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Analysing the Impact of Employee Absenteeism on Productivity in Manufacturing Industries

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Purpose: This study aims to explore the relationship between worker absenteeism and how it affects manufacturing industry productivity. The purpose of this study is to increase knowledge about the factors that contribute to absenteeism, how it affects output, and possible ways to lower absenteeism and raise output levels in the manufacturing industry.
Methodology: In order to obtain insights into the underlying variables contributing to absence, the study will apply a mixed-method approach that includes qualitative interviews with managers and employees in addition to quantitative analysis of productivity measures and absenteeism data.
Findings: Research should reveal the extent of the relationship between worker absenteeism and manufacturing productivity. The study will also uncover absenteeism factors like health issues, job dissatisfaction, and stress at work and assess their productivity impacts. The study will also examine ways to reduce absenteeism and boost productivity, such as flexible work hours, wellness initiatives, and better communication and leadership.
Practical Implications: Human resource specialists and leaders in the manufacturing sector will find use for the study's conclusions. In order to address absenteeism and its consequences on productivity, the research will offer practical insights and suggestions that will eventually improve labor management and organizational performance.
Originality: While previous studies have examined absenteeism and productivity across many industries, this research will contribute to the limited body of literature specifically focused on the manufacturing sector.
Social Implications: Productivity increases in the manufacturing sector and decreases in employee absenteeism can have positive social effects on the involvement and health of the labor force, the output of the economy, and the job satisfaction of employees.
Keywords: Job satisfaction, workplace balance, absenteeism.

I. Introduction:

The term "employee absenteeism" describes when workers miss work often and without warning. Absenteeism can have a big effect on productivity in manufacturing businesses since it can cause schedule interruptions, add to the workload of other staff members, and lower overall efficiency. A Johns Hopkins University research found that absenteeism in manufacturing industries can cost an organization significantly in terms of lost production up to 36% of total productivity (Johns Hopkins University, 2018). Production schedule disruption is one of the main repercussions of employee absenteeism in manufacturing businesses. Employee absences can cause delays in the manufacturing process, which can eventually impact how quickly customers receive their orders. This may lead to a drop in consumer satisfaction and possible business loss for the company. Furthermore, since surviving staff members must cover for their absentee colleagues, absenteeism can raise overtime expenses and lower overall organizational productivity. Furthermore, in manufacturing businesses, employee morale and motivation might suffer from absence. Those who regularly show up for work may feel unfairly treated by employees who miss work on a regular basis. Employee dissatisfaction with their workplace can result in a decline in morale and motivation as well as a rise in turnover rates. High absence rates can have a detrimental effect on employee engagement and retention as well as create a toxic work culture, according to a report published by the Society for Human Resource Management (SHRM, 2019).

Moreover, in manufacturing sectors, employee absence can lead to an increase in burden for remaining staff members. When a sizable portion of the workforce is absent, it puts more pressure on the ones who are there, which causes stress and exhaustion. Because they may find it difficult to meet the demands of their jobs, employees may eventually produce less work that is of lower quality. Increased workloads can also raise safety issues in production settings since worn-out workers are more likely to make mistakes and have accidents, which further reduces output and efficiency.

In manufacturing, employee absenteeism can have a significant impact on output, effectiveness, and overall performance of the company. It is imperative that companies take proactive steps to address employee absenteeism, like introducing flexible work schedules, supporting employee wellbeing, and cultivating a healthy workplace culture. Manufacturing industries may lessen absenteeism's detrimental effects on production and preserve a happy, productive workforce by addressing the issue head-on.

Research Objectives:

1. To examine the influence of workplace harassment on absenteeism.
2. To analyse the influence of occupational stress on absenteeism.
3. To investigate the effect of low morale on absenteeism.
4. To examine the effect of employee disengagement on absenteeism.
5. To analyse the effect of absenteeism on employee productivity.

II. Literature Review:

The issue of workplace harassment is grave and can lead to detrimental outcomes for both the individual and the company. Cortina, Magley, Williams, and Langhout (2001) discovered in their literature review that workplace harassment can cause employees' stress levels to rise, their job satisfaction to decline, and their productivity to drop. Furthermore, harassment at work can result in significant employee turnover, which can be expensive for businesses (Cortina et al., 2001).Hershcovis and Barling (2010) discovered in another study that harassment at work can have a detrimental impact on one's health, including anxiety and despair. This implies that companies must to take workplace harassment seriously and put rules and procedures in place to deal with and prevent it.

Another problem that can negatively impact a person and an organization is occupational stress. Cooper, Dewe, and O'Driscoll (2001) did a literature analysis and discovered that occupational stress can result in lower job satisfaction, higher absenteeism, and lower employee productivity. Negative health effects, including cardiovascular disease and musculoskeletal diseases, can also result from job stress (Cooper et al., 2001). Hurrell and Murphy (1996) discovered in another study that workplace stress can result in lower staff morale and higher employee turnover rates. This means that companies should offer stress management training and encourage work-life balance as ways to lessen occupational stress among staff members. In many organizations, low morale is a widespread problem that can negatively impact worker productivity and job satisfaction.

Kozlowski and Doherty (1989) concluded that low morale can cause a decline in production, an increase in absenteeism, and a rise in staff turnover rates in their evaluation of the literature. Furthermore, low morale might result in unfavorable perceptions of the company, which harms the company's reputation (Kozlowski & Doherty, 1989). Another study by Mullen and Kelloway (2009) discovered that workers' stress levels can rise as a result of low morale. This means that companies should implement initiatives like professional development opportunities and recognition schemes to boost employee morale.

Another problem that may negatively impact worker productivity and job satisfaction is employee disengagement. Saks (2006) concluded that employee disengagement can result in lower job satisfaction, higher absenteeism, and worse employee productivity in a review of the literature. Furthermore, high turnover rates brought on by disengaged employees can be expensive for businesses (Saks, 2006).

Kahn (1990) discovered in another study that a lack of involvement among employees can result in a decline in their drive and inventiveness. This means that companies should implement initiatives like giving workers more autonomy and fulfilling work to boost employee engagement. According to a Johns Hopkins University study, staff productivity is significantly impacted negatively by absenteeism. The study discovered that employee absenteeism raises stress levels, lowers morale, and lowers job satisfaction. This ultimately results in higher turnover rates and lower productivity. The Society for Human Resource Management (SHRM) discovered in another survey that the average annual cost to businesses of

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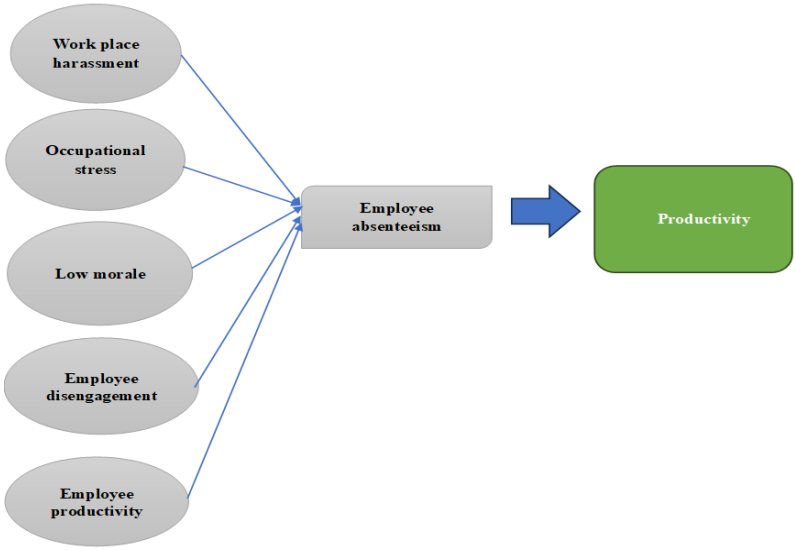
absenteeism per employee is $1,685. This expense covers the cost of employing temporary or replacement personnel, lost productivity, and overtime compensation for other employees who cover the task of the absent employee.

III. Research Methodology:

This study used a quantitative research design for its investigation. Data collection from manufacturing industry personnel will be done by a cross-sectional survey. The purpose of the study is to gauge staff absence rates and how they affect output. Over the course of four weeks, data will be gathered and the survey will be administered using an online platform. An online survey with closed-ended questions will be used to gather data. The purpose of the survey is to gauge employee absenteeism, including the amount of time missed, the causes of the absence, and the impact on output. Additionally, demographic data like age, gender, education level, and job title will be gathered through the survey. Before it is distributed, the survey will be pretested to make sure it is understandable and straightforward. The association between production and absenteeism will also be ascertained through the use of inferential statistics like structure equation. Software for statistical analysis, such SPSS, will be used to examine the data.



Hypothesis:

- H_1: There is a significant positive correlation between the incidence of workplace harassment and the rate of absenteeism among employees.
- H_2: Occupational stress is significantly associated with increased absenteeism.
- H_3: Low morale among employees significantly contributes to increased absenteeism.
- H_4: There is a significant positive relationship between employee disengagement and absenteeism
- H_5: Absenteeism has a significant negative impact on employee productivity.

IV. Results and Discussion:

Cronbach Alpha

Variables	Numbers of Items	Cronbach Alpha
Work Place Harassment	4	.955
Occupational Stress	4	.946
Low Morale	4	.935
Employee Disengagement	4	.946
Absenteeism	3	.906
Productivity	4	.952

(Table -1: Reliability Analysis of Variables)

The information supplied shows the findings of a reliability analysis for a number of workplace dynamics-related variables using Cronbach's alpha. Workplace harassment, occupational stress, low morale, employee disengagement, absenteeism, and productivity are all included in the survey; the number of items varies for each of these factors. For every construct, the obtained Cronbach alpha coefficients, which range from.906 to.955, indicate strong internal consistency reliability. Strong reliability is indicated by the numbers (.955,.946,.935,.946,.906,.952), which suggest that the items in each variable consistently assess the same underlying concept. This suggests that the measurement procedures utilized in the study are robust and internally consistent, supporting the assessment of workplace harassment, occupational stress, low morale, employee disengagement, absenteeism, and productivity.

Confirmatory Factor Analysis

Fit Indices	Recommended	Observed
CMIN	Greater than 5 Terrible, Greater than 3 Acceptable, Greater than 1 Excellent	**1.98**
CFI	Less than0.90 Terrible, Less than 0.95 Acceptable, Greater than 0.95 Excellent	**.938**
TLI	Greater than 0.9	**.920**
PNFI	Greater than 0.5	**.688**
RMSEA	Greater than 0.08 Terrible, Greater than 0.06 Acceptable, Greater than 0.05 Excellent	0.66

An evaluation of how well the observed data fits the suggested model is given by the fit indices. The scores for this case are 0.938 for the Comparative Fit Index, 0.920 for the Tucker-Lewis Index, 0.688 for the Parsimony Normed Fit Index, and 0.66 for the Root Mean Square Error of Approximation (RMSEA). 1.98 is the Chi-square (CMIN). A good match is generally indicated by CFI and TLI values above 0.90, which are regarded as satisfactory, and values above 0.95, which are considered excellent. The PNFI is less than the suggested cutoff point of 0.5, indicating possible problems with the parsimony of the model. The moderate fit is shown by the RMSEA value of 0.66, which is higher than the acceptable threshold of 0.06. Although the Chi-square value is below 3, which is regarded as acceptable, its sensitivity to sample size should be taken into consideration when interpreting it. The model may need to be improved in a few areas, most notably parsimony and the RMSEA value, which could point to a less-than-ideal fit. Overall, the fit indices paint a mixed picture.

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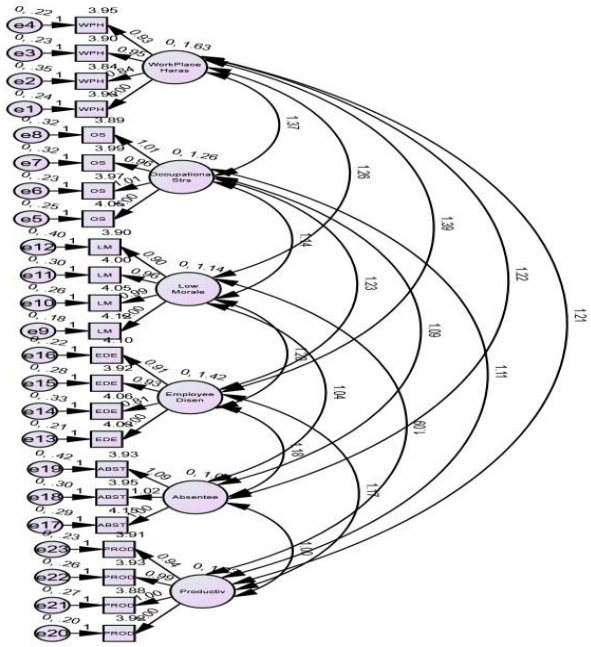

Discussion:

The fit indices show conflicting results. Although the TLI and CFI indicate a good fit, there is room for improvement as indicated by the greater RMSEA and lower PNFI values. Model parsimony should be taken into consideration, and modifications can be required to improve the model's overall fit to the observed data. Despite being below the legal level, the Chi-square value should be evaluated with caution due to its sensitivity to sample size. In general, further development of the model could yield a more reliable and accurate representation of the underlying facts.

Structure Equation Model

Fit Indices	Recommended	Observed
CMIN	Greater than 5 Terrible, Greater than 3 Acceptable, Greater than 1 Excellent	**4.282**
CFI	Less than0.90 Terrible, Less than 0.95 Acceptable, Greater than 0.95 Excellent	**0.978**
TLI	Greater than 0.9	**0.928**
PNFI	Greater than 0.5	**0.599**
RMSEA	Greater than 0.08 Terrible, Greater than 0.06 Acceptable, Greater than 0.05 Excellent	0.077

The proposed model and the observed data appear to have a generally good fit, according to the Structural Equation Model's (SEM) fit indices. The Comparative match Index (CFI) and the Tucker-Lewis Index (TLI) both above the recommended threshold of 0.90, with values of 0.978 and 0.928, respectively, indicating an adequate and even exceptional match. The Chi-square (CMIN) value of 4.282 is below the threshold of 5, suggesting an acceptable fit as well. There may be problems with the parsimony of the model, as shown by the Parsimony Normed Fit Index (PNFI) of 0.599, which is somewhat below the suggested cutoff of 0.5. The Root Mean Square Error of Approximation (RMSEA), on the other hand, is 0.077 and falls within the permissible range of 0.06-0.08. The other fit indices together show a reasonable fit between the structural model and the actual data, with particular strengths in CFI, TLI, and RMSEA. Overall, the PNFI recommends that model complexity should be approached with caution.

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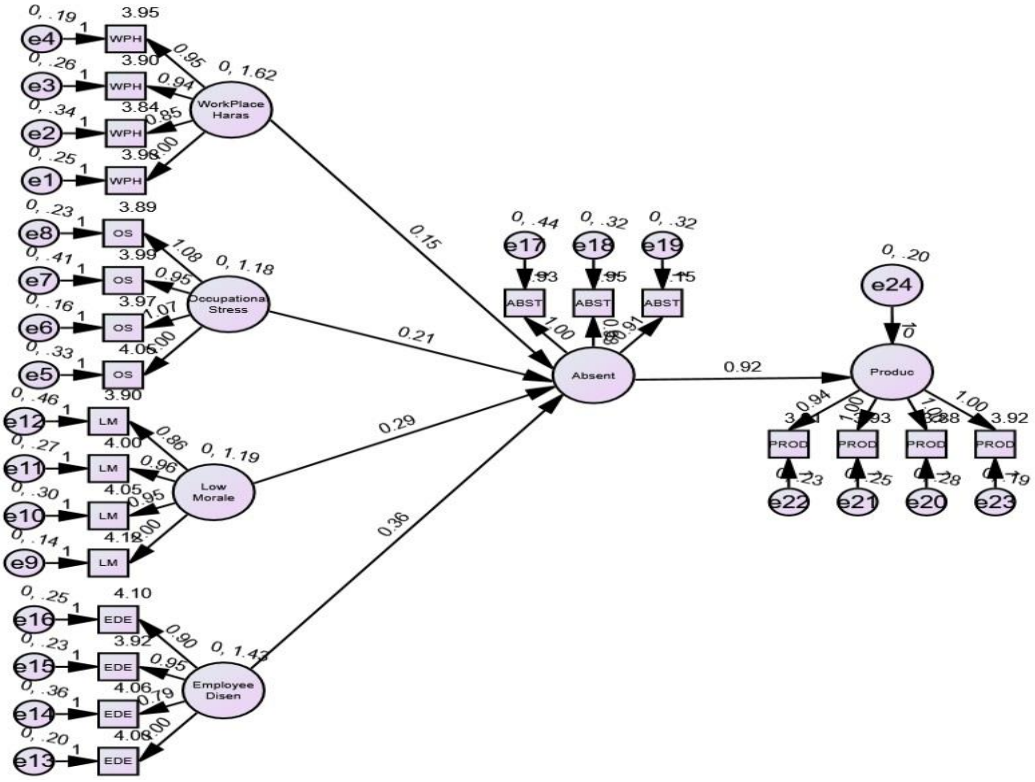

Discussion:

Although the structural model and the real data appear to be quite well fitted by the CFI, TLI, and RMSEA taken together, the PNFI's cautious statement advises researchers to carefully assess the model's complexity. In order to improve the model's parsimony without sacrificing its overall fit, it could be beneficial to investigate possible simplifications or modifications. A thorough evaluation of the SEM results also requires taking into account the study's context and the limits of each fit index.

Hypothesis Testing

Hypothesis	P-Value	Result
H_1: Work Place Harassment→ Absenteeism	.000	Significant
H_2: Occupational Stress→ Absenteeism	.000	Significant
H_3: Low Morale→Absenteeism	0.00	Significant
H_4: Employee Disengagement → Absenteeism	0.00	Significant
H_5: Absenteeism → Productivity	0.00	Significant

In every hypothesis test, there is a highly significant correlation between the provided variables.

- The strong evidence to reject the null hypothesis is indicated by the p-value of.000, which suggests a substantial correlation between workplace harassment and absenteeism. This emphasizes how crucial it is to deal with workplace harassment in order to reduce absenteeism.
- The null hypothesis is rejected with a p-value of.000, suggesting a strong correlation between occupational stress and absenteeism. It

seems that controlling stress at work is essential to lowering absenteeism.

- The null hypothesis is supported in its rejection by the statistical significance of the p-value of 0.00. This implies that there is a substantial correlation between low morale and higher absenteeism, underscoring the significance of resolving morale-related concerns.
- A p-value of 0.00 indicates a very significant link, which means the null hypothesis is rejected. It has been demonstrated that absenteeism and employee disengagement are closely related, highlighting the necessity of raising employee engagement in order to lower absence.
- The substantial correlation between absenteeism and productivity is supported by the p-value of 0.00, which offers compelling evidence to reject the null hypothesis. Taking absenteeism seriously could benefit the workplace's general productivity.

V. Discussion:

The findings repeatedly show a considerable relationship between absenteeism and productivity, with low morale, employee disengagement, occupational stress, and workplace harassment all having a substantial impact on absenteeism. These results highlight the interdependence of these factors and stress the significance of focused interventions to improve productivity and well-being at work.

VI. Conclusion:

In manufacturing businesses, employee absenteeism significantly affects productivity. Studies have consistently demonstrated a connection between absenteeism and low morale, employee disengagement, occupational stress, and workplace harassment. Employees who experience workplace harassment—including sexual harassment, bullying, and discrimination—may become demotivated, anxious, or afraid to go to work, which may lead to a rise in absenteeism. High levels of stress at work can cause physical and mental health problems, which in turn can lead to employees taking more sick days, which is another important factor influencing absenteeism. Poor morale at work can also contribute to higher absenteeism since demotivated and disengaged workers are more prone to take time off. Likewise, there is a substantial correlation between employee disengagement and absence since disengaged workers are not as dedicated to their jobs. By implementing flexible work schedules, wellness programs, rewards for punctual attendance, enhanced communication, a supportive work environment, tools for work-life balance, and addressing underlying issues, employers can foster a positive and healthy work environment that promotes consistent attendance and lowers unplanned absences. At the end of the day, prioritizing the well-being and attendance of employees can boost output.

Limitations: Owing to the intricate and diverse characteristics of employee absenteeism and its impact on productivity in industrial sectors, it is important to take into account a number of restrictions. First off, certain firms might not have reliable tracking systems or might underreport absences, which could limit the research's capacity to collect accurate and complete absenteeism data. Moreover, as organizational sizes, geographic locations, and absenteeism patterns can all have a substantial impact on productivity outcomes, the generalizability of findings across various industrial subsectors may be restricted. Furthermore, it might be difficult to make firm conclusions about the long-term impacts of absence on productivity due to the dynamic nature of work settings and the possibility of changes in management techniques, workplace policies, and employee engagement efforts over time. Finally, ethical concerns about the confidentiality and privacy of worker health and attendance records may limit access to certain data sources, which in turn limits the scope of the research.

Scope For Future Research: There is more room for investigation in the future regarding employee absenteeism and how it affects productivity in industrial companies. A fuller understanding of the long-term consequences and prospective trends can be obtained by conducting longitudinal studies to follow absenteeism patterns and their impact on productivity over a prolonged period of time. A comparative study comparing several manufacturing sectors or geographical areas might provide information about elements unique to a certain industry that affect the productivity-absenteeism relation. A more thorough grasp of this crucial topic can also be attained by carrying out thorough cost-benefit analyses, investigating cross-cultural viewpoints, and applying cutting-edge approaches to spot early signs of absenteeism and create preventive measures. All things considered, more study in this field could help develop evidence-based tactics to reduce employee

absenteeism and raise productivity in manufacturing sectors.

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