



## A Study On Employee Absenteeism's With Reference To Indian Drugs & Pharmaceuticals Ltd, Chennai

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### ABSTRACT

*Absenteeism has been recognized as a vital issue affecting discipline and production in the organized industry today. In Indian perspective, few researches only carried out in this area and also very few on pharmaceutical sector. The main objective of this study is to study about the reasons for employee absenteeism. Primary data were collected through structured questionnaire. 100 employees were selected as sample. Statistical tools percentage analysis and Chi-Square test were used to measure the relationship between the variables. Researcher finds that there is significant relationship between employee's unexpected reasons and affect the personal relationship. Hence, the researcher concludes that Yoga, Meditation, Swimming and challenging work probably reduces the stress and it leads to reduce absenteeism.*

**Keywords : Absenteeism, Pharmaceutical Sector, Production, Stress.**

### Introduction

**A**bsenteeism causes losses in production/productivity. Absenteeism is a serious problem as it involves heavy additional expenses and affects production, profits and investments. Any absence weakens the company's goals and productivity. It also affects in the companies' goals and productivity as it diminishes the rate of productivity, profits, investments, etc. The irregularity in attendance of the workers will reduce their income. Absenteeism generates a frustration in the minds of the workers, which results in the low efficiency & low productivity. If there is more absenteeism taken place in the company then it automatically affects the capital of the company also.

The Indian Pharmaceutical Industry today is in the front rank of India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. The pharmaceutical industry has been an easy target for critics over the years. India's pharmaceutical industry is now the third largest in the world in terms of volume. Its rank is 14th in terms of value. Between September 2008 and September 2009, the total turnover of India's pharmaceuticals industry was US\$ 21.04 billion. The Indian pharmaceutical industry also needs to take advantage of the recent advances in biotechnology and information technology. The future of the industry will be determined by how well it markets its products to several regions and distributes risks, its forward and backward integration capabilities, its R&D, its consolidation through mergers and acquisitions, co-marketing and licensing agreements.

In the U.S.A it has been observed that curiously enough the extent of absenteeism is greater women than men. Young men are generally found to absent for a variety of reasons including restless and a sense of irresponsibility. The rate of absenteeism varies from 7% to 30% in India where as in other

countries it is very low.

### Review Of Literature

Ian R. Gellatly in his paper 'Individual and Group Determinants of Employee Absenteeism: Test of A Causal Model' The study examined whether an employee's level of absenteeism was affected by age, organizational tenure, perceptions of interactional justice, affective and continuance commitment, and the perceived absence norm in the employees' work unit or department. One hundred and sixty-six nursing and food services employees in a mid-size chronic care hospital provided attitudinal and perceptual data on an employee survey. Absence data were collected during the 12-month period immediately following an employee survey. Hypothesized relations between the various individual- and group-level factors and employee absenteeism were specified in a structural model and tested.

The paper 'Health Promotion Programs, Modifiable Health Risks, and Employee Absenteeism' by Aldana, Steven G. ; Pronk, Nicolaas P. This literature review demonstrates that the health risks and failure of employees to participate in fitness and health promotion programs are associated with higher rates of employee absenteeism. When determining how to manage absenteeism, employers should carefully consider the impact that health promotion programs can have on rates of absenteeism and other employee-related expenses.

Paul M Muchinsky (1977), in his paper analysed 'Employee absenteeism: A review of the literature'. The purpose of this paper is to review the literature on employee absenteeism as a form of withdrawal behavior apart from turnover. Studies examining the psychometric properties of absence measures are reviewed, along with the relationship between absenteeism and personal, attitudinal, and organizational variables. Studies exploring the relationship between absenteeism and turnover are examined according to the unit of analysis studied in the research.

Programmatic efforts to reduce employee absenteeism are also reviewed. Throughout the paper emphasis is placed on the indices used by investigators to measure absenteeism, and the problems that have arisen in the literature through the use of multiple indicators of absenteeism. The review concludes with suggestions for research that are of both theoretical and practical concern.

The earlier studies were related to study the employee absenteeism. They analysed organizational tenure, perceptions of interactional justice, affective and continuance commitment, health risks and failure and psychometric properties of absence measures are reviewed through various sectors. The present study focused on Employee Absenteeism in Pharmaceutical sector.

**Research Design**

**Statement of the Problem**

Absenteeism has been recognized as a vital issue affecting discipline and production in the organized industry today. This problem has been received wide attention from industrials and researchers during the last half century. Absenteeism is the problem of not only in the Indian industry but also the problem of western industries. The absenteeism is higher in developing countries like India. Hence the study focuses the absenteeism in Indian Drugs & Pharmaceuticals Limited.

**Need for the Study**

There have been many systematic studies of absenteeism in western industrialized countries. For example, it has been observed that absenteeism among the younger workman is extensive on Mondays after the weekend, particularly among unmarried man who after a late night on Sundays perhaps with the girls friends, and it difficult to set up and concentrate on work, and it is the lowest on pay days. In Indian perspective there is few researches only carried out in this area and also very few on pharmaceutical sector.

**Objective of the Study**

- 1 To study about the reasons for employee absenteeism.
- 2 To ascertain the various factors influencing employee absenteeism.
- 3 To identify the factors that helps to reduce the rate of absenteeism.

**Hypothesis were tested in this Study**

**Null hypothesis (H0):**

There is no significant relationship between unexpected reasons and personal relationship.

**Alternative hypothesis (H1):**

There is significant relationship between unexpected reasons and personal relationship.

**Data & Methodology**

The study for designed to the descriptive in nature, aimed at assessing the employee motivation to achieve the organizational goal. This study is concerned with the employees in Indian Drugs and Pharmaceuticals Limited. Both Primary and Secondary data were used in this study. Primary data was collected through well-structured questionnaire. 100 employees were randomly selected as samples among 153 employees. The study period covers Jan 2011 to Apr 2011. Simple random sampling technique adopted in this study. Statistical tools percentage analysis and Chi-Square test were used to measure the relationship between the variables.

**Limitations of the Study**

The absenteeism affects the flow of work. The company may not be executing the orders at regularly. It leads to reduce the production of a company. The quality of work suffers as the casuals workers may not work effectively and regularly.

**Data Analysis**

Employee's opinion about the intimation of absence to their

superiors

Attribute	No. of Respondents	Percentage of Respondents
Strongly Agree	25	25%
Agree	50	50%
Disagree	15	15%
Strongly Disagree	10	10%

Source: Primary Data.

Inference: Table 1 reveals that 25% of respondents are strongly agreed about the intimation of their absence to their superiors. And 50% of respondents are agreed about their absence intimation to their superiors, 15% of respondents are disagreed of the intimation about the absence to their superiors.

Employee's absenteeism due to unexpected reasons.

Attribute	Number of Respondents	Percentage of Respondents
Strongly Agree	55	55%
Agree	35	35%
Disagree	5	5%
Strongly disagree	5	5%

Source: Primary Data.

Inference: From the table 2 it is interpreted that 55% of respondents are strongly agreed the employee's absenteeism due to unexpected reasons and 35% of respondents are agree the employee's absenteeism due to unexpected reasons.

Employee's opinion about transportation facility leads to absenteeism

Attribute	Number of Respondents	Percentage of Respondents
Yes	80	80%
No	20	20%

Source: Primary Data.

Inference: From the table 3 it is interpreted that transportation facility leads to employee's absenteeism, 80% of the respondents are said that the transportation facilities lead to employee's absenteeism. Remaining 20% of the respondents are said that the transportation facility does not lead to employee's absenteeism.

Employee's absenteeism due to heavy workload.

Attribute	Number of Respondents	Percentage of Respondents
Strongly Agree	60	60%
Agree	20	20%
Disagree	15	15%
Strongly Disagree	5	5%

Source: Primary Data.

Inference: From the table 4 it is interpreted that 60% of the respondents are strongly agree the employee's are absent because of heavy workload, and 20% of the respondents are agreed the absent due to heavy workload 15% of the respondents are disagree the employee's absenteeism due to heavy work load.

Employee's absenteeism leads to lack of motivation by the superior.

Attributes	No. of Respondents	Percentage of Respondent
Strongly Agree	20	20%
Agree	60	60%
Disagree	15	15%
Strongly Disagree	5	5%

Source: Primary Data.

Inference: From the table 5 it is interpreted that 20% of the respondents are strongly agreed that lack of motivation is leads to employee's absenteeism. And 60% of the respondents are agree that the lack of motivation by the superior is leads to the employee's absenteeism, 15% of the respondents are disagreed that the lack of motivation by the superior does not leads to employee's absenteeism.

Employee's absenteeism affects their economic condition.

Attributes	No. of Respondent	Percentage of Respondent
Strongly Agree	16	16%
Agree	48	48%
Disagree	22	22%
Strongly Disagree	14	14%

Inference: From the table 6 it is interpreted that 16% of the respondents are strongly agreed the employee's absenteeism affects their economic condition. And 48% of the respondents are agree the employee's absenteeism affects their economic condition, 22% of the respondents are disagreed the employee's absenteeism affects their economic condition.

Chi-Square Test for to measure relationship between unexpected reasons and personal relationship.

Particulars	Strongly agree	Agree	Disagree	Strongly disagree	Total
Unexpected reasons	60	30	5	5	100
Personal relationship	60	30	5	5	100
Total	120	60	10	10	200

Calculation of Table Value:

Degree of freedom =  $(r - 1) * (c - 1)$ , =  $(2 - 1) * (4 - 1)$ , =  $1 * 3$

Degree of freedom is 3 at 5 % level of significance is 7.815

Inference: Calculated value is less than the table value. Hence null hypothesis  $H_0$  is accepted. That means there is significant relationship between employee's unexpected reasons and affect the personal relationship.

### Findings & Suggestions

The researcher said majority of the respondents are said that the transportation facilities lead to employee's absenteeism. Most of the respondents are strongly agreeing the employee's are absent because of heavy workload. Good number of the respondents is strongly agreed that lack of motivation is leads to employee's absenteeism. Some of the respondents are strongly agreed the employee's absenteeism affects their economic condition. And also researcher finds that there is significant relationship between employee's unexpected reasons and affect the interpersonal relationship.

The researcher provide following valuable suggestion to reduce the employee absenteeism. Proper advice in the form of interactive sessions to be organized for better communication and prior intimation to the management about their leave to those steps can be taken to find replacements or temporary basis to avoid dislocation of work. To update the employees skill training sessions may be conducted by appointing professional agencies. It will help to improve the productivity of the company. The organization should take the appropriate actions to reduce the stress of the employees, i.e. conducting the yoga, exercises, etc.,

### Conclusion

Employee Absenteeism is one of important factor that affect the Organizations overall production. It includes pharmaceutical industry also. The main objective is to study about the reasons for employee absenteeism in pharmaceutical sector, ascertain the various factors influencing employee absenteeism and to identify the factors that help to reduce the rate of absenteeism. Primary data was collected through well-structured questionnaire. 100 employees were randomly selected among 153 employees. Simple random sampling technique adopted in this study. Statistical tools percentage analysis and Chi-Square test were used to measure the relationship between the variables. The study revealed that 52% of the respondents are workers, 21% of the respondents are Security Officer, most of the respondents are Apprentices and remaining respondents are others. Researcher finds that there is significant relationship between employee's unexpected reasons and affect the interpersonal relationship. Throughout the study the researcher found that Stress is one of the main factor, that leads to employee's absenteeism so, the organization should take the appropriate actions to reduce the stress of the employees, i.e. conducting the yoga, exercises, etc. Hence, the researcher concludes that challenging work probably reduces the stress and it leads to reduce absenteeism.

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