the studies is that the needs of workers often are not well understood either by executives or by labour leaders. It is very important that the leader should understand and appreciate the psychological needs of the workers working in their organisations.

The main objectives of the study on Absenteeism and Job-Satisfaction are to address the following issues:

- To explore why workers remain absent from their work. Is it because they are dissatisfied from their work or are there other causes that lead them to be absent from work?
- To find out how much an employee is responsible for his own dissatisfaction from work and to what extent management is responsible for the workers' inability to achieve satisfaction from the work assigned to them.
- Now day's workers are more conscious of building their self-dignity and self-respect at the workplace. They don't like to be insulted and exploited by the management. The objective is to examine whether workers are treated with dignity and whether they suffer exploitation at the hands of their employers.
➢ To examine whether the present system of reward and punishment is benefiting the organisation in reducing absenteeism and increasing job-satisfaction levels

➢ To examine whether job-satisfaction leads to retention of workers.

➢ To explore whether absenteeism and job-satisfaction are prevalent more in local or migrated workers

➢ To find whether female workers are more regular and more satisfied than male workers

➢ To understand why employers prefer female workers and what are the reasons for their non-preference for male workers

➢ Are the fear tactics used at some workplaces successful?

➢ To find out whether it is the workers or the management who is directly benefiting the organisation.

➢ To investigate the role of senior officers in increasing absenteeism and decreasing job-satisfaction

➢ Do workers prefer to devote more time to their part-time job and agriculture and in the process not able to give full justice to either work they do?

➢ Are workers able to get the work of their preference, which they are educationally better-suited to handle?

➢ To what extent has dishonesty among workers in availing leaves increased?

➢ To what extent are government agencies responsible for increasing absenteeism?

➢ To what extent is a worker satisfied with his job? And what is the significance of job-satisfaction in a worker's life?

➢ Whether the causes of absenteeism and job-dissatisfaction have remained same over the past decade or whether there is any change observed in the pattern of absenteeism/job-satisfaction over time?

➢ Do trade unions have any role to play in increasing absenteeism and are they really capable of solving labour-related problems?
➢ To explore the measures taken by the Management to control absenteeism and increase job-satisfaction levels.

➢ Impact of absenteeism on industries

➢ As recession is on its peak and many industries are closing down, thousands of workers are rendered jobless. As a result, they are willing to accept any kind of work with any amount of wages and are easily being available to the organisations at a lower cost. Many organisations are not serious enough for improvement and training of the workers. They do not feel the need to devote time, energy & resources in improving the skill and attitude of workers. Employers feel that those who do not work committedly and remain absent must be removed from the organisation since workers are easily available at low wages. Recession has increased labour turnover. The study seeks to explore the reasons behind lack of practice of human resource development (HRD) in most of the industries.

➢ Do effective training and development programmes exist?

➢ Does a grievance procedure exist?

➢ Does the organisation have high quality of work life?

➢ Does the human resource management respond to individual employee needs and aspirations?

➢ Does human resource management contribute to organisational effectiveness?

➢ Does the management underestimate the capacity of human resource management to contribute to organisational effectiveness?

➢ To explore what workers feel about their absence from workplace - what are their suggestions and remedies to reduce absenteeism and increase job-satisfaction?

1.5 Methodology

1) Questionnaire Method is used to collect the Data

2) Two sets of Questionnaire are prepared for collecting the data.
   (i) Shopfloor Personnel.
   (ii) Management Perception.
(iii) Analysis Techniques

(i) Regarding Shopfloor Personnel the following factors are taken into consideration-
   (i) Personal Profile
   (ii) Education
   (iii) Financial Factors
   (iv) Job Profile
   (v) Psychological Factors
   (vi) Social Factors
   (vii) Health
   (viii) Accidents
   (ix) Adjustment Factors
   (x) Job-Satisfaction
   (xi) Interviewer’s Observation

(ii) Regarding Management Perception the following factors are taken into consideration-
   (i) Type of Organisation
   (ii) Manpower
   (iii) Regularity of Workers (Male/Female)
   (iv) Reasons for Irregularity of Male and Female workers
   (v) Effect of Absenteeism on Production, Man-hours and Recruitment
   (vi) Measures preferred to recover man-hours loss/production loss
   (vii) Authorized absence and unauthorized absence
   (viii) Whether Employees State Insurance Scheme (E S I ) is responsible for increasing absenteeism
   (ix) Whether union is responsible for increasing absenteeism.
   (x) Is the problem of absenteeism actually solved by management ?

(iii) Analysis Technique

The data collected is coded manually after which it was analysed in SPSS (Statistical Package for Social Science) for percentage frequency tables for both Shopfloor personnel and Management perception Chi-square testing is applied for a comparative study between various major factors like salary, income from other sources, managing agricultural activities,
availability of welfare facilities, non-availability of preferred welfare facilities causing refrain from work, neat and clean workplace, workers valuing social responsibilities towards family, relatives, guests, friends by taking paid leaves, unpaid leaves or no leaves, adjustment factors, job-insecurity, job-satisfaction etc. with personal and job-profile parameters of the workers. Analysis of variance is undertaken to study the regularity, frequent irregularity and high irregularity among male and female workers.

1.6 Sample And Sources Of Data

Industries are covered over Vadodara District within which tiny, small, medium and large scale industries are considered wherein Makarpura G.I D.C., Por, Nandesari, Waghodia GIDC and Gorwa industrial area are covered. A comparative study between industries is conducted to examine the overall effect of absenteeism and job satisfaction levels. Names of the organisations and workers are kept confidential. Sample size for Shopfloor personnel is 400 and Management perception is 55 business concerns.

Primary data is collected from industries. The main sources of data are employers and workers. A major part of the data is collected from those workers who generally remain absent. Information from past studies done on Absenteeism and Job-Satisfaction is also taken into consideration.

- Data is collected from workers who remain absent frequently from work.
- Workers who remain absent throughout the week without informing their superior.
- Workers remaining absent for the whole month.
- Workers remaining absent for the whole year, coming once in a month only for a visit.
- Workers regular at job.
- Management views regarding causes of absenteeism and decrease in job satisfaction level.