

## **A Study of Labour Absenteeism and Labour Problems in Medium and Large Scale Industries in Marathwada Region**

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### **INTRODUCTION**

Absenteeism is the term generally used to refer to unscheduled employee absences from the workplace. Many causes of absenteeism are legitimate personal illness or family issues, for example but absenteeism also can often be traced to other factors such as a poor work environment or workers who are not committed to their jobs. If such absences become excessive, they can have a seriously adverse impact on a business's operations and, ultimately, its profitability. Absenteeism means an individual remain absent without any information or intimation to his superior. Or any individual remain absent more than 10 consecutive days also serious. In this case, we can issue Charge sheet to workmen who is habitual or 10 days absent.

Absenteeism in Indian industries is not a new phenomenon. It is the manifestation of a decision by employees not to present themselves at their place of work, at a time when it is planned by the management that they should be in attendance. Many research reports reveal that there has been a phenomenal increase in absenteeism in some industrial sectors. The absenteeism becomes a problem to organizational management particularly when employees absent from their work environment without giving sufficient notice and by justifying their stand by furnishing fake reasons. The reasons for absenteeism are many. The factors contributing to absenteeism from work includes individual and environmental factors. These consists of sickness, accidents, occupational diseases, poor production planning (flow of work), bad working conditions and inadequate welfare conditions, lack of trained laborers, insecurity in employment, collective bargaining process, rigid control system, lack of supervisory support, lack of interest, lack of cohesive and cordial culture and so on. The individual reasons may vary from organization to organization depending upon the organizational climate, employee's attitude and influence of external organizational factors (market forces, social activities that influence the industrial culture prevailing in geographical zone etc.).

### **About Maharashtra**

Maharashtra is India's leading industrial state contributing 15% of national industrial output and over 40% of India's national revenue comes from Maharashtra itself. 64 % of people are employed in agriculture and allied activities. Almost 46% of GSDP is contributed by industry. Major industries in Maharashtra include Chemical, Auto Industries, metal products, wine, jewelry, Pharmaceuticals, Engineering goods, Machine tools, Iron and Steel, Casting and Plastic wares. Also food crops include mangoes, grapes, bananas, oranges, wheat, rice; cash crops include groundnut, cotton, sugarcane, turmeric and tobacco. The net irrigated area totals 33,500 square kilometers.

**Table 1 Maharashtra's Share in Indian Manufacturing Sector (Figures in %)**

| <b>Year</b>      | <b>Number of Factories</b> | <b>Fixed Capital</b> | <b>Working Capital</b> | <b>Number of Workers</b> |
|------------------|----------------------------|----------------------|------------------------|--------------------------|
| <b>1979-80</b>   | <b>15.57</b>               | <b>14.90</b>         | <b>19.85</b>           | <b>16.71</b>             |
| <b>1985-86</b>   | <b>14.82</b>               | <b>15.63</b>         | <b>27.73</b>           | <b>15.14</b>             |
| <b>1991-92</b>   | <b>12.21</b>               | <b>15.41</b>         | <b>14.81</b>           | <b>12.69</b>             |
| <b>1997-98</b>   | <b>13.74</b>               | <b>17.18</b>         | <b>18.26</b>           | <b>12.70</b>             |
| <b>1999-2000</b> | <b>14.45</b>               | <b>17.52</b>         | <b>18.61</b>           | <b>13.60</b>             |

**Source: Estimated from issue of annual survey of industries, CSO**

### **About Marathwada and Aurangabad**

Marathwada is the region comprising of eight districts Aurangabad, Jalna, Parbhani, Nanded, Beed, Osmanabad, Hingoli and Latur. Aurangabad is the divisional headquarter of Marathwada. It accounts 16% of the state's population and home to nearly 30% of the states below poverty line (BPL) families. Its per capita GDP is 10,373- a good 40% below the states per capita GDP of RS 17029 and contributes just 8% of the states industrial output. Aurangabad is the only district which is rapidly becoming as industrial hub and account for more than 65% of regions industries.

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**Table 2: Large and Medium Scale Industries in Marathwada as on March-2012**

| Sr. No | Region District  | No of Existing industries | Employment |
|--------|------------------|---------------------------|------------|
| 1      | Aurangabad       | 230                       | 85583      |
| 2      | Jalna            | 33                        | 33074      |
| 3      | Latur            | 21                        | 5727       |
| 4      | Osmanabad        | 17                        | 12977      |
| 5      | Beed             | 20                        | 5835       |
| 6      | Parbhani         | 7                         | 2139       |
| 7      | Nanded           | 18                        | 4843       |
| 8      | Total Marathwada | 346                       | 150178     |

**Source: Ministry of MSME, Government of India**

#### **About Aurangabad**

Aurangabad is one of the oldest and historical cities in India. During the last 3 decades it has emerged as major industrial hub. Aurangabad is the capital of Marathwada division and the fastest growing city in Asia. Aurangabad has been an industrial hub for the last few decades. The success of industrial units based in Aurangabad has resulted in the city being titled as the hub of automobiles and pharmaceutical companies. There are many tiny, small, medium and large scale units in Aurangabad offering employment to number of people. Many industrial units having foreign direct investments and export oriented products. Recently government has proposed special economic zones (SEZ), Development of information technology (IT) park in Aurangabad. To raise the productivity levels of industries the national productivity council (NCP) has granted three "industrial clusters" for Aurangabad. These industrial clusters are expected to expand the industrial activities in Aurangabad.

**Table 3: Growth of major large enterprise in a decade in Aurangabad**

| Year | Engineering | Rubber Plastic | Food Beverage | Machine Equipment | Pharma Chemicals | Total Units | Jobs  | Investment Rs Cr |
|------|-------------|----------------|---------------|-------------------|------------------|-------------|-------|------------------|
| 2002 | 28          | 8              | 6             | 28                | 23               | 93          | 50645 | 4645             |
| 2012 | 56          | 25             | 18            | 52                | 42               | 230         | 85000 | 7884 Aprox.      |

**Source: Document Aurangabad vision 2020**

#### **Objectives of the Study:**

The objective of this article is to study the Absenteeism in organizations. Secondary data has been collected through internet, Journals, Company manuals, Government reports.

- 1) To identify the cause of Absenteeism.
- 2) To determine the nature and magnitude of causes.

#### **CHRONIC ABSENTEEISM**

A person who is a habitual absentee worker is called a chronic absentee worker. Such a person as compared to regular employee is absent from work not so much because of job or environment factors. Some of the following factors involves chronic absenteeism are

##### **STATUS SEEKER**

They enjoyed the ascribed status and were keen to achieve and maintain it. Since they undertook many social activities they were mostly absent from work They were vocal and provided counseling and guidance to others. Hence, they carried more weight with other employees.

##### **FAMILY ORIENTED**

They desired to be good family providers, regular employees and respectable citizens. However, over involvement with family distracted them from the very good of being a regular employee and good citizen. They were found to be withdrawn and disorganized.

##### **SICK AND OLD**

Some chronic absentees stayed away from work because of ill health, weak constitution, chronic illness and just old age. Yet they were compelled to hold on to work for economic reasons. However, their physical conditions made them less responsive to work.

#### **GUIDELINES FOR ABSENTEEISM CONTROL**

There are two types of absenteeism, each of which requires a different type of approach.

#### **INNOCENT ABSENTEEISM**

Innocent absenteeism refers to employees who are absent for reasons beyond their control; like sickness and injury. Innocent absenteeism is not culpable which means that it is blameless. In a labour relations context this means that it cannot be remedied or treated by disciplinary measures.

#### **CULPABLE ABSENTEEISM**

Culpable absenteeism refers to employees who are absent without authorization for reasons, which are within their control. To be culpable is to be blameworthy. In a labour relations context this means that progressive discipline can be applied. For the large majority of employees, absenteeism is legitimate, innocent absenteeism, which occurs infrequently. Procedures for disciplinary action apply only to culpable absenteeism. Many organizations take the view that through the process of individual absentee counseling and treatment, the majority of employees will overcome their problems and return to an acceptable level of regular attendance.

#### **IDENTIFYING EXCESSIVE ABSENTEEISM**

Attendance records should be reviewed regularly to be sure that an employee's sick-leave days are excessive compared to other employees. If a supervisor suspects that an employee is excessively absent, this can be confirmed through reviewing the attendance records. If all indications show that an employee is excessively absent, the next step is to gather as much information as possible in order to get a clearer picture of the situation. The employees' files should be reviewed and the employee's immediate supervisor should document all available information on the particular employee's history.

#### **INDIVIDUAL COMMUNICATION**

After all available information has been gathered, the administrator or supervisor should individually meet with each employee whom has been identified as having higher than average or questionable (or pattern) absences. This first meeting should be used to bring concerns regarding attendance to the employee's attention. It is also an opportunity to discuss with the employee, in some depth, the causes of his or her attendance problem and possible steps he or she can take to remedy or control the absences. Listen carefully to the employee's responses.

The tone of the meeting should not be adversarial, but a major purpose of the interview is to let the employee know that management treats attendance as a very important component of overall work performance.

#### **PROOF OF ILLNESS**

Sometimes it is helpful in counseling employees with excessive innocent or culpable absenteeism to inquire or verify the nature and reasons of their absence. The extent to which an employer may inquire into the nature of and reasons for an employee's absence from the workplace is a delicate issue.

1. There is a prevailing right to privacy on the part of an employee unless the employer can demonstrate that its legitimate business interests necessitate some intrusion into the employee's personal affairs.
2. When such intrusion is justified it should be strictly limited to the degree of intrusion necessitated by the employer's interests.
3. An employee has a duty to notify his employer of an intended absence, the cause of the absence and its expected duration. This information is required by the employer to meet its legitimate concerns to have at its disposal facts which will enable it to schedule work and organize its operation.
4. An absent employee has an obligation to provide his employer with information regarding any change to his condition or circumstances relating to which may affect the employer's needs. As such, the interest of the employer in having this information outweighs the individual employee's right to privacy.
5. An employer rule requiring proof for every absence is unreasonable if an absenteeism problem does not exist.

#### **CORRECTIVE ACTIONS FOR CULPABLE ABSENTEEISM**

As already indicated, culpable absenteeism consists of absences where it can be demonstrated that the employee is not actually ill and is able to improve his/her attendance. Presuming you have communicated attendance expectations generally, have identified the employee as a problem, have met with him/her as part of your attendance program, made your concerns on his specific absenteeism known and have offered counseling as appropriate, with no improvement despite your positive efforts, disciplinary procedures may be appropriate. The procedures for corrective/progressive discipline for

culpable absenteeism are generally the same as for other progressive discipline problems. The discipline should not be prejudicial in any way. The general procedure is as follows: [Utilizing counseling memorandum]

- **Initial Warning(s)**
- **Written Warning(s)**
- **Suspension(s)**
- **Discharge**

#### **VERBAL WARNING**

Formally meet with the employee and explain that income protection is to be used only when an employee is legitimately ill. Advise the employee that his/her attendance record must improve and be maintained at an improved level or further disciplinary action will result. Offer any counseling or guidance as is appropriate. Give further verbal warnings as required. Review the employee's income protection records at regular intervals.

#### **WRITTEN WARNING**

Interview the employee again. Show him/her the statistics and point out that there has been no noticeable (or sufficient) improvement. Listen to the employee to see if there is a valid reason and offer any assistance you can. If no satisfactory explanation is given, advise the employee that he/she will be given a written warning. Be specific in your discussion with him/her and in the counseling memorandum as to the type of action to be taken and when it will be taken if the record does not improve.

#### **SUSPENSION**

If the problem of culpable absenteeism persists, following the next interview period and immediately following an absence, the employee should be interviewed and advised that he/she is to be suspended. The length of the suspension will depend again on the severity of the problem, the credibility of the employee's explanation, the employee's general work performance and length of service. Subsequent suspensions are optional depending on the above condition.

#### **DISMISSAL**

Dismissals should only be considered when all of the above conditions and procedures have been met. The employee, upon displaying no satisfactory improvement, would be dismissed on the grounds of his/her unwillingness to correct his/her absence record.

#### **FINDINGS AND SUGGESTION**

Many studies suggest that most of employee absenteeism, roughly between 60% and 70%, is due to reasons other than employee illness. The following are the most common reasons employees tend to miss work.

- Employees are stressed or preoccupied by personal matters, such as parental concerns, marital problems, community involvement, family well-being, care for elderly relatives, care for severely ill immediate family members, and so on.
- Employees are overwhelmed with their current working situation, or they are overworked due to workforce reductions and voluntary turnover.
- Employees are dissatisfied with their current working conditions, position, supervisor, or overall organization.
- Employees are not committed to their team, department, or organization.
- Employees are not challenged by their position and have increased feelings of burnout.

#### **CONCLUSION**

Absenteeism can be extremely difficult, but with the proper understanding of what causes absenteeism and how to reduce it, firm can limit the negative side effects of employee attendance issues. In addition to lowered workplace morale, less team cohesion, and decreased organizational commitment, employee absenteeism is detrimental to businesses in respect to the increased costs associated with high instances of absenteeism.

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