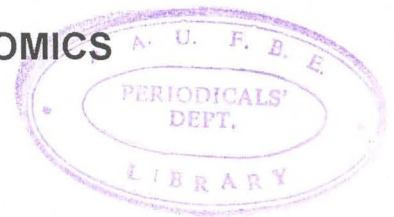


MBA 102

**LABOR ABSENTEEISM- THE CASE OF ARTISTIC PRINTING
ENTERPRISE**

**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
MBA PROGRAM**



**A PROJECT REPORT SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE MASTERS OF BUSINESS
ADMINISTRATION**

BY

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SUBMITTED TO

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102

MBA
ADM

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CERTIFICATE

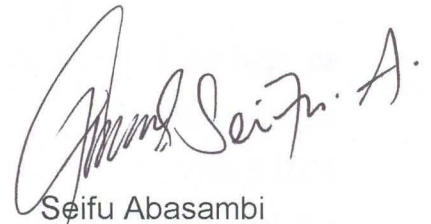
This is to certify that Ato Seifu Abasambi has carried out his research work on the topic entitled " Labor Absenteeism in Artistic Printing Enterprise" under my supervision. This project work is original in nature and it is suitable for submission for the award of the degree of Masters of Business Administration.



Dr. Ziauddin Khairoowala
(Research Supervisor)

DECLARATION

I Seifu Abasambi declare that this project paper entitled "Labor Absenteeism in Artistic Printing Enterprise" is my own effort and study. I have conducted it independently except for the guidance and suggestions of the research supervisor. This study has not been submitted for any degree or diploma in this or any other university. It is offered here in partial fulfillment of the requirements for the degree of Masters of Business Administration.



Seifu Abasambi

Student Researcher

Abstract

The purpose of this study is mainly to identify causes of labor absenteeism in the Artistic Printing Enterprise and to look in to their impact on the production and productivity of the organization under study thereby to suggest suitable measures for improving the conditions of labor absenteeism to an acceptable level.

The research is conducted using the descriptive research method. The data required for the research is obtained from both primary and secondary data collection methods. The primary data collection methods were survey through questionnaire and interview.

Analysis and interpretation of the data through the aforementioned methods give rise to the following results. As per data analyzed, the overall rate of labor absenteeism for all departments for the two years of investigation (covering the period from March 2003 up to the month of April 2005) was **5.02%** i.e. $13.2\%+4.8\%+2.0\%+2.6\%+2.5\%=25.1\%$ divided by 5 =5.02%

Since the rate of labor absenteeism in the production department is as high as 13.2% on an average for the two years of investigation which is very serious management should take measures to lower it to acceptable level. The 5.02% average rate of labor absenteeism for the whole organization is still out of the tolerable limit as compared to the printing industry of the 1.8% rate. Hence, here also intervention is required to curb the problem.

Regarding the impact of labor absenteeism on production and productivity the following hypothetical relationship has been observed. The higher the rate of absenteeism the lower the production of books as clearly observed in the computation.

The findings revealed that the average rate of absenteeism in the production department is so serious that management should take measures to minimize to the level acceptable.

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Chapter I

The Problem and Its Approach

1.1 Introduction

Labor absenteeism is a barometer of employee morale; and rate of labor absenteeism varies from industry to industry and in printing industry absenteeism above 1.8% per month is very serious.¹ Left unchecked, high absenteeism usually develops into very serious business problems including morale issues and high turnover. To reduce absenteeism, we have to check first the percentage of employee absenteeism by supervisor. Usually absenteeism is localized to one or two supervisors. If you find the absenteeism equal throughout the organization, then look to other things for the solution. If it is localized, then the answer is obvious-under trained supervisors. While you are looking at the absenteeism figure note if new employees cause any excessive portion. If it is, you might need to update your hiring procedure to ensure you only hire dependable people. Next you need to look at absenteeism a little more closely in terms of the principal reason given for it with sickness. Any program intended to cut down on absenteeism has to move along two parallel paths. First, find the causes of work discontent and eliminate them. Second, change the workers way of reacting and responding to discontent.

In order for the organization to be effective in accomplishing its goals, it has to be supplied with necessary resources: physical facilities, financial, time, and material and human resources. From among the resources, people are the most important assets that directly or indirectly involved in the process of taking an organization a step ahead toward change and development. Hence, it is logical to consider the workforce as only one of the many resources of an organization. The reasoning for this could be explained by the fact that people are unique because they are thoughtful, adaptive, and creative. Though valuable they are employees are not always willing to respond positively to organizational objectives and expectations, owing to their complex and /or unpredictable

¹ **Nicholson, N.**, "Absence Behavior and Attendance Motivation: a conceptual synthesis", *Journal of management Studies*, 1977, **14**, pp. 231-252

behaviors developed as a result of their exposure to diverse socio-political situation. As such, employees need to be managed wisely and systematically if organizations are to benefit from their talents and energies. One of the challenges for human resource manager is the management of employee attendance. It is clear that to achieve the objectives of the organization, the presence and active role-played by employees in the production process is mandatory. Due to the absence of an employee, the job to be performed would be affected, and if, replaced by other person it demands additional costs. It also has impact on employees overall benefit by reducing production and productivity.²

1.2 Statement of the Problem

Since employees are the primary assets of any organization a systematic care is needed on handling them. Employees in any organization are very sensitive to errors in management and offensive handling. People by their very nature need pleasant and safe working environment, proper handling by management and smooth work relationship with other fellow workers in an organization, motivation on their achievement and a good pay based on the nature of the job. But in many organizations these factors are not practiced in a right way. Inefficient human resource management and unpleasant working conditions results in high labor absenteeism.

Most researchers agreed on that those groups of workers with the highest satisfaction levels are most likely to exert the highest level of effort necessary to get the work done. Because absenteeism disrupts normal operation, cause delays, and necessitate the employment of substitute personnel, labor absenteeism is, therefore, an issue most government and private organizations are currently suffering in one or another way.

High labor absenteeism is not avoidable but rather, it is curable opportunities³. The merit of developing and enforcing better labor absenteeism is manifested on the firm's

² **Bureau of Affairs**, "paid leave & leave absence policies", personal policy forum, survey III Washington DC, Nov 1976, pp 123-135

³ **Maples, R.** "The pattern of insured absence", *Journal of Management Studies*, 1967, pp 89-94

productivity and competitiveness. Even though implementing a good absenteeism policy is very important for an enterprise, most of the enterprises in our country seem to give little attention which may lead to increasing production cost, reducing workers efficiency, and production time. It is, therefore important to critically examine causes of labor absenteeism and its impacts on enterprises' performance.

From this point of view, the study will try to identify causes and impacts of labor absenteeism on production and productivity and to suggest suitable measures for improving the conditions in the case enterprise.

1.3 Review of Literature

Various researches have been conducted so as to tackle problem of labor absenteeism on production and productivity. Most researchers based on empirical studies agree that though difficult to avoid the problem entirely, it is possible to reduce the rate of absenteeism to a lower level. Employee absenteeism can be, and has been examined from a variety of different perspectives. The labor economist might examine the phenomena in terms of economic trends, the effects of market conditions or seasonal fluctuations, the personnel manager might be interested in the different costs and problems associated with these behaviors for a particular organization, the organizational psychologist might look at the attitudinal and organizational antecedents and consequences absenteeism across different organizational settings.

Each perspective contributes something to the understanding of these employee behaviors⁴. Several researchers argue that absences indicate disturbances in a continuing relationship between the individual and the organization; if, however excessive absenteeism is followed by discharge by disciplinary action, it denotes the severance of the relationship.

⁴ **Robert C. Wonder and Ronald L. Sladky**, "Flexible Benefit Opportunities the small Employer", *Personnel Administrator*, December 1985 pp. 171-182

This notion was also supported by the research of Melbin, M (1961) who hypothesized that dissatisfied persons discover the minimum level of adequate performance and plague the firm with tardiness, low output, low quality, and other undesirable behaviors, but do not turn over.⁵

The ultimate objectives of most social science research are the prediction and control of behavior⁶. The behaviors of particular interest are those under the direct control of individuals. Within the context of labor absenteeism, only the voluntary behaviors of individuals are relevant. Absences were classified into two broad categories-namely, short-term (episodes lasting three days or less) and long-term (episodes lasting for more than three days)⁷. Empirical research and theoretical evidence indicates that short-term absences are more sensitive than long-term absences to employee attitudes about the work place, and probably more reflective of the voluntary absences of interest here. Short-term absences however are not the best operational measures of voluntary absenteeism. An employee could take one or two days off for jury duty –certainly not a voluntary absence, but the short-term measure would treat it as such. In most cases, however, short-term absences are closely related to the voluntary absenteeism of interest.

Researches have indicated that men and women have different absenteeism levels and therefore differences in the gender composition of the work force in organizations can also be partly responsible for differences in absenteeism levels.

⁵ **Melbin, M.** "Organizational Practice and Individual Behavior: Absenteeism among psychiatric aides". *American Sociological Review*, 1961, Volume 26, pp., 14-23

⁶ **Melbin, M.** "Organizational Practice and Individual Behavior: Absenteeism among psychiatric aids" *American sociological review*, 1961, pp 14-23

⁷ **Maples, R.** "The Pattern of Insured Absence: *Journal of Management Studies*", 191967, pp 89-94

Recent surveys indicate the following trends of labor absenteeism⁸: -

- The higher the rate of pay and the greater the length of service of the employee, the fewer the rate of labor absenteeism.
- As an organization grows, there is a tendency towards higher rates of absenteeism.
- Women are absent more frequently than men.
- Single employees are absent more frequently than married employees.
- Younger employees are absent more frequently than older employees but the latter are absent for longer periods of time.
- Unionized organizations have higher absenteeism rates than non-unionized organizations.

1.4 Scope of the Study

The scope of the study is delimited to the examination of labor absenteeism in the case enterprise. Even though labor absenteeism is not the only problem of Artistic Printing Enterprise, the study is confined only to Artistic Printing Enterprise. To conduct a cross sectional research in all organizations with the same problem is, however, both tiresome and expensive in terms of time and financial resources. Owing to these reasons, the study is delimited to cover only the case enterprise for a period covering from April 2003 up to March 2005.

⁸ **Joan S. Lublin** "Government Starts Cracking down on unemployment Insurance Fund", The Wall Street Journal, Feb., 9, 1982, pp., 29

1.5 Significance of the Study

The study will have the following significance: -

- ❖ It is the belief of the student-researcher that this study will attempt to create awareness to human resource managers the impact of labor absenteeism on production and productivity;
- ❖ The study will also enable those concerned with such problem to have some understandings of the main causes for labor absenteeism so that they will attempt to search for possible solutions;
- ❖ This study may add to the literature and serve as a stepping-stone for further detail research on issues in local public or private sector organizations i.e., to lay ground as a source of information for interested local researchers on this issue;
- ❖ Based on the findings of the study, the student –researcher will attempt to forward some possible recommendations that might mitigate the effects of labor absenteeism.

1.6 Objectives of the Study

The main objective of the study will be as follows: -

1. To review the concept of labor absenteeism.
2. To identify the causes of labor absenteeism in Artistic Printing Enterprise.
3. To evaluate the impact of labor absenteeism on the performance of the enterprise.
4. To suggest suitable measures for improving the conditions of labor absenteeism in the organization under study.

In achieving the above general objectives, the study will attempt to address the following questions as its derivative objectives.

- ☞ What are the main causes for labor absenteeism in the case Enterprise?
- ☞ What are the possible impacts of labor absenteeism in the case Enterprise?
- ☞ What kind of personnel policy should be designed and implemented to reduce absenteeism in the case Enterprise?
- ☞ What category of employee is currently suffering from absenteeism problem in the enterprise?
- ☞ What would happen if absenteeism rate in the enterprise continues in the existing manner?
- ☞ What mechanisms do the enterprise uses to tackle and minimize such a problem?
- ☞ What other alternative measures should be taken to improve the condition?

1.7 Study Hypotheses

The study is designed to provide information helpful to concerned managers as to the causes of labor absenteeism, its impact on production and productivity and also to suggest suitable solution that minimizes the magnitude of the problem. Hence, the study is based on the following hypothesis:

Hypothesis I: Job dissatisfaction of employees' may cause labor absenteeism

Hypothesis II: Labor absenteeism and production have indirect relationship

Hypothesis III: Poor managerial practices may cause excessive labor absenteeism

1.8 Research Methodology

Data that is required for the research is obtained from two primary data collection methods. These two data collection methods are the following:

Survey-The survey is conducted through questionnaire. A questionnaire is designed and distributed to randomly selected respondents from different departments in order to get information on the overall management practices.

Interviews- Interview is conducted with two key personnel - head, administration department and head, production department of the enterprise to obtain pertinent information regarding the overall causes of labor absenteeism, its impact on production and productivity and measures to be taken to reduce the magnitude of the problem.

Sample Design- The target population of this research is part of the total employees of the case enterprise. The total number of employees of the enterprise is currently 385 in which a sample of 35 % that nearly comes to be 135 is being randomly selected. The analysis concentrates on the causes of labor absenteeism and impacts of labor absenteeism on production and productivity. Hence, exhaustive examination is conducted on the workers' desire to avoid voluntary absence, their perception of leadership style, delegation of authority and participation of staff in decision-making process, communication of principals with workers, system of rewarding, attitudes of employee towards pay as a job satisfaction, job design of the enterprise and measures taken to reduce the problem

Secondary data - Secondary data collections, both internally generated sources like policy manuals, written reports and information on magazines and external sources like books on Human Resource Management, Internet Periodicals and Journals are being used. . Data were collected for a period of 24 months covering the period from April 1 2003 up to March 31 2005. Absence data were collected on a monthly basis for each individual from organizational records. For the analysis and interpretation of collected data figures; tables, diagrams and percentages were intensively utilized.

1.9 Limitations

Research activities are usually carried out within certain constraints. One of the limitations of this study is that, it will be carried out under time and resource limitations.

1.10 Organization of the Study

The study comprised of six chapters. Chapter one presents introduction, statement of the problem, a review of related literature, scope of the study, significance of the study, objective of the study, study hypothesis and research methodology. Chapter two contains labor absenteeism and its conceptual approach. Chapter three covers profile of the enterprise. Chapter four deals with causative factors of labor absenteeism in the case enterprise. Chapter five presents impacts of labor absenteeism on production and productivity. Finally, summary, conclusions and recommendations based on the facts and the findings are presented in chapter six.

Chapter II

Labor Absenteeism: A Conceptual Approach

2.1 Definition of Labor Absenteeism

Absenteeism has been defined in many ways. A commonly used definition characterizes absenteeism as “a failure of workers to report on the job when they are scheduled to work”⁹

Labor absenteeism refers to the failure of employees to report to work when they are scheduled to do so, while tardiness is partial absenteeism, in that employees report to work.¹⁰

According to Webster’s dictionary, it is the practice or habit of being an absentee, is one who habitually stays away. The Labor Bureau, SIMLA, considers absenteeism as the total man shifts scheduled to work. In other words, it is the absence of an employee from work when he/she is scheduled to be at work, it is unauthorized, unexplained, and avoidable and will full absence from work.¹¹

Labor absenteeism is referred to herein as failure of employees to report for work when they are scheduled to work. Employees who are away from work on recognized holidays, vacations, approved leaves of absence, or leaves of absence allowed for under the collective agreement provisions would not included.¹²

Even though different authors defined labor absenteeism differently, conceptually the central issue discussed in all definitions is that it refers to employee’s failure to report for work when he/she is scheduled for work.

Innocent absenteeism refers to employees who are absent for reasons beyond their control like sickness and injury. In a labor relations context this means that it cannot be treated by disciplinary measures.

⁹ U.S. Department of Labor, 1972, p. 19

¹⁰ **Ivancevich M. John & Gluck G. William**, “foundation of personnel: Human Resource Management”, 4th ed., Boston, Hoomwood, Irwin, 1989, pp. 924

¹¹ **Robert C. Wonder and Ronald L. Sladky**, “Flexible Benefit Opportunities the small Employer”, Personnel Administrator, December 1985 pp. 111-112

¹² **Robert E. Dedmon mary Kathelin Kudiak** “the Medical Directors Role in Industry” Personnel Administrator, sep., 1982, pp. 59-69

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 labor relations context this means that progressive discipline can be applied.

In generally however, all of the working definitions given above by various authors revolve around the same concept, which signifies labor absenteeism as habits of employees' absence while they are scheduled to work without the authorization of their supervisors.

2.2 Types of Absenteeism

Absenteeism can be subdivided into involuntary (not under the employee's control) and voluntary (under the employee's control) categories. Involuntary absenteeism refers to innocent absenteeism where as voluntary absenteeism refers to culpable absenteeism. This categorization is parallel to the A-type and B-type absences discussed by Nicholson, N. (1977).¹³ The two categories of labor absenteeism are discussed as follows:

2.2.1 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 labor relations context this means that it cannot be remedied or treated by disciplinary measures.¹⁴ Regarding as to how to counseling innocent absenteeism, it is not blameworthy and therefore disciplinary action is not justified. It is obviously unfair to punish someone for conduct, which is beyond his/her control.

¹³ Nicholson, N "Absence behavior and Attendance Motivation: A Conceptual Synthesis", Journal of Management Studies, 1977, Volume 14, pp. 231-52

¹⁴ <http://w.w.w.benefits.org/interface/cost/absent.htm>

The procedure an employer may take for innocent absenteeism is as follows: -initial counseling, written counseling, reduction of hours and/or job reclassification, and finally discharge.¹⁵

Initial counseling –you may require presuming you have communicated attendance expectations generally and have already identified an employee as a problem, you will have met with him or her as part of your attendance program and you should continue to monitor the effect of these efforts on his/her attendance¹⁶. If the absences are intermittent, meet with the employee each time he/she returns to work. If, however absence is prolonged, keep in touch with the employee regularly and stay updated the employee to provide you with regular medical assessments. This will enable you to judge whether or not there is any likely hood of the employee providing regular attendance in the future. Regular medical assessments will also give you an idea of what steps the employee is taking to seek medical or other assistance.¹⁷ Formal meetings in which verbal warnings are given should be given as appropriate and documented. If no improvements occur written may be necessary.

Written counseling: - If the absences persist, you should meet with the employee formally and provided him/her with a letter of concern. This letter would be stronger worded in that it would warn the employee that unless attendance improves, termination might be necessary¹⁸.

Reduction of hours and/or job reclassification: - In between the first and the second letters the employee may be given the option to reduce his/her hours to better fit his/her personal circumstances. This option must be voluntarily accepted by the employee and cannot be offered as an ultimatum, as a reduction in hours is a reduction in pay and therefore can be looked upon as discipline¹⁹. If the nature of the illness or injury is such

¹⁵ **1984 Vacation Policy**, "Personal Management Policies & practices, Englewood cliffs, prentice hall, May 7, 1985 pp 55-64

¹⁶ **Robert C Wonder & Ronald L. Sladkey**, "Flexible Benefit Opportunities for the Small employer" Personnel Administrator December 1983, 111-118

¹⁷ **Joan S. Lublin** "Government Starts Cracking down on unemployment Insurance Fund", The Wall Street Journal, Feb., 9, 1982, pp. 29

¹⁸ **Mariam Rothman** "Can Alternatives to Sick Pay Reduce Absenteeism?" Personnel Journal, Oct., 1988, pp. 55-59

¹⁹ **Veronica J. Schmid & Norman A. Scott** "Work and Family Life: A Delicate Balance" Personnel Administrator, August 1988, pp. 29

that the employee is unable to fulfill the requirements of his/her job, but could for example benefit from modified work, counsel the employee to bid on jobs of such type if they become available²⁰.

It is not advisable to "build" a job around an employee's incapacitates particularly in a unionized environment. The responsibility should be on the employee to apply for an existing position within his/her capabilities.

Discharge: - Only when the previously noted needs and conditions have been met and everything has been done to accommodate the employee can termination be considered²¹.

2.2.2 Culpable Absenteeism

Culpable Absenteeism refers to employees who are absent without authorization for reasons, which are within their control. For example, an employee who is on sick leave, even though he/she is not sick, and it can be proven that the employee was not sick is guilty of culpable absenteeism. To be culpable is to be blameworthy. In a labor relations context this means that progressive discipline can be applied²².

Corrective action 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 attendance²³. 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/her specific absenteeism known and have offered counseling as appropriate, with no improvement despite your positive efforts, disciplinary procedures may be appropriate²⁴. The procedures for corrective/progressive discipline for culpable absenteeism are generally the same as for other progressive discipline problems.

²⁰ **Herbert Poyser** "Streets & Alcohol" in Handbook of Streets, ed., Leo Goldberg & Shilmon Breniz, New York, Free Press, 1983, pp. 185-196

²¹ Carl D. Chambers & Richard Heckman, Employee Drug Abuse, Boston: Chaneers Book, 1973, pp. 59-64

²² <http://www.benefits.org./interface/cost/absent.htm>

²³ **Ken Jennings** "Verbal & Physical Abuse Toward Supervision" Arbitration Journal Dec., 1973, pp. 258-271

²⁴ **Drucker P. Ferdinand**, People & Performance, New York: Harper Row 1978, pp. 124-126

The discipline should not be prejudicial in any way. The general procedure is as follows: Initial Warning, Written Warning, Suspension, and discharge²⁵.

Verbal Warning: -Formally meets with the employee and explains 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 otherwise further disciplinary action would 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. Where a marked improvement has been shown, praise the employee. Where there is no improvement a written warning should be issued²⁶.

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. As soon as possible after this meeting provide the employee personally with the written warning and place a copy of his/her file. The written warning should identify any noticeable pattern.

If the amount and/or pattern continue, the next step in progressive discipline may be a second, stronger written warning. Your decision to provide a second written warning as an alternative to proceeding to a higher level of discipline (i.e. suspension) will depend on a number of factors. Such factors are the severity of the problem, the credibility of the employee's explanations, the employee's general work performance and length of service²⁷.

Suspension :-If the problem of culpable absenteeism persists, following the next interview period and immediately following an absence; the employee should be

²⁵ **Agos H. Weston**, "Intuition in organization: Leading & Managing Productivity. Califf, 1977, pp. 258-271

²⁶ **Robert C Wonder & Ronald L. Sladkey**, "Flexible Benefit Opportunities for the Small employer" Personnel Administrator December 1983, 111-118

²⁷ **Herbert Poyser**, "Streets & Alcohol" in Handbook of Streets, ed., Leo Goldberg & Shilmon Breniz, (New York, free press, 1983, pp. 185-196)

interviewed and advised that he/she is to be suspended, but to be practiced after consultation with the appropriate superiors. 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 condition²⁸.

Dismissal: - 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 record²⁹.

2.3 Causes of Labor Absenteeism

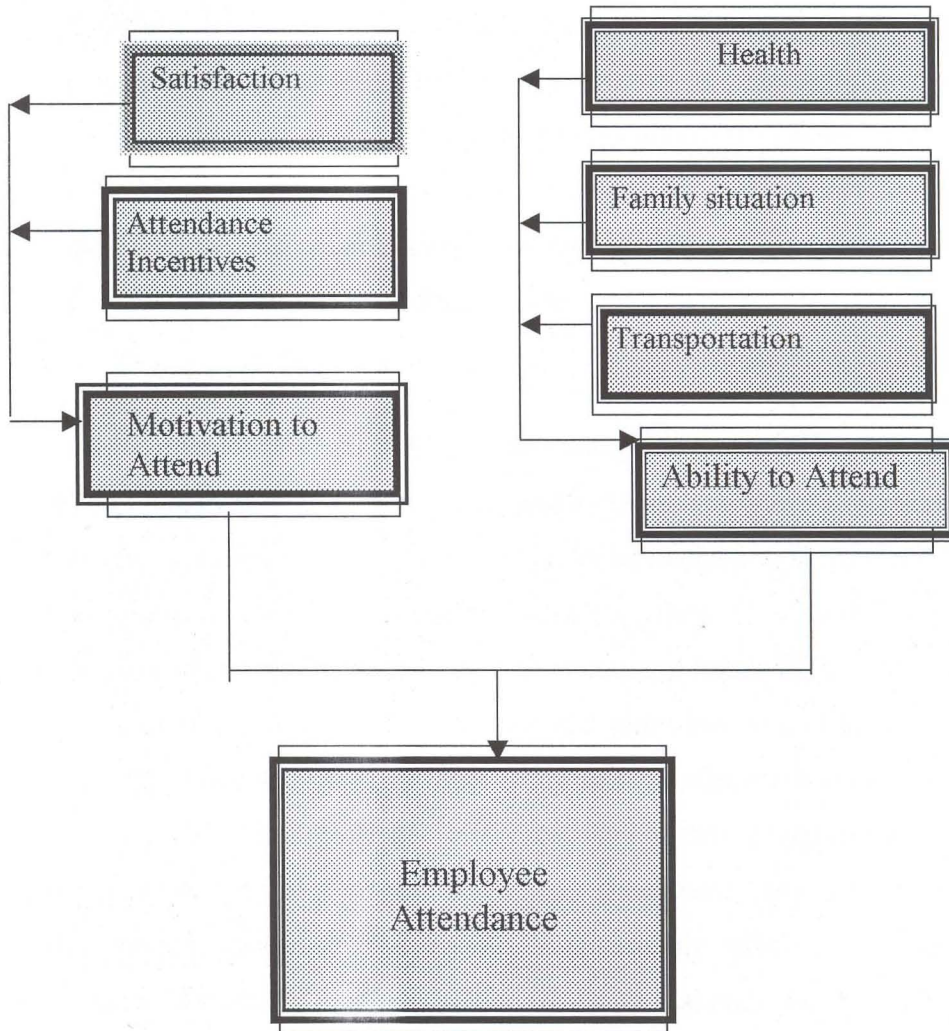
There are a number of factors that can be considered as causes of labor absenteeism. Employee attendance is influenced generally by Motivation to attend and Ability to attend. Motivation to attend is also affected by satisfaction and attendance incentives (named as organizational factors). Ability to attend is also influenced by health, family situation and transportation (named as personal factors). Generally speaking, causes of labor absenteeism are many and include; serious accidents and illness, low morale, poor working conditions, boredom on the job, lack of job satisfaction, inadequate leadership and poor supervision, personal problems (financial, marital, substance abuse, childcare etc.), poor physical fitness, inadequate nutrition, transportation problems, the existence of income protection plans (collective agreement provisions which continue income during periods of illness or accident), stress workload, employee discontent with a collective bargaining process and/or its results are considered causes for labor absenteeism³⁰.

²⁸ **1984 Vacation Policy**, "Personal Management Policies & practices, Englewood cliffs, prentice hall, May 7, 1985 pp 55-64

²⁹ <http://www.Benefits.Org./interface/cost/absent.htm>

³⁰ **Bureau of Affairs**, paid leave & leave absence policies personal policy forum, survey III Washington DC, Nov 1976 pp 123-135

The following diagram clearly portrays the reality:



Source: R. M. Steers and S. R. Rhodes, "Major Influences on Employee Attendance: A Process Model", *Journal of applied psychology* 63 (1978), p.393 copyright 1978 by the American Psychologist Association. Reprinted/Adopted by permission of the publisher and author.

Most theories of absenteeism, however attempts to convince that employees become absent from their regular job when their needs are not being satisfied at their work and an alternative job become available that the employees believe will satisfy more of their needs. The followings are believed to be some of the detail basic causes organizational factors of labor absenteeism:

2.3.1 Lack of Communication and Participation

Organizations cannot exist without communication. If there is no communication, employees cannot know what their associates are doing, management can't receive information inputs, and management cannot give instructions. Coordination of work is impossible, and the organization will collapse for lack of it. Cooperation also becomes impossible, because people cannot communicate their needs and feelings to others. We can say with some confidence that every act of communication influences the organization in some way³¹.

From management's point of view, all management acts must pass through the bottleneck of communication. Great management ideas are strictly armchair thoughts until a manager puts them into effect through communication. A manager's plans may be the best, but unless communicated properly they are futile and worthless. When communication is effective, it tends to encourage better performance and job satisfaction. People understand their job better and feel more involved in them. In some instance, they even will make sacrifices of long established privileges because they see that a sacrifice is necessary to fulfill both their interest as well as their organizations.

Participation is also of fundamental importance for employees' attitude in the organization for which they work. It is strongly related to the way they respond to changes in work organization and decision-making. Participation enables to have a smooth relationship and create cooperative work environment.

These leads an employee feels satisfied with his/her job. Therefore, proper communication and effective participation absolutely leads to less labor absenteeism.

2.3.2 Organizational Culture

People learn to depend on their culture. It gives them stability and security, because they can understand what is happening in their community and how to respond. However, if they move to another culture, as when an employee is transferred to another location, they may experience various degrees of cultural shock. There is concern about not

³¹ **Ken Jennings** "Verbal & Physical Abuse Toward Supervision" *Arbitration Journal*, Dec., 1973 pp. 258-71

knowing how to act and about losing self-confidence, their previous peer group, and the like when the wrong responses are made³².

Cultural shock is even greater when there is a move from one nation to another as in the case of working in multinational companies, especially if language and thereby culture is entirely different. For unprepared employees, the environment can appear to be frustrating. They become disoriented, retreat into isolation, and want to return home on the next airplane. This clearly shows that cultural complexity aggravates tensions and leads to labor absenteeism.

2.3.3 Lack of Managerial Competence and Effective Leadership

Managers of any organization are encouraged to be tested with managerial skill and competence if they are to lead organizations toward change and development. Managerial competencies are the corner stones upon which all-managerial activities that determine managerial success are based. It is only when managers of all organizations at all levels are equipped with managerial competencies that they can be successful in the management of organizations. In support of this, "if managers are to be successful in organizational life, they must possess and be skilled in managerial competence"³³

According to many authors, there are three managerial competences or skills: technical, human and conceptual skills. Although a reasonable mix of these skills for managers is always emphasized, the relative importance of each skill differs at various levels in the organizational hierarchy. Accordingly, while the importance of human skills seem to be equally useful at all levels, the need for technical skills decreases as one advances from the lower to the higher levels in the organizational echelon. Conversely, the need for conceptual skills for managers diminishes as one descends from the top to the lower level of management. Generally, Managers with good knowledge of these skills are good leaders. Leadership is a matter of getting a specific job done with specific people in a

³² *Ibid*, pp 289-93

³¹ **Bureau of Affairs**, paid leave & leave absence policies personal policy forum, survey III Washington DC, Nov 1976 pp 123-135

specific time. Lack of these facilities will lead employees to conflict with supervisors and/or leaders and force them to be absent regularly from their job³⁴.

2.3.4 Improper Reward System and Recognition

It is common to say that people are more likely to repeat things for which they are rewarded or reinforced. If employees do things well and we praise them or give them some kind of recognition, there is a good chance they will repeat their behavior³⁵. Even though better compensation is usually the first reason people think of for job dissatisfaction, it is cited as a reason in exit interviews when other causes are present and people may be reluctant to discuss the other causes candidly. However, in competitive labor markets, compensation certainly matters. Special bonuses are often used to make quick adjustments to market pay scale. However, rewards don't have to be monetary in order to have an impact but non-monetary rewards such as positive feedback, formal recognition programs, change in job titles and special project assignments are all means to improve reward or recognition system. If employees fail to be rewarded for their good performance, then there will be dissatisfaction that can probably lead to a problem of labor absenteeism.

2.3.5 Lack of Proper Motivation

Motivation is commonly defined as the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need. From these general definitions, the three key elements of motivation are effort, organizational goals and needs³⁶. The effort element is a measure of intensity. When someone is motivated, he/she tries hard. But high levels of effort are unlikely to lead to favorable job performance outcomes unless the effort is channeled in a direction that benefits the organization.

³⁴ **Ken Jennings** "Verbal & Physical Abuse Toward Supervision" *Arbitration Journal*, Dec., 1973 pp. 258-71

³⁵ **Herbert Poyser**, "Streets & Alcohol" in *Handbook of Streets*, ed., Leo Goldberg & Shilmon Breniz, (New York, Free Press, 1983, pp. 185-196)

³⁶ **Ken Jennings** "Verbal & Physical Abuse Toward Supervision" *Arbitration Journal*, Dec., 1973 pp. 258-71

Effort that is directed towards, and consistent with, the organization's goal is the kind of effort that we should be seeking. Finally, we will treat motivation as a need-satisfying process.

A need, in this terminology, means some internal state that makes certain outcomes appear attractive. An unsatisfied need creates tension that stimulates drives within the individual. These drives generate a search behavior to find particular goals that, if attained, will satisfy need and lead to the reduction of tension. So, we can say that unmotivated employees are in a state of tension. To relieve this tension, they exert effort. The higher the tension, the greater the effort level would be. If this effort successfully leads to the satisfaction of the need, tension is reduced. This tension-reduction effort must also be directed toward organizational goals. Thus, inherent in the definition of motivation is the requirement that the individual's needs are compatible and consistent with the organization's goals. Where this doesn't occur, we can have individuals exerting high levels of effort that actually run counter to the interests of the organization. Therefore, if employees are not motivated to form their job, there will be a great chance r to become absent from their regular job even if it is not better to do so.

2.3.6 Technology and Miss-Match of Job and Employee

Technology is a powerful economic and social tool that can bring substantial benefits to society. Its effects are variable, but it tends to be requiring higher work skills, more white-collar work, and multi-professional employees. The result is a knowledge society. Labor unions generally accept technology as beneficial to society as a whole, but they want security provisions to protect individuals dislocated by it³⁷. This shows that there is positive relationship between technological advancement and labor absenteeism though it is not as such significant in developing countries like Ethiopia. There are many experiences in the work in which we manage to get the wrong employee on the job.

The supervisor has not done a very good act of letting people do what they do best for the organization based on their proper temperament or interest. Letting people do what

³⁷ **Behrend, H. and Pocock, S** "Absence and the Individual: a six year study in one organization", *International Labor Review*, 114, pp., 311-327

they do best for organization and keeping their confidence up while they are doing will help to reduce rate of labor absenteeism.

2.3.7 Poor Job Design and Regulatory Pressures

The main reason why employees do not do their jobs, as they should is that just they do not know what to do due to poor job design. It may be that we have failed to train them be either not telling them or not demonstrating what is expected of them. Employees do not like to stay within poorly designed jobs because they like to contribute something to the organization as an intrinsic reward.

In a relatively short time, organizations have found themselves flooded with federal, state and local government regulations that pertain to almost every aspect of the activities they engage in. There are regulations for organizations employing, promoting, firing, unionizing, safety and anything connected with the environment. These regulatory pressures hinder the organizations' employee treatment policy and affect labor productivity

As indicated above the causes of labor absenteeism is related to the job, availability of better job opportunity outside the organization, excessive“ beurocratic” rules and red tapes, personal problems, intension to advance and so on among many. Hence, the real causes are basically related to job satisfaction and work environment.

The importance of job satisfaction is obvious. Managers should be concerned with the level of job satisfaction in their organizations for at least three reasons: -

- There is clear evidence that dissatisfied employees skip work more often.
- Satisfied employees have better health and live longer;
- Satisfaction on the job carries other to the employee's life outside the job.

2.4 Attendance Management

The management of attendance is an important aspect of supervision in the workplace. The cost of absenteeism is greater than the direct payment of wages and benefits paid

during the absence. Organizations must also consider the indirect cost of staffing, scheduling, re-training, lost productivity, diminished moral, and opportunity cost³⁸.

Effective supervisory efforts in attendance management will affect relatively small percentage of employees but will generate substantial savings, increased productivity and morale. The purpose of attendance management is to develop a willingness on the part of all employees to attend work regularly that can be done through: -

- Addressing the physical and emotional needs of employees.
- Communicating the attendance goals of the organization, so employees can understand and identify with them.
- Dealing with cases of excessive absenteeism effectively and fairly so deterrence can occur.

Successful administration of an attendance management program requires managers and supervisors to be aware of, and create work environment in which the following can be actualized³⁹.

The greater the extent to which individuals identify their goals with the goals of the organization and care what happens to it, the greater their motivation to be regular in attendance. The more people find their jobs meaningful to them, the greater their motivation to be regular in attendance. As employee's workload increases due to the absence of a co-worker, peer pressure is exerted on the absent co-worker to attend work on a regular basis.

The more people like working for the organization the higher their motivation to attend regularly. Recognition of good employee attendance helps improve attendance.

Employees will have a lower absence ratio if they feel free to discuss their on-the-job problems with their immediate supervisors. Employees with a low absence ratio have attitudes of confidence and "team spirit". Low absence ratio employees are found to be more satisfied with their opportunity for promotion and upgrading.

³⁸ **Baron H. Harvey, & et. al.** "Rewarding Employees for not using sick leave" *Personnel Administrator*, May, 1983, pp. 55-59

³⁹ **Herbert Poyser** "Streets & Alcohol" in *Handbook of Streets*, ed., Leo Goldberg & Shilmon Breniz, (New York, Free Press, 1983, pp. 185-196)

Cognizant to what have been mentioned above, attendance is not an exception. It is a right of employers to have good attendance. Each and every employee has a contractual obligation to attend work regularly. All levels of management must believe in, be committed to, and communicate their expectations of good attendance. If a specific number of sick days are considered acceptable per employee, at best that will be the result. Employees will live up or down to expectations. Expectations must be clear to both management and employees in order for an attendance management program to get maximum results. Goals must be tangible. Attendance expectations must be clearly communicated and followed.

2.5 Measuring Labor Absenteeism

The most common measure of labor absenteeism is the lost time rate. This shows the percentage of the total time available that has been lost because of absence from all causes of absenteeism mentioned within a given period of time. The lost time rate can be regarded as an over all measure of the severity of the labor absenteeism problem.

When calculated separately by department or group of workers, it clearly addresses particular problem areas. Organizations can use proxy indicator to provide a trigger point for action. It is important, however to examine the particular circumstances leading to a high score before action is taken.

Computing Absenteeism Rate

There are several quantitative methods for computing rate of absenteeism. Some of the widely used methods are as follows:

1. **Lost Time Rate** =
$$\frac{\text{Total absence (hours or days) during the period}}{\text{Possible total (hours or days) in the period}} \times 100$$
2. **Absenteeism Rate**⁴⁰ =
$$\frac{\text{Number of absent days}}{\text{No. of working days available}} \times 100$$

⁴⁰ Ivancevich M. John & Gluck G. William, "foundation of personnel: Human Resource Management", 4th ed., Boston, Hoomwood, Irwin, 1989, pp., 77

2.6 Mechanisms used to Reduce Labor Absenteeism

In organizations of every size and stripe, people perform their duties and responsibilities without creating reasons to become absent from their job⁴¹. Labor absenteeism when resulted in discharge represents a huge potential loss in productivity and an increase in cost. But these problems can be averted with advance planning and keen management. The most commonly practiced methods to minimize labor absenteeism from the organization point of view are better employee selection, orientation, communication, supervisor training, participative decision-making, good leadership style, incentive awards and the like. These methods are briefly described as follows:

- ◆ Applicant pools- organizations should maintain an active file of individuals who might be candidates for positions in the organization. Better yet, an organization should encourage its best people to suggest candidates.
- ◆ Celebration-an organization should mark comings and goings with a simple party, a lunch, a coffee hour or some other special occasion. Celebrate the arrival of employees, and it will help them quickly become part of the team commonly referred as effective socialization.
- ◆ Cross-training- it is the rule of thumb: the more critical the skill or function the better off the organization will be if more than one person understands it. When an organization cross-train its people in these skills and they will function more effectively as a team-and they will be better prepared for the day when someone leaves due to disciplinary action or discharge taken.
- ◆ Curricula - if organizations do not have formal curricula for orienting new people they should have to develop it. A combination of "live" training and self-paced study can bring new people up to speed and save huge money in lost time and productivity.

⁴¹ <http://www.assault.com/or/auto-minimize-cost-impact/>

- ◆ Essential File- the essentials file, maintained for each critical employee, should contain a job description, reports completed by the employee, job tips, descriptions of resources the employee uses, and summaries of problems employee encounters.
- ◆ Exit Interviews- they are great for identifying problems employees had while on the job, and for gaining insight into the way things can be done better in the future.
- ◆ Interviews- when new people start, the organization should let them interview their predecessors. When people reach milestones in the organization, such as annual anniversaries, let them share their views.
- ◆ Job Analysis- every time an organization must create an opportunity to re-engineer duties and priorities, or even reallocates duties to others.
- ◆ Orientation program- a good orientation program packages information and ideas for new employees, and acquaints them with the history and culture of the organization.
- ◆ Participatory Hiring- it is advisable to an organization to allow its people to interview prospective candidates for the job. In addition to pointing out the candidate's strengths and weaknesses, they will feel more committed to working with the new employee once he or she is on board.
- ◆ Reverse Training- an organization should encourage its supervisors to obtain informal training from their people because it builds their own skills, and helps them prepare to train others.
- ◆ Staff and Team Meetings- these routine meetings help maintain continuity. They are an opportunity for an organization and its team to learn about each other's duties. And written minutes of these meetings can become important reference tools.
- ◆ Stories- great organizations are filled with legends and stories. They speak of the founding, history and values of the organization and, continually repeated to new

groups of employees, they transmit vital information about organizational goals and expectations so that new employees are clear with their responsibilities.

- ◆ Weekly appraisals- these informal “appraisals” give managers the opportunity to get to know their employees, and give them quick feedback on how they are doing.

Chapter III

A Profile of the Case Enterprise

3.1 General Overview of the Printing Press

In order to obtain a bird's-eye-view of the history and importance of printing industry, it is very essential to discuss it briefly⁴². The invention of printing was undoubtedly one of the greatest achievements of human being. It was started in western Europe in the 15thc, just when distant explorations were being undertaken and when the classical revival was at its height. The invention of printing was movable types by Johann Gutenberg in 1450 and the development of printing machines from Gutenberg to Richard Hoe, who build the first successful rotary machine in 1847 was crucial to the whole evolution of western civilization and the power of literature⁴³. Coinciding as the invention and spread of printing was the further development of the rising literacy which had provoked it and the increasing consumption of books which is meant that more persons wanted to read, just as it facilitated their acquiring the ability to print and the book remain the only way by which one age can speak to another.

A constant extension and development of the new art went on during the 16th c and at least three remarkable results become evident:

- ❖ There was a tremendous increase in the supply of book.
- ❖ The growth in supply of books increased the demand for books. The price was cheapened and correspondingly, knowledge was diffused and education was promoted.
- ❖ By going through successive experience of printing, more accuracy in books was secured, when they were made by hand, it was impossible to find any two copies of any work that were exactly alike.

⁴² <http://www.njlawnet.com/njlawreview/employmentlaw1.htm>

⁴³ **Herbert Poyser** "Streets & Alcohol" in *Handbook of Streets*, ed., Leo Goldberg & shilmon Breniz, (New York, free press, 1983, pp. 185-196)

Printing presses have made their contribution in the propagation of modern civilization among peoples in the world. Printing presses furnished the means of repeatable precision of text and the capacity for the mass circulation of ideas. The art of printing is among the top inventions that made it possible of the world to reach the present stage of civilization. According to maxim "What has been on record is retained while that in memory fades". It was through the medium of printing press that scholar's succeeding in sharing their knowledge with others. The way was opened to the many to receive self -education by reading books. Before the arrival of the printing machine, books written by hand were out of the reach of many people and the scholarly opinions and philosophy contained in these books one would only have access to books in courts, monasteries, churches or institutions of higher learning .As a result many people lived under the dark yoke of illiteracy, with out the enjoyment of the sweat flavor of literature and the freedom to know and undertake research. By and large with out printing presses, there cannot be any development in education. Moreover, they are the means by which people become familiar with new way of thinking and living from time to time. Printing presses are among other things widely used as a means by which governments would move its people know its policies and regulations.

3.2 Historical Background of the Artistic Printing Enterprise

Two Armenian brothers found artistic Printing Enterprise in the year 1931. The firm was owned and run by these brothers until the former socialist government of the country confiscated it in 1975. During that time, the enterprise was operating with a capital of Birr 1.2 million and the workforces of 234, which currently increased to a level of a capital of Birr 2.7 million and the workforces of 385. Starting from 1975 to 1992, it was administered by the former Ministry of Industry under Ethiopian Printing Corporation. Then after in 1993 by virtue of the council of ministers rule No. 24/1993, the enterprise was given an autonomous right to act under the supervision of the Board of Directors. In its 74 years of experience, it is producing printings of various products like books, magazines, commercials and labels in which its customers accredit it for its quality products. Before the introduction of modern printing and scanning machines, it was only Artistic Printing Enterprise that had been printing colorful materials using cliché graphic

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method and it was only this enterprise that installed modern color separating scanner machine. The long ancient Axumite statue, the rock-hewn churches of Lalibela, the ancient castle and palace of Gondarian Kings on the 13th months of sunshine posters can depict the genuine printing skill of the enterprise.

Major inputs used by the enterprise comprise paper, ink, cards & envelope, binding materials, plate film and chemicals. These inputs are the most important raw materials for printing service. Since all raw materials except paper are imported, printing service consumes a huge amount of hard currency. Production operation is the largest section of the press in terms of numbers of employees and machinery. Composing, printing, and binding are the three main activities of the production department. Most orders from customers regarding Books, Forms, Receipts, etc. are brought directly to the composing section whose function is to compose letter with various means in its metal and film composition section. The composed letters in the first section are used in either letterpress or offset printing, in the printing section. Letter press printing uses the type produced in the metal composition section while offset printing uses film, which is brought from the photolithography section which usually contains Camera, Montaging, or Striping, and plate making units. All printed materials are sent to the binding section of the production department where the entire work is completed, packed, and dispatched to fill customers order. With regard to production capacity, the design of production increases every year by a certain percentage and the attained production capacity ranges between 18,235,151 at boom period and dropped down to 13,869,343 at recession period. Concerning infrastructure and facilities, it has got strategic location. The location of the enterprise being in the center of the main capital, water and energy is provided adequately and transportation to and from the enterprise can be reached easily

Since its establishment, Artistic Printing Enterprise (APE) has continued to render valuable services thus enabling the nation to take part in present day civilization. In addition to handling the printing of important books, it has continued towards educational advancement and its efficient operation by way of printing and supplying schoolbooks and all other essential stationary required for office use.

Broadly speaking, it could be said an institution that has contributed its share in the growth and development of the nation. Despite such crucial services to the society, the enterprise does not break out from problem of labor absenteeism.

3.3 Objectives of the Enterprise

- To produce quality printings that can satisfy customer and thus maximize the volume of production and sales that contribute to the national economy.
- To help the export sector by producing quality-packing materials and labels that can be used for export commodities and strive for import substitution printings.
- To formulate plans and strategies that enable the enterprise exist in the competing market by building and developing skilled personnel and the management team in printing technology so that all printings could be done at home.
- To carryout the business of printing, engraving, publishing and reproducing and to engage in any activities related to the business of printing, publishing, and reproducing literary works.

3.4 Types of products of the Enterprise

Artistic Printing Enterprise produces the following major product types:

- Books
- Magazines
- Labels
- Posters
- Miscellaneous commercial prints
 - Vouchers
 - Register Books
 - Rubber stamps and clichés
 - Invitation cards.... etc.

3.5 Status of Manpower of the Enterprise

Table 3,1 Manpower Status of the Enterprise

By Education	No. of Employees	By age group	No. of Employees	By salary range	No. of Employees
2 nd degree	2	20-30 years of age	34	From birr 210-726	291
1 st degree	8	31-40 years of age	127	From birr 727-1248	84
Diploma	92	41-55 years of age	224	From birr 1249-1696	3
Certificate	10			From birr 1697-2758	7
Grade 9-12	156				
Below grade 9	117				
Total	385		385		385

Source: Administration Department

3.6 Organizational Structure of the Enterprise

As it can be seen from the organizational structure of APE annexed, it has been departmentalized into five major functional departments: - the production department, the administration department, the commercial department, the finance department and the technique department. They are briefly explained as follows:

1. The Production Department: - This department is the nerve center of the enterprise.

This section, as its name implies, deals with the actual composition, printing, binding and other technical requirements of the work handled by the enterprise and is the largest section of the enterprise in terms of number of employees and machinery. Based on orders received directly from customers, it produces large quantities of exercise books for schools, journals, commercials jobs, and different types of labels and posters in competition with other locally produced and imported brands. All

printed materials are sent to the binding section of the production department where the entire work is completed, packed, and dispatched to fill customers order.

This department is led by the production department head and has the following duties and responsibilities:

- ❖ Make available human and other resources necessary for production.
- ❖ Checkup and control that the availability of factors of products with standard quality and quantity timely.
- ❖ Check that the product handling of repair works of the production instruments perform properly.
- ❖ Devise methods of new technology implementation and recommend or suggest for decision.

2. The Administration Department: - this department has the responsibility of controlling the activities of employees on duty examine results of supervision by the personnel section and see to it that the general facilities of the printing enterprise and for its employees remain uninterrupted .It controls the discipline of the employee as well.

It has the following duties and responsibilities:

- ❖ Fulfillment of its own manpower and materials needs.
- ❖ Conduct research on manpower demand of the enterprise as a whole, in type, quantity, and quality and also make them available on time.
- ❖ Identify the necessary job title, job description, and job specifications for the entire workers of the enterprise.
- ❖ Fill and handle the workers personal files and reports its operation timely to the concerned body.

3. The Finance Department: -is accountable to the general manager and has the following duties and responsibilities:

- ❖ Make available all the necessary manpower, equipments and other important resources of the enterprises to discharge its departmental goal as well as the overall goals of the enterprise.
- ❖ Make sure that the accounts are kept on the basis of financial rules and regulation of the enterprise.
- ❖ Approve annual budget and develop monitoring and controlling mechanism for its proper implementation.
- ❖ Follow-up the enterprise's financial account to be closed on its appropriate physical period regularly and to be audited by external auditors.

4 .The Technique Department: - is accountable to the general manager and have the following duties and responsibilities

- ❖ Make repairer work production machineries, vehicles, equipments, buildings, fences, electric lines, engineering services, workshop materials and the like.
- ❖ Make available and ready materials and parts to be produced for the vehicles and production machineries.
- ❖ Follow up the well being of the production instruments, keeping up, preventing and repairing them on time.
- ❖ Make sure the proper utilization of human resources in their concerned department.

5 .The Commercial Department: - This department is charged with sales promotion by bringing customers and the printing enterprise together .It receives orders from customers and passed them over to the proper section for excursion; it prepares and estimates for materials to be printed which include many official legal workers and the delivery of printed materials to customers. In addition, it is the duty of the sales

forces to undertake general market research, which is going to be specifically conducted by market research service. It also follows up complaints (critics) made about printed products and submits recommendations for improvement. It is also responsible for the purchase of various materials needed by the enterprise, many of which come from abroad. It sees to it that they are of the required quality and price of various printing papers, various machine parts and tools, photographic plates and chemicals, photographic films, and special printing inks are some of the materials purchased by the enterprise. Paper refused for printing purposes and some others are now partially bought locally from the Ethiopian pulp and paper factory.

3.7 Union and APE Agreement on Labor Absenteeism Practices

Labor Absenteeism disrupts normal operation; cause delays, and necessitate the employment of substitute personnel. It is, therefore, an issue most public and private organizations are currently suffering in one or another way. The case enterprise is also suffering from this problem.

It is reasonably discussed in the conceptual approach of the paper that absenteeism can be either innocent or culpable by its very nature. To cope-up with this labor absenteeism trends so as to achieve objectives of the enterprise, APE has union agreement on different labor absenteeism practices that are discussed below:

1. Annual Leave

An employee can get annual leave with salary in a condition that,

- For the first one year service, 14 working days
- For a worker of service beyond one-year services, one additional working day is being added for every additional year.
- A workers service in other government organizations is taken in to account only for annual leave.

2. Family Affaire Leave

- When a worker legally engage in marriage, three days permission with salary payment is given
- If one of the registered family members of the employee has passed away, three days permission with salary payment is given.
- In case of death of the enterprise's employee, permission for ten employees for funeral ceremony is given
- If an employee faces a crucial issue accepted by concerned department, twenty-five days permission without salary payment is given.

3. Sick Leave

- An employee who accomplish his/her probation period, if he/ she becomes sick due to situation that has no relation with his/her regular job, he/she is given sick leave provided that sick ness is supported by prescription of health officer.
- The employee's sick leave days shall not be more than six months within twelve months from the date of sick.
- Any sick employee has to inform within twenty-four hours of his sick ness.
- The employee shall get sick leave, if it is approved and referred by the enterprise's clinic health officer and requested to bring sick leave.

4. Maternal Leave

- Pregnant women employee shall be given permission for diagnosis on her request.
- If a recognized health institution allows her to take rest, then pregnant women employee shall be given rest permission.
- The pregnant women employee shall be given one month before and two months after birth date with her salary.

Measures taken by the enterprise are:

1. Permission for the labor union

One day for monthly labor union's meeting is given per month for the union's representatives. If however, union has weekly meeting, it has to pre-inform in writing the management of the enterprise.

2. Sick leave payment

- ❖ The first month permission is given with gross salary payment.
- ❖ The next two months will be paid 50% of the gross salary.
- ❖ The next three months shall be given permission without payment.

3. Lateness with good reason

- ❖ 15-30 minutes; written warning for the first day, written warning plus one day salary punishment for the second time, three days salary penalty for the third time, fifth days salary punishment for the fourth time, ten days salary penalty for the fifth time, fifteen days salary for the sixth days and firing if an employee is late more than six days without good reasons.
- ❖ 30-60 minutes; written warning for the first time, three days salary cut for the second time, five days salary for the third time, ten days salary for the forth time, fifteen days salary for the fifth time punishment and beyond that firing would result.
- ❖ 1 hour-4 hour; half day salary with written warning for the first day, three days salary with written warning for the second time, last written warning with ten days salary for the third time, and firing on the fourth time.
- ❖ One day; oral warning and one day salary for the first time, written warning and five days salary for the second time, last written warning and ten days salary for the third time, and firing shall be exercised on the forth time.

- ❖ 2-3 days; written warning with five days salary, ten days salary with written warning, fifteen days salary with last warning, and firing on the fourth time.
- ❖ Successive four days; five days salary with written warning for the first time, and then firing for the second time.

If, however an employee does not sign an attendance sheet at his/her entry and exit, the blank or the unsigned time will not be paid. In addition if it is for the first time, he/she will be given warning, and if he/she repeats for the second time he/she will be given warning plus one-day salary punishment, for the third time three days salary, for the fourth time five days salary, for the fifth time seven days salary for the sixth time nine days salary and, lastly for the seventh day time he/she shall be fired.

Chapter IV

Causative Factors of Labor Absenteeism in APE

As per the conceptual approach of the paper, causes of labor absenteeism are many and include; serious accidents and illness, low morale, poor working conditions, boredom on the job, lack of job satisfaction, inadequate leadership and poor supervision, personal problems (financial, marital, substance abuse, childcare etc.), poor physical fitness, inadequate nutrition, transportation problems, the existence of income protection plans (collective agreement provisions which continue income during periods of illness or accident), stress workload, employee discontent with a collective bargaining process and/or its results are considered causes for labor absenteeism.

This chapter deals with the analysis and interpretation of data collected through questionnaire, interview and secondary data obtained from the organizational records of the enterprise under study. In the case of primary data, the questionnaire copies were distributed to 135 randomly selected respondents from which 120 of them or nearly about 89% responded in the appropriate time for analysis. The analysis of the data collected is made with reference to the conceptual approach.

This chapter has been categorized into two parts. The first part of which deals with characteristics of the respondents. The rest part looks into the analysis of the findings and interpretation of the data in which its main concern geared towards assessment of causes of labor absenteeism in the case enterprise.

4.1 Description of Personal Characteristics of the Respondents

The questionnaire contains 20 open-ended questions and 18 closed-ended questions. The respondents selected were from management staff and non-management staff or employees. The following table shows the characteristics of the respondents.

Table 4.1. Characteristics of the Respondents

Item	Characteristics	Numbers	Percentage (%)
Position	Principals	30	25
	Workers	90	75
	Total	120	100
Sex	Male	84	70
	Female	36	30
	Total	120	100
Age	18-35	54	45
	36-55	66	55
	Total	120	100
Educational level	Bellow grade 9	36	30
	Grade 9-12	54	45
	Diploma	20	16
	First Degree	8	7
	Above first degree	2	2
	Total	120	100
Salary	210-726	62	51
	727-1248	48	40
	1249-1696	3	2
	Above 1697	7	6
	Total	120	100
Years of service	0-5	36	30
	6-10	48	40
	11-20	33	27
	21-30	3	3
	Total	120	100

Source: Questionnaire

As table 4.1. Shows, of the 135-sample size of the study from which 120 respondents returned the questionnaires, 30 (25%) employees were principals where as 90 (75%) employees were non-management staffs or workers. The proportion of sample in fact is

the result of random selection and hence broadened the chance to include employees from different positions in the organization under study.

Regarding the sex of the respondents, 84 (70%) were male and 36 (30%) were female. As the sample shows the majority of the employees are male. The reason might be low participation of female in socio-economic activities in the country. 66(55%) of the respondents' age ranges from 36-55 and 44(45%) respondents' age falls in the category of 18-35.

Information about educational level reveals that 36 (30%) employees are below grade 9. 54 (45%) of the respondents are from grade 9-12, 20(16%) of the respondents are diploma holders. First-degree holders are 8(7%) and above first degree holders are 2(2%). The highest percentage (45%) of the respondents is from grade 9-12 and it is evidenced that the enterprise does not have highly qualified employees in large number. The second highest number of the employees of the enterprise is below grade 9, followed by diploma holder. But the number of employees whose educational level is above diploma is very small and they are 10 in total.

As to the salary of the respondents, 62 employees (51%) earn salaries ranging between 210-726, while 48 employees (40%) earn salaries ranging between 727-1248. Three employees (3%) earn salaries ranging between 1249-1696, where as 7 employees (40%) earn salaries above 1697.

Referring to the years of service in the table, 48 (40%) respondents served 6-10 years and 36 (30%) served 0-5 years. Only few employees 33 (27%) and 3 (3%) served the enterprise for 11-20 years and 21-30 years respectively. Owing to these figures it can be safely explained that majority of the employees might not be satisfied with the managements' practice of the enterprise.

4.2 Data analysis for the Causes of Labor Absenteeism in APE

Table 4.2 Workers Desire towards their Job Absence

No	Items	Respondents	
		Number	Percentage (%)
1	Willingness to avoid voluntary absence	15	12.5
2	Being absent and Willingness to accept punishment other than discharge	30	25.0
3	Being absent and produce fake evidence to justify	45	37.5
4	Being absent and wait for discharge disciplinary action due to alternatives	30	25.0
Total		120	100

Source: Questionnaire

As shown on table 4.2 above, only a very few number of the respondents (12.5%) expressed their willingness to avoid voluntary absence as much as possible. Those who constitute 25% of the respondents wanted to be absent and accept disciplinary measure other than discharge. The highest percentage 37.5% of the sample population inclined to be absent and produce fake evidence to justify the reason for absenteeism. This shows that although the workers need to feel free, they seem more pessimistic about the enterprise's working environment and workload. Further, 25% of the respondents declared that they would give up their present job disregarding the amount of salary they earn at present. This is an expression of strong dislike to the enterprise.

In general, a response on the above table indicates that the large majority of respondents have negative attitude toward the enterprise working conditions. The reasons could be stated as follows:

- First, salary increment is indiscriminate and no better increment for efficiency.
- Second, those who want to up -grade themselves were not given due support and as a result they could not see any bright future in the enterprise.

Table 4.3 Workers Perception of the Enterprise's Leadership Style

No	Items	Respondents	
		Number	(%)
1	The administrative staff consider themselves superior	69	57.5
2	Strictly control and closely super vice	39	32.5
3	Give freedom of work	6	5.0
4	They are laissez -faire	3	2.5
5	Friendly relation-ship exists	3	2.5
<i>Total</i>		120	100

Source: Questionnaire

As it is observed on Table 4.3, the largest portion of the respondents 57.5% responded that the administrative staff considers themselves superior to the workers. This indicates the existence of superior-interior relationship between the administrative staff and working staff in the enterprise.

- If the administrative staffs have faith in workers and consider them as colleagues, workers may grow and hopeful through their contact. However, feeling of superiority on the part of the enterprise administrators and treating workers as inferiors does not only frustrate workers but also increase customers' doubt of the workers' worth and there by level workers' morale.

Also there is an evidence of strict control and close supervision when 32.5% of the respondents favored the issue. In addition, most of the respondents did not agree that the enterprise administrators are permissive and friendly. This reveals that the administrative staffs belief that workers are not responsible to carry out their professional duty and less mature. The administrative staffs are exercising passing of orders and instructions to get things done. They lack human relations skills and the manner in which orders and instructions that are given has affected workers' morale.

Further more, they might have broadened the gap between their position and that of the workers. As to the responses obtained in this section, the enterprise administrators seem to have given more concern to organizational goals at the expense of their workers' need

dispositions. The strict administrator may have the power to make the workers do their work but the reality is that they cannot make the workers perform up to the expectation.

Table 4-4 Responses regarding Delegation of Authority and Participation of Staff in Decision- Making Process

No	Items	Principals		Workers	
		No	%	No	%
1	Do principals delegate authority?				
	a) Yes	30	100	81	90
	b) No	-	-	9	10
	c) No response	-	-	-	-
	Total	30	100	90	100
2	If "Yes", what is the extent of principals' control after delegation?				
	a) High	18	60	54	60
	b) Average	12	40	27	30
	c) Low	-	-	9	10
	d) No response	-	-	-	-
	Total	30	100	90	100

Source: Questionnaire

Delegation is basically a means by which principals extend their area of influence over the employees of the enterprise to ensure that behavior is going on in a desirable manner. That is, enhancing the participation of staff in decision- making process. It is also believed that delegation is an important technique of training employees to be capable of assuming and discharging higher responsibilities.

With this reality in mind, item 1 of Table 3-4 deals with the responses concerning whether or not principals delegate authority to subordinates. Regarding this, except only 10% worker respondents who replied "no", the rest 90% workers and all principals' respondents responded a positive replay. Therefore, based on the data, it can be safely generalized that principals seem to have understood the importance of delegation.

In item 2 those who responded "yes" were further asked to respond the level of control of the principals over delegates. In response to this, 40% principals and 30% workers respondents proposed that control was average while the remaining 60% principals and 60% workers respondents confirmed that control was high.

It is said that if control exceeds the required limit, it will nullify the authority delegated and this will result in degrading the morale of the delegates. In spite of this, the majority of the principals supported by high percentage of the worker respondents maintained that control was practiced to a high degree. This suggests that either principal have extreme passion to the details of what is to be done or their followers are laissez -faire in discharging their responsibilities in the manner they are delegated.

Table 4-5 Responses regarding Communication of Principals with Workers

Items	Respondents			
	Principals		Workers	
	No	%	No	%
1. Principals direct the workers by telling them what, when, why and how to do				
a) High	24	80	60	66.67
b) Average	6	20	27	30
c) Low	-	-	3	3.33
Total	30	100	90	100
2. Frequency of accepting questions, suggestions and comments by principals from the workers	9	30	15	16.67
a) Always	21	70	54	60
b) Sometimes	-	-	21	23.33
c) Not at all	30	100	90	100
Total				
3. Extent of encouragement given by principals regarding communication between and among departments, committees and clubs.	6	20	12	13.33
a) High	24	80	30	33.33
b) Average	-	-	48	53.33
c) Low	-	-	-	-
d) Never	30	100	90	100
Total				
4. Principals' application of grapevines to workers' need and problems	9	30	0	0
a) High	18	60	18	20
b) Average	3	10	57	63.33
c) Low	-	-	15	16.67
d) No effort	30	100	90	100
Total				

Source: Questionnaire

A glance at Table 4.5 gives some information on the nature of communication within the case- enterprise personnel. As can be seen from item 1, respondents were asked the extent to which principals tell the staff as to what, when, why and how they should do. Accordingly, while 20% principal and 30% worker respondents answered average, 80% principal and 66.67% worker respondents indicated that it was high. So, it is possible to conclude that principals effectively utilize downward communication.

According to the responses in item 2, 70% principal and 60% worker respondents noted that principals do not always accept questions, comments and suggestions from their associates and 23.33% of the worker respondents remarked that principals do not at all welcome any view from the workers. As can be seen from the information gathered, one can say that principals' willingness to accept questions, suggestions and comments from the workers is inappropriate. This shows that the administrators seem to be satisfied with directives, orders and guidelines that administration gives to subordinates regarding task performance.

As stated in the Review of the related literature, however, principals are expected to highly encourage the workers to communicate with management and accept opinions and ideas from them. The reasoning for this is that it is when worker initiated communication is practically supported by principals that new ideas and techniques for the work are obtained and improvement can be attained.

In item 3 of the same table, 80% principal and 33.33% worker respondents confirmed that the effort of the principals to encourage communication between and among departments, committees and clubs was average. On the contrary, 53.33% of the worker respondents maintained that the effort was low. Thus based on the information, principals do not effectively encourage horizontal communication between and among the various components of the enterprise. This entails that principals are not fully aware of what lateral communication can offer to the betterment of their enterprise.

Regarding item 4, both groups of the respondents were asked about the effort of the principals to utilize grapevines to understand the problems and needs of the employees.

In this respect, 30% principal and none of the worker respondents responded high and 10% principal and 63.33% of the worker respondents revealed low. Besides, 16.67% of the latter contended that principals do not make use of grapevines in response to the needs and problems of the workers. Hence, it can be said that the effort of the principals to utilize grapevines to the welfare of the workers is insufficient. This can be justified from two perspectives. Firstly, principals might have not fully recognized the use of grapevines for effective administration; secondly, since communication was found to be predominantly downward, relationships between principals and the workers could be more formal so that principals might have been restricted from getting grapevines through free interaction with subordinates. Indirectly such situation results in accelerated employee dissatisfaction in the enterprise, which may contribute to labor absenteeism.

Table 4-6 Responses of respondents concerning Organizational Culture

No	Items	Respondents	
		No	%
1	Situation of organizational culture		
	a) Excellent	0	0
	b) Very good	24	20
	c) Good	66	55
	d) Poor	30	25
	Total	120	100

Source: Questionnaire

From among the enterprise respondents, 66 employees or 55% responded that the situation of organizational culture is good, 30 employees or 25% replied that the enterprise's culture is poor and 8 employees or 20% said that the enterprise's culture is very good. Above the average (55%) of the respondents indicated that organizational culture of the enterprise does not have as such significant role in escalating employee absenteeism in the enterprise. The reason is that all of the workers are Ethiopian, who is familiar with the culture in which the organization is found. But there is little impact of organizational culture on employee's absenteeism as 25% of the respondents answered

that the situation of organizational culture is poor. Thus, the enterprise should strive to overcome this little effect of organizational culture on labor absenteeism.

Table 4-7 Responses on System of Rewarding Workers

Items	Respondents	
	No	%
1. All of the workers who contributed more are rewarded	0	0
2. Although many were registered for more contribution, few were rewarded	27	90
3. No response	3	10
Total	30	100

Source: Questionnaire

Table 4.7 shows the responses of the administrative staff on the system of rewarding workers. Ninety percent (90%) of the respondents agreed that few are rewarded out of those who contributed more.

This is the situation in which only one or two workers receive monetary reward yearly. It is not because more contribution is limited to one or two workers but the reward is intended to that much number of workers. The reason could be

1. The enterprise does not allocate budget for the purpose of rewarding
2. To uphold competition among workers.

Such system of rewarding may affect workers' morale in two ways:

- i. It creates inimical competition among workers that leads to disunity and disappearance of team spirit.
- ii. It develops feeling of unfair treatment among workers that minimizes their devotion to their work by lowering their morale.

Table 4.8 Responses on Attitudes of Employees with regard to Salary

Items	Workers		Principals	
	No	%	No	%
1. The impact of current salary increment and /or other fringe benefits on the performance of the work.				
a. High	12	13.33	3	10
b. Average	24	26.67	9	30
c. Low	54	60	18	60
Total	90	100	30	100
2. The salary you have got, in relation to employees in other organization with similar qualification and experience				
a. High	9	10	6	20
b. Average	21	23.3	12	40
c. Low	60	66.7	12	40
Total	90	100	30	100

Source: Questionnaire

Currently, the enterprise increased employees' salary. The response on this action is shown on Table 4-8 above. From among the enterprise respondents, 60% of the workers and 60% of the principals, responded that the impact of salary is low, 26.67% of the workers and 30% of the principals said medium and 13.33% of the workers and 10% of the principals responded high. This shows that majority of workers and principals of the enterprise are not satisfied by the increment and /or other fringe benefits they got. This dissatisfaction of workers and principals may result in low performance, frequent absenteeism and other labor problems.

As shown in Table 4.8, item 2, 66.7% of the workers and 40% of the principals of the enterprise replied that the salary that they have got, in relation to other organizations with similar qualification and experience is low, 23.3% of the workers and 20 % of the principals however replied as high. This reveals that majority of the enterprise workers

and principals are not happy with the salary they have got when they compare it with similar organizations. As a result of this low salary payment, workers may develop negative attitude towards their job and their performance becomes poor that leads to job dissatisfaction. When, however workers are satisfied with the salary they get, obviously, this could leads them to develop pride and positive attitude to their profession as well as their performance.

Table 4.9 Attitudes of the respondents towards Job Design of the Enterprise

Item	Respondent	
	No	%
♦ What is the job design of your enterprise?		
a) Good	78	65
b) Poor	42	35
Total	120	100

Source: Questionnaire

From Table 4.9 above, 26 employees or (65%) and 14 employees or (35%) respondents replied that job design of their enterprise is good and poor respectively. This clearly shows that the enterprise does not have severe problem in its jobs design. It is evidenced as 65% of the respondents said that job design of the enterprise is good. Only 35% of the respondents said that the job design is poor. Even though this figure is not large enough to escalate labor absenteeism, the enterprise should try to improve its job design.

4.3 Managerial Practices as causes for Labor Absenteeism

❖ Promotion

As the personnel manager of APE states, the enterprise endeavors to assure that those possessing the required ability may progress in service to their maximum extent permitted by structure, composition and needs of several categories of services. To this end, promotions are administered on the basis of competitive merit with due regard to the specialized as well as the more generalized requirements of the service. Head,

administration department, Ato Yonatan Asefa believes that promotion is considered to play three roles.

- ☞ It gives the opportunity to fill vacant position with qualified personnel of APE.
- ☞ It establishes confidence among employees of the enterprise.
- ☞ It promotes competitive and qualitative work among the employees of the enterprise.

Despite the fact that the administrator believes promotion provides these three important roles to the enterprise, the enterprise is less efficient in promoting its employees to their best level. The following table can identify this fact

Table 4.10 Employees promotion for year 2003 and 2004

Department	Number of candidates for promotion	Number of Promoted	%
Production department	83	31	37.4
Commercial Department	18	6	33.3
Technique department	14	4	28.8
Administrative Department	6	2	33.3
Finance Department	4	2	50.0
Total	125	55	44

Source: Administration Department Five Years Report

Table 3.1 above shows the number of employees promoted in the year 2003 and 2004. In the given year employees from different departments were candidate to be promoted. From the production department 83 employees became the candidate out of which 31 (37.4%) were promoted. Commerce department applied 18 employees to be promoted and 6 (33.3%) of the employees were promoted. In administrative department (audit and inspection service) and technique department 6 and 14 employees were the candidates of the promotion program out of which 2 (33.3%), 4(28.8%) were promoted respectively.

Two employees (50.%) out of the 4 candidates were promoted in finance department. Thus, as the empirical data shows, it can be safely said that the needs of employees in promotion program are not fully satisfied. In all of the departments involved in the program, the percentage of promoted employees is below the average (50%). This enhances job dissatisfaction keeping other factors constant.

❖ Transfer

As per the interview conducted with Ato Yonatan Asefa, Head for department of administration, transfer of employees to another position of equal grade or salary or to another place of work within the enterprise is carried out on the basis of competition wherever there are employees applying the same position. APE provides transfer to its employees when they are proved unable to carry out their functions in their positions or when they reside in their workplace due to their health condition. When this happens the enterprise transfers the employee to a suitable place of work with the same grade where such a vacant position is available or to a lower grade where a vacant position of the same grade is not available and he/she is willing to be transferred to a position of lower grade. During the year of investigation 2003 and 2004 the total number of employees who were transferred was 41, out of which 29 employees were male and 12 employees were female. Out of these total transferred 41 employees of the organization under study, 23 employees were from production department and others are from the remaining four departments of the case enterprise.

❖ Demotion

Demotion can be either within a given department or section or it can be a change from a position in one class to a position in another class having a lower salary or position. In APE demotion could occur because of the following cases.

1. Due to failure to satisfactorily complete a probationary period in a promotional position.
2. Due to unsatisfactorily performance.

3. Due to employee request: an employee can voluntarily be demoted from a position in one class to a position in a lower class due to their personal reasons. Example, an employee may consider the payoff of the position with its job burden.
4. Due to different disciplinary actions.

The above reasons of demotion can be categorized into two categories -voluntary and non-voluntary reasons of demotion. Except the third reason, all of the reasons are non-voluntary reasons. The following tables show the demotion of employees in APE for two consecutive years.

Table 4 .11 Employees' Demotion for the year 2003 and 2004

Year	Number of Demoted employees	Voluntarily Demoted	Non-voluntary Demoted	Percentage of Non-voluntary demoted
2003	10	4	6	60
2004	14	5	9	64

Source: Administration Department: Five-Year Report

As the table shows, almost more than half of the demoted employees are as the result of non-voluntary reasons of demotion. As the data shows, the percentage of non-voluntary demoted employer's was 60% for the year 2003 and 64% for the year 2004 on the average respectively. This reveals that the reasons of demotion are dominated by the above three reasons excluding the third reason. Since such an involuntary demotion can increase employee dissatisfaction and the fact that most of the employees do not accept their failure due care should be taken. So, the enterprise better take other measures such as training and workshop in order to take corrective action rather than involuntary demotion as a disciplinary action.

As hypothesized the poorer managerial practices the higher labor absenteeism observed. Based on data collected and analyzed several employees are unhappy with the managerial practices of the organization under study and they claim that the style of management practices should be revisited to minimize the observed rate of labor absenteeism and to bring this rate to acceptable level.

Chapter V

Impacts of Labor Absenteeism on Production and Productivity of the APE

As per the conceptual approach of the paper, labor absenteeism can affect the production quantity, employees' benefit and overall objectives of the organizational goal. Therefore this chapter focuses on the analysis of the impact assessment of labor absenteeism on production and productivity of the organization under study. The total number of employees is 385 out of which 246 employees are currently working in the production department in the three main sections of the department namely pre-press, printing and binding. Regarding the impact of labor absenteeism on production and productivity, computation of labor absenteeism in the production department is crucial because these employees have direct contact with the production process and hence impacts can easily be measured. For the 24 monthly basis computation of the rate of labor absenteeism, two influential departments (production and administration) have been selected and analyzed. For the two years summary of labor absenteeism, however, all the five departments of the case enterprise are considered and their respective rate of absenteeism was computed and comparative analysis was done.

Finally, the question that shows whether the enterprise has taken measures to reduce labor absenteeism or not is tabulated and interpreted. It is one of the questions distributed to the respondents.

5.1 Analysis of data regarding Rate of Absenteeism in APE

Since computing rate of labor absenteeism for all the departments under the monthly basis of analysis is tedious and the procedure of calculating is the same I have limited the computation to the two influential departments. During the month the total number of employees scheduled to work in production department and administration department, and the number of days employees are absent from their regular job regardless of reasons recorded can be calculated from the following table to arrive at their respective rate of absenteeism.

Table 5.1 Monthly Absentees for the periods covering from Apr. 2003-Mar. 2005

Months	Departments	Reasons for Absenteeism					Man-days Scheduled To work
		Sick	Permis sion	Special permission	Unauthor ized absence	Total	
Apr. 2003	Prod. dpt	54	124	208	327	713	246 X22=5,412
	Adm. dpt	5	22	9	16	52	49 X 22=1,078
May 2003	Prod. dpt	51	107	129	413	700	248 X22=5,456
	Adm. dpt	7	20	11	15	53	49 X 22=1,078
Jun. 2003	Prod. dpt	28	107	171	412	718	244 X 22=5368
	Adm. dpt	3	12	11	34	50	49 X 22=1,078
July 2003	Prod. dpt	78	207	166	255	706	246 X22=5,412
	Adm. dept	3	12	5	31	51	49 X 22=1,078
Aug 2003	Prod. dpt	28	107	271	292	698	244 X 22=5368
	Adm. dpt	4	7	16	26	53	49 X 22=1,078
Sep 2003	Prod. dept	44	198	206	266	714	248 X22=5,456
	Adm. dept	5	9	14	23	51	49 X 22=1,078
Oct. 2003	Prod. dept	18	143	271	263	695	246 X22=5,412
	Adm. dept	3	14	12	21	50	49 X 22=1,078
Nov 2003	Prod. dept	87	215	179	242	723	244 X 22=5368
	Adm. dept	13	12	4	22	51	49 X 22=1,078
Dec 2003	Prod. dept	66	198	190	264	718	248 X22=5,456
	Adm. dept	3	4	17	29	53	49 X 22=1,078

Jan. 2004	Prod. dept	54	124	208	327	713	246 X22=5,412
	Adm. dept	5	7	12	23	47	49 X 22=1,078
Feb 2004	Prod. dept	71	214	169	252	706	246 X22=5,412
	Adm. dept	9	8	14	22	53	49 X 22=1,078
Mar 2004	Prod. dept	38	110	271	292	711	246 X22=5,412
	Adm. dept	15	13	8	16	52	49 X 22=1,078
Apr. 2004	Prod. dept	48	194	210	260	712	246 X22=5,412
	Adm. dept	10	11	13	23	57	49 X 22=1,078
May 2004	Prod. dept	77	225	184	237	723	246 X22=5,412
	Adm. dept	7	12	13	21	53	49 X 22=1,078
Jun. 2004	Prod. dept	49	195	213	259	716	246 X22=5,412
	Adm. dept	4	12	15	22	53	49 X 22=1,078
Jul. 2004	Prod. dept	78	207	166	275	726	246 X22=5,412
	Adm. dept	5	11	9	24	49	49 X 22=1,078
Aug 2004	Prod. dept	64	198	190	263	715	246 X22=5,412
	Adm. dept	9	12	6	22	49	49 X 22=1,078
Sep 2004	Prod. dept	77	215	189	241	722	246 X22=5,412
	Adm. dept	4	3	16	25	48	49 X 22=1,078
Oct. 2004	Prod. dept	53	125	207	324	709	246 X22=5,412
	Adm. dept	11	13	6	19	49	49 X 22=1,078
Nov 2004	Prod. dept	64	219	167	256	706	246 X22=5,412
	Adm. dept	9	4	13	21	47	49 X 22=1,078
Dec 2004	Prod. dept	71	148	228	265	712	246 X22=5,412
	Adm. dept	14	13	5	17	49	49 X 22=1,078
Jan. 2005	Prod. dept	47	235	199	242	723	246 X22=5,412
	Adm. dept	8	6	13	24	51	49 X 22=1,078

	Prod. dept	51	127	207	328	713	246 X 22=5,412
Feb 2005	Adm. dept	8	19	12	14	53	49 X 22=1,078
	Prod. dept	87	215	179	242	723	246 X 22=5,412
Mar 2005	Adm. dept	5	22	9	16	52	49 X 22=1,078

Source: Administration Department

Here two major departments have been taken for 24 months of the detail analysis of rate of absenteeism in the case organization because the procedures followed to compute labor absenteeism is the same for the remaining three departments. However, in the two years summary of labor absenteeism rate all the five departments have been taken for analysis and comparison.

From the table we can see that there are different reasons for labor absenteeism as per the data collected from the attendance sheet of the organization under study. The major reasons for labor absenteeism as stipulated in the table are sick leave, permission, special permission and also unauthorized or uncertified absentees.

The quantitative methods for computing rate of absenteeism for the enterprise under investigation using lost time rate is discussed below: However, to obtain comparable data from all the departments, absences of less than a day (tardiness) is not included, and;

$$\text{Absenteeism Rate} = \frac{\text{Total absence days during the month}}{\text{Possible total man-days in the period}} \times 100$$

Detail computations of the monthly basis of Labor Absenteeism for the time period covering from April 2003 up to March 2005 are presented below:

1. April 2003

1. During the Month of April 2003, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.17% (713/5,412 X 100). This was the rate of

labor absenteeism for the production department for the month of April 2003. Here the lost time due to all reasons of absentees was 713 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

2. During the Month of April 2003, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.82% ($52/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of April 2003. Here the lost time due to all reasons of absentees was 52 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

2. May 2003

3. During the Month of May 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

248 employees X 22 working days per month = 5,456 of which the rate of labor absenteeism was 12.83% ($700/5,456 \times 100$). This was the rate of labor absenteeism for the production department for the month of May 2003. Here the lost time due to all reasons of absentees was 700 days and the possible total man-days scheduled during the month was 5,456 computed as 248 employees X 22 working days per month.

4. During the Month of May 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of May 2003. Here the lost time due to all reasons of absentees was 53 days and the

possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

3. June 2003

5. During the Month of June 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

244 employees X 22 working days per month = 5,368 of which the rate of labor absenteeism was 13.38% ($718/5,368 \times 100$). This was the rate of labor absenteeism for the production department for the month of June 2003. Here the lost time due to all reasons of absentees was 718 days and the possible total man-days scheduled during the month was 5,368 computed as 244 employees X 22 working days per month.

6. During the Month of June 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.64% ($50/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of May 2003. Here the lost time due to all reasons of absentees was 50 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

4. July 2003

7. During the Month of July 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.05% ($706/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of July 2003. Here the lost time due to all reasons of absentees was 706 days and

the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

8. During the Month of July 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.73% ($51/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of July 2003. Here the lost time due to all reasons of absentees was 51 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

5. August 2003

9. During the Month of August 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

244 employees X 22 working days per month = 5,368 of which the rate of labor absenteeism was 13.0% ($698/5,368 \times 100$). This was the rate of labor absenteeism for the production department for the month of August 2003. Here the lost time due to all reasons of absentees was 698 days and the possible total man-days scheduled during the month was 5,368 computed as 244 employees X 22 working days per month.

10. During the Month of August 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of August 2003. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

14. During the Month of October 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.64% ($50/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of October 2003. Here the lost time due to all reasons of absentees was 50 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

8. November 2003

15. During the Month of November 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

244 employees X 22 working days per month = 5,368 of which the rate of labor absenteeism was 13.47% ($723/5,368 \times 100$). This was the rate of labor absenteeism for the production department for the month of November 2003. Here the lost time due to all reasons of absentees was 723 days and the possible total man-days scheduled during the month was 5,368 computed as 244 employees X 22 working days per month.

16. During the Month of November 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.73% ($51/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of November 2003. Here the lost time due to all reasons of absentees was 51 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

9. December 2003

17. During the Month of December 2003, the total number of employees scheduled to work in the production department and the rate of labor absenteeism can be calculated as follows:

248 employees X 22 working days per month = 5,456 of which the rate of labor absenteeism was 13.16% ($718/5,456 \times 100$). This was the rate of labor absenteeism for the production department for the month of December 2003. Here the lost time due to all reasons of absentees was 718 days and the possible total man-days scheduled during the month was 5,456 computed as 248 employees X 22 working days per month.

18. During the Month of December 2003, the total number of employees scheduled to work in the administration department and the rate of absenteeism can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for the administration department for the month of December 2003. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

10. January 2004

19. During the Month of January 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.17% ($713/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of January 2004. Here the lost time due to all reasons of absentees was 713 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

20. During the Month of January 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.36% ($47/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of January 2004. Here the lost time due to all reasons of absentees was 47 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

11. February 2004

21. During the Month of February 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.11% ($706/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of February 2004. Here the lost time due to all reasons of absentees was 706 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

22. During the Month of February 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of February 2004. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

12. March 2004

23. During the Month of March 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.14% ($711/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of March 2004. Here the lost time due to all reasons of absentees was 711 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

24. During the Month of March 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.82% ($52/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of March 2004. Here the lost time due to all reasons of absentees was 52 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

13. April 2004

25. During the Month of April 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.16% ($712/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of April 2004. Here the lost time due to all reasons of absentees was 712 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

26. During the Month of April 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.29% ($57/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of April 2004. Here the lost time due to all reasons of absentees was 57 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

14. May 2004

27. During the Month of May 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.36% ($723/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of May 2004. Here the lost time due to all reasons of absentees was 723 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

28. During the Month of May 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of May 2004. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

15. June 2004

29. During the Month of June 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.23% ($716/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of May 2004. Here the lost time due to all reasons of absentees was 716 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

30. During the Month of May 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of May 2004. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

16. July 2004

31. During the Month of July 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.42% ($726/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of July 2004. Here the lost time due to all reasons of absentees was 726 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

32. During the Month of July 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.55% ($49/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of July 2004. Here the lost time due to all reasons of absentees was 49 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

17. August 2004

33. During the Month of August 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.21% ($715/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of August 2004. Here the lost time due to all reasons of absentees was 715 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

34. During the Month of August 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.55% ($49/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of August 2004. Here the lost time due to all reasons of absentees was 49 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

18. September 2004

35. During the Month of September 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.34% ($722/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of September 2004. Here the lost time due to all reasons of absentees was 722 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

36. During the Month of September 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.45% ($48/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of September 2004. Here the lost time due to all reasons of absentees was 48 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

19. October 2004

37. During the Month of October 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.11% ($709/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of October 2004. Here the lost time due to all reasons of absentees was 709 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

38. During the Month of October 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.55% ($49/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of October 2004. Here the lost time due to all reasons of absentees was 49 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

20. November 2004

39. During the Month of November 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.05% ($706/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of November 2004. Here the lost time due to all reasons of absentees was 706 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

40. During the Month of November 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.36% ($47/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of November 2004. Here the lost time due to all reasons of absentees was 47 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

21. December 2004

41. During the Month of December 2004, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.16% ($712/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of December 2004. Here the lost time due to all reasons of absentees was 712 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

42. During the Month of December 2004, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.55% ($49/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of December r 2004. Here the lost time due to all reasons of absentees was 49 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

22. January 2005

43. During the Month of January 2005, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.36% ($723/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of January 2005. Here the lost time due to all reasons of absentees was 723 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

44. During the Month of January 2005, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.73% ($51/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of January 2005. Here the lost time due to all reasons of absentees was 51 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

23. February 2005

45. During the Month of February 2005, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.17% ($713/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of February 2005. Here the lost time due to all reasons of absentees was 713 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

46. During the Month of February 2005, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.92% ($53/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of February 2005. Here the lost time due to all reasons of absentees was 53 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

24. March 2005

47. During the Month of March 2005, the total number of employees scheduled to work in the production department can be calculated as follows:

246 employees X 22 working days per month = 5,412 of which the rate of labor absenteeism was 13.36% ($723/5,412 \times 100$). This was the rate of labor absenteeism for the production department for the month of March 2005. Here the lost time due to all reasons of absentees was 723 days and the possible total man-days scheduled during the month was 5,412 computed as 246 employees X 22 working days per month.

48. During the Month of March 2005, the total number of employees scheduled to work in the administration department can be calculated as follows:

49 employees X 22 working days per month = 1,078 of which the rate of labor absenteeism was 4.82% ($52/1,078 \times 100$). This was the rate of labor absenteeism for administration department for the month of March 2005. Here the lost time due to all reasons of absentees was 51 days and the possible total man-days scheduled during the month was 1,078 computed as 49 employees X 22 working days per month.

As can be clearly seen from the computation that there was high rate of labor absenteeism in the production department than the administration department which may be caused by several factors such as unfavorable working conditions (absence of conducive working atmosphere), redundancy of work, lack of motivation and the like widely discussed in the previous chapters. The rate of labor absenteeism ranges from 12.83% to 13.38% in the production department and it ranges from 4.36% to 4.92%

Table 5.2 Two years summary of Absentees for the periods from Apr. 2003-Mar. 2005

Departments	Reasons for Absenteeism					Man-days Scheduled To work	Rate of Absenteeism in %
	Sick	Permission	Special permission	Unauthorized absence	Total		
Production	1,296	2,974	5,002	7,854	17,136	129,888	13.2
Adminitrn	122	528	208	384	1,242	25,872	4.8
Commercial	62	86	39	192	379	19,008	2.0
Finance	38	72	42	188	340	13,200	2.6
Technique	42	45	94	206	387	15,312	2.5
Total	1,560	3,705	5,385	8,824	19,484		

Source: Administration Department: -Attendance sheet & Work schedule

From the table if we see reasons for labor absenteeism one by one for all the departments, the following can be said.

1. During the two selected year, total number of days scheduled to work in production department can be calculated as 129,888 working days = 146 employees X 22 working days per month X 24 months of the two year, in which the rate of absenteeism in the production department became $17,136 / 129,888 \times 100 = 13.2\%$

The following results are details for each reason of absenteeism in the production department:

- ❖ The rate of absenteeism due to sickness for department's employee during the year was calculated as $1,296 / 129,888 \times 100 = 1\%$
- ❖ The rate of absenteeism due to permission accounts 2.3%, calculated as follows: $- 2,974 / 129,888 \times 100$.

- ❖ The rate of absenteeism due to special permission accounts 3.8%, calculated as follows: - $5,002/129,888 \times 100$.
- ❖ The rate of absenteeism due to unauthorized absence accounts 6.1%, calculated as follows: - $7,864/129,888 \times 100$.

2. During the two selected year, total number of days scheduled to work in administration department can be calculated as $25,872 = 49 \text{ employees} \times 22 \text{ working days per month} \times 24 \text{ months of the two year}$, in which the rate of absenteeism in the department became $1242/25,872 \times 100 = 4.8\%$

The following results are details for each reason of absenteeism in the administration department:

- ❖ The rate of absenteeism due to sickness for administration department's employee during the year was calculated as $122/25,872 \times 100 = 0.47\%$
- ❖ The rate of absenteeism due to permission accounts 2.04%, calculated as follows: - $528/25,872 \times 100$.
- ❖ The rate of absenteeism due to special permission accounts 0.8%, calculated as follows: - $208/25,872 \times 100$.
- ❖ The rate of absenteeism due to unauthorized absence accounts 1.5%, calculated as follows: - $384/25,872 \times 100$.

3. During the two selected year, total number of days scheduled to work in commercial department can be calculated as $19,008 = 36 \text{ employees} \times 22 \text{ working days per month} \times 24 \text{ months of the two year}$, in which the rate of absenteeism in the department became $379/19,008 \times 100 = 2.0\%$

The following results are details for each reason of absenteeism in the commercial department:

- ❖ The rate of absenteeism due to sickness for administration department's employee during the year was calculated as $62/19,008 \times 100 = 0.3\%$
- ❖ The rate of absenteeism due to permission accounts 0.5%, calculated as follows: - $86/19,008 \times 100$.

- ❖ The rate of absenteeism due to special permission accounts 0.2%, calculated as follows: $- 39/ 19,008 \times 100$.
 - ❖ The rate of absenteeism due to unauthorized absence accounts 1.0%, calculated as follows: $- 192/19,008 \times 100$.
4. During the two selected year, total number of days scheduled to work in financial department can be calculated as $13,200 = 25$ employees $\times 22$ working days per month $\times 24$ months of the two year, in which the rate of absenteeism in the department became $340/13,200 \times 100 = 2.6\%$

The following results are details for each reason of absenteeism in the commercial department:

- ❖ The rate of absenteeism due to sickness for administration department's employee during the year was calculated as $38/13,200 \times 100 = 0.3\%$
 - ❖ The rate of absenteeism due to permission accounts 0.6%, calculated as follows: $- 86/13,200 \times 100$.
 - ❖ The rate of absenteeism due to special permission accounts 0.3%, calculated as follows: $- 39/ 13,200 \times 100$.
 - ❖ The rate of absenteeism due to unauthorized absence accounts 1.4%, calculated as follows: $- 192/13,200 \times 100$.
5. During the two selected year, total number of days scheduled to work in technique department can be calculated as $15,312 = 29$ employees $\times 22$ working days per month $\times 24$ months of the two year, in which the rate of absenteeism in the department became $387/15,312 \times 100 = 2.5\%$

The following results are details for each reason of absenteeism in the commercial department:

- ❖ The rate of absenteeism due to sickness for administration department's employee during the year was calculated as $42/15,312 \times 100 = 0.3\%$
- ❖ The rate of absenteeism due to permission accounts 0.3%, calculated as follows: $- 45/15,312 \times 100$.

- ❖ The rate of absenteeism due to special permission accounts 0.6%, calculated as follows: $- 94 / 15,312 \times 100$.
- ❖ The rate of absenteeism due to unauthorized absence accounts 1.3%, calculated as follows: $- 206 / 15,312 \times 100$.

As per data analyzed, the overall rate of labor absenteeism for all departments for the two years of investigation (covering the period from March 2003 up to the month of April 2005) was **5.02%** i.e. $13.2\% + 4.8\% + 2.0\% + 2.6\% + 2.5\% = 25.1\%$ divided by 5 = 5.02%

Since the rate of labor absenteeism in the production department is as high as **13.2%** on an average for the two years of investigation which is very serious management should take measures to lower it to acceptable level. The **5.02%** average rate of labor absenteeism for the whole organization is still out of the tolerable limit as compared to the printing industry of the **1.8%** rate. Hence, here also intervention is required to curb the problem.

The facts from the table as calculated above showed that, there was high absenteeism rate in the production department than all other departments in all variables such as sickness, permission, special permission and unauthorized reasons. This may be caused by many factors as unfavorable working environment, redundancy of work, or administration factors or incentives and the like.

6. Innocent rate of absenteeism from the total absenteeism accounts to 54.7% ($10,660 / 19,484 \times 100$), while culpable absenteeism rate was 45.3% ($8,824 / 19,484 \times 100$). This really suggests that most of the employees absence was almost caused by compulsive factors such as sickness, annual leave, maternal leave, funeral ceremony, marriage, and other social affairs and obligations.

Whereas 45.3% of culpable absenteeism was not shown the real reason behind that absenteeism, it can be suggested that it might be caused by boredom, job dissatisfaction either by working conditions or management, personal factors such as age, marriage or other social and economical conditions. As hypothesized, job dissatisfaction of employees becomes the result of such absenteeism, which is

revealed by the data collected and analyzed. To compensate the lost time by unauthorized absences, enterprise utilized 10 temporary employees (or 10 employees X 22 days per month X 24 months = 5,280 man days) during the two year of investigation that might be unnecessary expenses for the enterprise. As per the data obtained from finance department it costs the organization Birr 42,240.00 for the two years under study.

5.2 Impact of Labor Absenteeism on Production

Production of books constitute lions share among the types of products of the case enterprise because of the huge orders received from Regional Education Bureaus of several Regional States namely Oromia (Region), Amhara (Region 3), and so on.

Hence the analysis is based on the orders received from customers for the production of different sizes and numbers of books.

To see the impact of absenteeism on the case-enterprise’s production, data is given on the following table.

Table 5.3 Summary Work Schedule of the Enterprise for the year 2003 and 2004

Total Production Per two year	Working days per two year (Scheduled)	Worked days per two year (actual)	Lost days Per two year
2,101,790 books	246 workers X 22 days per month X 24 months 129,888 man-days	112,752 man-days	17,136 man- days

Source: Production Department work schedule and table 5.2 above

Our assumption here is the production of average size and average number of pages of books that can be produced per month.

$$\begin{aligned}
 \text{Production per day} &= \frac{\text{Total Production per two year}}{\text{Total Man-days Worked}} \\
 &= \frac{2,101,790}{112,752} \\
 &= 19 \text{ books per day}
 \end{aligned}$$

$$\begin{aligned} \text{Total production lost} &= \text{production per day X total man-days lost per two years} \\ &= 19 \text{ books X } 17,136 \\ &= 325,584 \text{ books per two years} \end{aligned}$$

Here you can see that the hypothesis of the indirect relation ship between production and absenteeism is realized. The higher the rate of absenteeism the lower the production quantity produced.

If the total scheduled working days was practically implemented without lost days through absences, however the organization under study's production department could produce 2,467,872 different sizes of books in two years of investigation (19 books X129, 888 man-days of scheduled days). But the worked days during the two year to produce 2,101,790 books was 112,752 man-days, that means out of 129,888 man-days scheduled, 17,136 man-days was lost due to absenteeism of either types. Books produced in number per day as calculated above, based on the orders received is 19 books. Thus, during the two-year, total working days lost 17,136 man-days, which resulted in 325,584 books (19 books per day X17, 136 man-days) loss per two year. This is the evidence of the direct impact of labor absenteeism on the production and productivity of the case enterprise. Therefore, the effect of each absenteeism variable, due to sickness, permission, special permission and unauthorized reason on the production of the enterprise can be seen as follows.

o Sickness

From the two-year attendance sheet, 1,296 man-days were lost due to sickness resulting in the loss of 24,624 books of different size per two years of investigation (computed as 19 books per day X 1,296 man-days lost). Particularly, the problems become more sever from the viewpoint of absentees, because around 83.1% (1,296 man-days lost is divided by 1,560 man-days lost due to sickness in all the five departments) of the sick were from the production employees.

○ **Permission**

Absenteeism due to permission was as specified in the labor union and the enterprise agreement. To see the impact of permission on production and productivity during the selected year (Apr. 2003/ Mar. 2005) 2,974 man-days was lost which implies loss of 56,505 books (19 books X 2,974 man-days lost). Here also 80.3% of the absence was from employees of the production department.

○ **Special permission**

Under this variable factor of absenteeism, absentees for labor union meeting and funeral ceremony account the lion's share. The case enterprise of course has taken a good measure with the trade union by reducing the working days lost for funeral ceremony of the member, which was closing the enterprise for the whole day previously, to 10 employees only to participate through agreement with the union on the absenteeism policy. The case enterprise can still lose, 95,038 books of different sizes (19 books per day X 5,002 days). Here also 92.9% of the absence was from employees of the production department, which have direct contact with the production process.

○ **Unauthorized absence**

In the attendance sheet, employees absent with out permission and with out recognition by the administration department are summed up and called absentees with unknown reason. Due to this absence, the case enterprise might lose 149,226 books of different sizes (computed as 19 books per day X 7,854 man-days lost). Here also 89.1% of the absence was from employees of the production department.

5.3 Measures taken to reduce Labor Absenteeism

Table 5.4 Responses on measures taken to reduce labor absenteeism

Item	Number	Percentage
◆ Do the enterprise take any measure to reduce labor absenteeism?		
a) Yes	6	5
b) No	78	65
c) Do not know	36	30
Total	120	100

As can be seen from table 4.14 above, 78 employees or (65%) respondents said that the enterprise does not take any measure to minimize labor absenteeism; 36 employees or (30%) and 6 employees or (5%) respondents replied that they do not know and the enterprise has taken measure to reduce its labor absenteeism respectively. The 5% of the respondents, who answered that the enterprise has taken measure, forwarded that the measure taken was the current salary increment. Despite the respondents replay, 5% is not as such influential figure to say that the enterprise has taken measure to reduce the magnitude of the problem.

The greatest number of the respondents, 78 employees (65%) responded that the enterprise do not take any measure to reduce rate of labor absenteeism. owing to this figure it can be concluded that APE doesn't experience any measure. Therefore, the researcher forwarded possible measures to be taken to reduce the enterprise's labor absenteeism in the recommendation section of chapter six of this study.

Chapter Six

Summary, Conclusions and Recommendations

This chapter consists of three parts namely summary, conclusions and recommendations. In the summary part, the findings of the study are presented. The conclusion section reveals the implication of the findings presented in the summary part. Finally, recommendations are forwarded to minimize the problem of labor absenteeism in the case enterprise based on conclusions drawn from facts and findings.

6.1 Summary

Labor absenteeism is considered to be one of the major problems of human resource management as described in the conceptual approach of the paper. Even though the rate of labor absenteeism widely varies among countries and even within a country at different industries and organizations, its existence is undeniable fact. Innocent or involuntary labor absenteeism, which is not under the employee's control like sickness and injury could happen at any time and place. The culpable or voluntary absenteeism, which is unauthorized absence of employees without good reason or which is under the employee's control, also occurs in an organization. Authorized absence of employees due to many reasons is also another problem that induced the firm to have reserve employees to replace the absent workers.

In this regard, though the case enterprise managers could not see the impact of labor absenteeism on production and productivity, from this study, however the problem was found to be crucial as it was seen its impact in the production of the enterprise. As observed from the enterprise's attendance sheet, absences due to permission, which includes sick leave, annual leave, personal and family related permission; special permission, which also includes, labor union meeting and permission for funeral, and unauthorized absences were the major attendance problems observed in the organization under study.

As the data collected and analyzed indicated that reflects organizational factors as causes of labor absenteeism, the needs of employees in promotion program are not fully satisfied. Although the principals believe that promotion plays a significant role in the enterprise, the enterprise is less efficient in promoting its employees to their best levels. APE demotes its employees non-voluntarily for their wrongdoing and lack of efficiency on their works. In general, responses on the workers desire to perform best in the enterprise indicates that the large majority of respondent have negative attitude towards the enterprise's working conditions.

There is strict control and close supervision on the workers of APE. Further, most of the respondents did not agree that the enterprise administrators are permissive and friendly. This reveals that the administrative staff belief that workers are not responsible to carry out their professional duty and less mature. The administrative staff are exercising passing of orders and instructions to get things done. The majority of the principals and workers respondents confirmed that the principals exercise control to a high degree over delegates. The study indicated that because the great majority of the principals of APE emphasize on using downward communication, the extent of upward and horizontal communication is very low. According to the administrative group responses, all of the workers who contributed more have not been rewarded. Most of the respondents repaired that the salary they get is not satisfactory in relation to other employees of the same qualification and experience in other organizations.

6.2. Conclusions

The following conclusions are drawn based on facts and findings of the study:

- The overall average rate of labor absenteeism of the organization under study for the two consecutive years of the period from April 2003 up to March 2005 was 5.02%, and it is very high as compared to that of printing industry's average 1.8%.
- The absentees' rate in the production department was 13.2%, which could have more impact on production and productivity due to their direct contact with the production process.

- Thee production department loss 325,584 books of different size in the investigated periods of 24 months or with in two year.
- There is also additional cost of Birr 42,240.00 for hiring additional temporary and contract workers to replace the absentees to fulfill customers' order timely.
- Wise promotion contributes greatly to the strength and morale of a business organization. Sound promotion decisions also save the organization from mistakes, which are very difficult to correct. But when promotion is accomplished wrongly, it is a blow to the employees' morale. During the investigation period (2003 & 2004) of the promotion program candidates, APE promoted bellows the average (50%). This creates dissatisfaction of employees that leads to excessive labor absenteeism.
- The reasons of demotion in APE are unsatisfactorily performance and failure to satisfactorily complete a probationary period in a promotional position. Such demotions increase employee dissatisfaction since these demoted employees do not accept their failure.
- As the great majority of the respondents don not happy with existing managerial practices of the enterprise, productivity and efficiency are decreasing.
- Feeling of superiority on the part of the enterprise administrations and treating workers as inferiors doesn't only frustrate workers but also increases customers' doubt of the workers' worth and there by lower workers' morale. This in turn aggravates the rate of absenteeism in the enterprise.
- If delegation is made with reasonable discretion to act, it will benefit both the enterprise and the delegates. However, despite their appreciable strength in delegating work-mates, the majority of the principals exercise excessive control over delegates, and this has a negative impact on the performance of the workers.
- Communication between and among the enterprise personnel is supposed to be highly contributory in satisfying the needs and in solving the problems of the enterprise and their employees. This will come to an effect if and when principals encourage and support the smooth flow of ideas within the enterprise community. Nevertheless, principals are observed persistently using downward communication giving very little concern in encouraging the effectiveness of upward and horizontal communications.

- The policy for rewarding which limits the rewards to one or two workers while more are supposed to deserve have affected workers devotion to their work lowering their morale.
- The salary of the workers is low as well as poor, and doesn't motivate workers to perform and create satisfaction in their jobs. The salaries they earn do not satisfy the majority of the enterprise workers. This is due to the reason that their salaries are not adequate and sufficient as compared to other similar organizations.

6.3. Recommendations

In order to alleviate the problems of labor absenteeism in the case enterprise, the following recommendations are forwarded based on the conclusion and analysis made:

- ⊕ The administration and the concerned authorities are advised to implement the labor unions agreement on absenteeism policy to reduce the rate of labor absenteeism from the existing rate,
- ⊕ Since the rate of labor absenteeism in the production department is as high as **13.2%** on an average for the two years of investigation which is very serious management should take measures to lower it to acceptable level.
- ⊕ The **5.02%** average rate of labor absenteeism for the whole organization is still out of the tolerable limit as compared to the printing industry of the 1.8% rate. Hence, here also intervention is required to curb the problem.
- ⊕ Concerned management should conduct base-line survey to find out the real causes of labor absenteeism so as to take corrective administrative measures,
- ⊕ The case enterprise is advised to prepare proper incentives to those who register a good record of attendance sheet so as to reduce rate of labor absenteeism,
- ⊕ The management of personnel and finance should also be advised to allocate budget for absenteeism in replacing those absentees in any reason,

- ✦ APE should consider the following points during promotion program.
 - The criteria and methods of promotion must be fair and usually comprise a combination of ability, relevant experience.
 - Managers must base the selection for promotion on appraisals.
 - The wage or salary offered to the promoted employee must be what the job deserves rather than what the management thinks he/she will accept.
 - Unsuccessful candidates must be sympathetically treated.
 - There must be no discrimination.

- ✦ The enterprise should take other measures such as training and workshop in order to take corrective action rather than demotion.

- ✦ The reason why employees' become absent from their regular job should be studied thoroughly and decisions have to be made to curb down the trend. The enterprise should give due attention particularly to production department to tackle the problem of labor absenteeism.

- ✦ The administrative staff should have human relations skills and the manner in which orders and instructions that can affect workers morale should also be taken care off. Furthermore, they should narrow the gap between their position and that of the workers.

- ✦ Once principals decided on who is to be delegated, they should not continue on inspecting delegates on the reasoning that they will not do the task in a way delegates want. Instead, they ought to be opening minded to accept the outcome of the job, done in different ways, provided that the required qualities and objectives are attained. Hence, it will be helpful if authority delegated were commensurate to responsibility assigned.

- ✦ In order to maintain a favorable working environment, it seems useful, and is commendable, if principals highly encourage worker-initiated and horizontal communication, without ignoring the effectiveness of downward communication of course.

- Upward communication enables the workers to communicate their feelings, ideas and opinions with the administration. This can further be effected if principals are willing to encourage the workers to communicate using grievance procedures, participative techniques, open-door-policy, and so on, which may reduce employee absenteeism by increasing workers participation.
 - Lateral communication can be promoted if employees belonging to different departments, committees and clubs are encouraged to come together to resolve conflicts, solve problems and to share information.
 - Although the importance of downward communication is always emphasized to communicate the rationale of the job, too much of it, however, will amount to inhabit the efficiency of upward and lateral communication. Hence, it has to be utilized if and when management wants to.
- ✦ The existing practices of rewarding system have discouraged workers. Thus, it should be revised and every one who meets the criteria must be rewarded.
- ✦ An attempt should be made by the enterprise administrative personnel not only to solve the enterprise's problems but also workers personal problems too. These in other way encourage workers to boost their morale and good interpersonal relationship between the workers will flourish thereby reduce dissatisfaction.

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**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
MBA PROGRAM**

Annex:-I

General instruction

This questionnaire is to be filled by both management and non-management staff or employees.

Objective of the questionnaire

This questionnaire is designed to gather data on labor absenteeism in Artistic Printing Enterprise (APE). The purpose of this study is purely academic and in no way affect you personally or organizationally. Therefore, your genuine, frank and timely responses are quite vital to determine the success of the study. Hence, I kindly request your contribution in filling the questionnaire honestly and responsibly.

How to fill the questionnaire

1. No need of writing your name on the questionnaire
2. The questionnaire consists of two types of questions. Close-ended or multiple choice and Open-ended questions.

2.1 Close-ended questions

- Two or more options are provided. Choose what you think is the appropriate response among the given options.
- Indicate your response by putting an "X" mark in the space provided.
- You may find options to some questions the term "other (specify)", if your responses are entirely or partially different from the options provided, please write your responses in the space provided after the term "other (specify)".

2.2 Open-ended questions

- There are questions that you are required to respond by writing any opinion you feel on the space provided.
- Read each of these questions carefully and then write what you believe is appropriate response in the space provided at the end of the questions.

I hope that you will provide appropriate responses to the questions included in the questionnaire in accordance with guidelines mentioned above.

Thank you in advance for your cooperation!!

Section I: Background Information about Respondents

Indicate your response by putting (X) mark on the space provided.

- | | | | |
|--|--------------------------------|-------|--------------------------|
| 1. Your current Position: | Management | Staff | <input type="checkbox"/> |
| | Employee | | <input type="checkbox"/> |
| 2. Your previous Position: | Management | Staff | <input type="checkbox"/> |
| | Employee | | <input type="checkbox"/> |
| 3. Your age falls in? | 20-30 years of age | | <input type="checkbox"/> |
| | 31-40 years of age | | <input type="checkbox"/> |
| | 41-60 years of age | | <input type="checkbox"/> |
| 4. Sex | Male | | <input type="checkbox"/> |
| | Female | | <input type="checkbox"/> |
| 5. Education qualification | Below grade 9 | | <input type="checkbox"/> |
| | Grade 9-12 | | <input type="checkbox"/> |
| | Certificate | | <input type="checkbox"/> |
| | Diploma | | <input type="checkbox"/> |
| | 1 st Degree | | <input type="checkbox"/> |
| | 2 nd degree & above | | <input type="checkbox"/> |
| 6. Your total years of service in the enterprise | 0-5 years | | <input type="checkbox"/> |
| | 6-10 years | | <input type="checkbox"/> |
| | 11-20 years | | <input type="checkbox"/> |
| | Beyond 21 years | | <input type="checkbox"/> |

Section II Main Research Questions

Part One: - Questions Forwarded to both Management Staff and Employees

Below you will find a number of statements representing opinions regarding several aspects of management's practices. Please kindly tick your own position on the scale indicating your agreement or disagreement on the statements.

Statements

1. Workers desire toward their job absence; Select any two in order of priority: -

- | | |
|--|--------------------------|
| A) Willing to avoid voluntary or culpable absence | <input type="checkbox"/> |
| B) Be absent and willing to accept disciplinary action other than discharge | <input type="checkbox"/> |
| C) Be absent and produce fake evidence for justification | <input type="checkbox"/> |
| D) Be absent and wait for discharge of the disciplinary action owing to alternatives | <input type="checkbox"/> |

2. Workers perception of the existing leadership style in their enterprise; Select any three in order of priority: -

- | | |
|---|--------------------------|
| A) The administration staffs consider themselves superior | <input type="checkbox"/> |
| B) They strictly control and closely supervise | <input type="checkbox"/> |
| C) They give freedom of work and create conducive the working environment | <input type="checkbox"/> |
| D) They are laissez-faire | <input type="checkbox"/> |
| E) They are friendly | <input type="checkbox"/> |

3. Delegation of authority and participation of staff in decision-making process;

- | | |
|---|--------------------------|
| A) Do principals delegate authority? Questions forwarded to principals of the enterprise: - | <input type="checkbox"/> |
| a. Yes | <input type="checkbox"/> |
| b. No | <input type="checkbox"/> |
| c. No Response | <input type="checkbox"/> |

B) If "yes", what is the extent of the principals' control over it?

- a. High
- b. Average
- c. Low
- d. No response

4. Delegation of authority and participation of staff in decision-making process: -

A) Do principals delegate authority? Questions forwarded to employees of the enterprise

- a. Yes
- b. No
- c. No Response

B) If "yes", what is the extent of the principals' control over it?

- a. High
- b. Average
- c. Low
- d. No response

5. Communication of Principals with Workers

A) Principals direct the workers by telling them what, when, why and how to do

- a. High
- b. Average
- c. Low

B) Frequency of accepting questions, suggestions and comments by principals from the workers

- a. Always
- b. Sometimes
- c. Not at all

C) Extent of encouragement given by principals regarding communication between and among departments, committees and clubs.

a. High

b. Average

c. Low

d. Never

D) Principals' application of grapevines to workers' need and problems

a. High

b. Average

c. Low

d. No effort

6. System of rewarding: -

A) All workers who contribute more are rewarded

B) Although many were registered for more contribution, few were rewarded

C) No response

7. Attitudes of employees with regard to salary: -

A) The impact of current salary increment and/or other fringe benefits on performance and productivity;

a. High

b. Average

c. Low

B) The salary you have got in relation to employees in other organizations with similar qualification and experience

a. High

b. Average

c. Low

8. Attitudes of employees towards job design of the enterprise: -

a. Good

b. Poor

9. Do the enterprise take measure to reduce labor absenteeism?

a. Yes

b. No

c. Do not know

10. Situation of organizational culture

a) Excellent

b) Very good

c) Good

d) Poor

Part Two: - Forwarded to Management Staff

❖ The Procurement Function

1) Do you think your procurement procedure in the determination of manpower requirements such as recruitment, selection, placement, induction, follow-up, transfers, layoff, discharge and separation are strictly followed?

Yes-----

No-----

Sometimes-----

If your response for question #1 above is "NO" or "Sometimes" what is your justification? -----

❖ **The Maintenance Function**

2) What is the working condition of your enterprise? (Good, favorable, not bad, excellent, etc.)

3) What is the working culture or tradition in your enterprise? (During local holidays, customer handling, group behavior, associations).

4) How is the level of health and safety measures in your enterprise (well insured, partially insured, clean and safe environment, etc.)?

5) In what ways does labor absenteeism affect your enterprise?

- a. Excessive overhead
- b. Delayed production time
- c. Disruption of flow of work
- d. General dissatisfaction
- e. Other (specify)

❖ **The Integration Function**

6) How do you manage your employees? (Traditional style, modern style, etc.)

7) Do you make your employee participate in decision- making process

Yes-----
No-----
Some times-----

8) If your response to question # 14 is "No" what is your justification?

9) Are systems and methods fully understood and thought to be fair to all employees of the enterprise?

Yes-----

No-----

If your response to question #9 above is "No", what is your justification? -----

10) Do workers feel they are "kept in the picture" about the new orders, product innovation, new equipment, management change, participation in decision making, etc.? Is there an effective communication system or does everyone relay on the "grapevine"?

11) Is there a proper disciplinary procedure, known to everyone of the enterprise? Are managers and supervisors given adequate training in its use and do senior managers support them in applying it?

❖ **The Compensating Function**

12) Is there an incentive system established so far to encourage your performance?

If yes please specify -----

If no please specify -----

Is there fair and objective based evaluation system in the enterprise?

Yes-----

No-----

❖ **The Development Function**

13) Is there a planned program of training or training policy for employees so that their efficiency can rise?

14) Are managers and supervisors adequately trained? Are they competent to deal with the human aspects, as well as the technical requirements of their job?

15) Does the labor absenteeism problem extend throughout the whole production department such as pre-pressing section, printing section or binding section or does it confine to one or two section(s) of the department?

16) Does the labor absenteeism in the production department go with the difficulties of mastering the job either due to lack of skill the utilization of equipment or due to hazardous working conditions? Is there technical training inside (on the job training) as well as outside the enterprise. External training like productivity Improvement Center.

Part Three: - Forwarded to employees

I) Organizational factors

1. Do you think that your supervisor
 - a) Considers individual behavioral difference?
 - b) Considers you to be slave to organizational rules and regulations?
 - c) Is work oriented or people oriented?
 - d) Other specify

2. In your opinion what do you think is the real causes for labor absenteeism in your enterprise? Is it Organizational causes such as Dissatisfaction with the job and/or with the supervisor or absence of attendance incentives or Personal such as Health situation, Family situation or problem of transportation?

3. Are you paid enough for the work you perform? If "yes" in what ways and if "No" state your reasons
Yes-----

No-----

4. Do you feel overworked? What are the statuses of equipment you are working with currently? Are you comfortable with the tools and equipment you are operating?
Yes-----

No-----

5. How do you feel about your enterprise or are you proud of your enterprise?
Yes-----

No-----

6. Do you think your enterprise offers appropriate opportunities for advancement?

Yes-----

No-----

II) Personal factors

1. What type of absence mostly encountered you? Permission, which include sick leave, annual leave, special permission, which includes labor union meeting and permission for funerals?

Specify-----

2. What personal factors affect you most of the time for the absences you confront among the following: Mention any three in order of their priority.

a) Health problem? -----

b) Family problem? -----

c) Transportation problem? -----

d) Other specify-----

3. As per both personal and organizational factors that affect labor absenteeism, what do you recommend to minimize the rate of absenteeism and thereby improve productivity?

Annex:- II
Organizational Structure of the APE

