CAUSE AND CONSEQUENCE OF EMPLOYEE ABSENTEEISM (IN THE CASE OF WOLKITE TOWN ELECTRIC POWER UTILITY)

THIS SENIOR ESSAY SUBMITTED TO THE DEPARTMENT OF MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF BACHEELOR OF ARTS DEGREE (BA) IN MANAGEMENT

PREPARED BY MULUGETA TEHERI

ADVISOR: Mr. FUAD HUSSEIN (MA)



WOLKITE UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTEMENT OF MANAGEMENT

DECEMBER 2020

WOLKITE, ETHIOPIA

Table of content

Table of content i
List of figures and tables iii
ACKNOWLEDGMENT iv
ABSTRACT v
CHAPTER ONE 1
INTRODUCTION 1
1.1 Background of study 1
1.2 Background of the Organization 1
1.3. Statement of the Problem 2
1.4. Research questions 3
1.5 Objectives of study 3
1.5.1 General objective 3
1.5.2 Specific objective 4
1.6 Scope of the Study 4
1.7 Signifiances of the Study 4
1.8 Limitation of the study 4
1.9 Organization of the Paper 4
CHAPTER TWO 5
LITERATURE REVIEW 5
2.1 Introduction 5
2.2 Concept of Absenteeism 5
2.3 Classification of Absentéisme 7
2.4 Cause of Absenteeism 8
2.5 Timing, Measurement and Length of Absence 9
2.6 Theories Relevant to Absenteeism 11
2.7 Job satisfaction 12
2.8 Adverse effect of absenteeism 13
2.9 Employees Benefits and Service 13
2.9.1 Type of employee Benefit and Service 13
2.10 Empirical review 14

2.11 Gaps of the Study 15
CHAPTER THREE 17
Methodology 17
3.2 Research Design 17
3.3 Sources, Types and Methods of Data Collection 17
3.4 Population and Sampling Technique 17
3.5 Methods of data Analysis 17
CHAPTER FOUR 18
DATA PRESENTATION AND ANALYSIS 18
4.1. Demographic Characteristics of the Respondents 18
4.2 Cause of Absenteeism 20
4.3 Consequences of Absenteeism 24
4.4 Control of Absenteeism 26
CHAPTER FIVE 29
CONCLUSIONS AND RECOMMENDATIONS 29
5.1 Conclusions 29
5.2 Recommendations 30
APPENDIX 31
Reference 35

List of figures and tables

Figure 2.1 conceptual framework… 17

Figure 4.1 high rate consequences of absenteeism loss productivity of the corporation employees 27

Figure 4.2 reward and discipline are most important controlling mechanism of the corporation 29

Table 4.1 demographic information..... 19

Table 4.2 causes of absenteeism 21

Table 4.3 consequences of absenteeism.....25

Table 4.4 Control Absenteeism.....27

ACKNOWLEDGMENT

First I would like thank almighty GOD for helping me with this paper from the very beginning up to the end. Then I would like thank my dear Advisor Mr. Foad Hussein., for his comments, suggestions and encouragements has been a very important factor in the study of this research. Lastly I thank all the people who have helped me in any way for the success of this paper.

ABSTRACT

In the area of globalization, the role of human resource in organization is crucial so that managers become aware that human resource management is function and area that plays a vital role in success of the organization. The general objective of the study assessed the causes and consequences of employees' absenteeism and to come up with possible recommendations in Ethiopian Electric Power Utility, Wolkite district. To achieve its objectives both primary and secondary data will be obtained and used from management bodies and non-management employees of Ethiopian Electric Power Utility. The study employed simple random sampling technique to select sample respondents from the target population. Questionnaires distributed to the sample respondent so as to gather the required and relevant data for the study. Moreover, the secondary data was collected from reference books and published materials of Ethiopian Electric Power Utility. On this study both quantitative and qualitative analysis methods was used.

CHAPTER ONE

INTRODUCTION

1.1 Background of study

Absenteeism is the practice or habit of being absent and it is habitual (komarsarkr, 2000). Absenteeism is the total man shift last because of absence as a percentage of the total number of man shift scheduled to work (ibid). Absenteeism one of the most common reason given for being absent from work is physical illness and thus a sound health and safety program should contribute to reduce absents. There are however many other reasons for missing work and their analysis and correction will help maintain work force (Edwin, 1984).

Absenteeism is also title give to condition that exist when a person affix to come to work when properly scheduled to work. There is properly same producible over all minimum of absenteeism. The most common measure is the percentage of schedule time last (ibid). In this area of globalization, the role of human resource in the organization is at center managers there became aware that human resource management is function and area that play a vital role in the success of the organization. Personal factors such as illness, dispute with manager, Workload, problem with behavior also negatively affect productivity that may be lower (Raymond and Antennoe, 2003).

The role of manager in resolving absenteeism is crucial. The purpose of this research was to solve the problem related on absenteeism of employees in Wolkite Electric Power Utility. In this study, there might be a lot of cause of absenteeism; the researcher saw employees' problem openly, mainly in Wolkite town electric power utility. Some of this fit fall are there is no sufficient amount of electric power supply in the town.

1.2 Background of the Organization

Mr. Samuel the first hydro power station in Ethiopia electric power introduced to Ethiopia in the data 19th during the region of manlike the first generator was said given to Minilik Ground 1898 to light.

The place in addition to the use of generators Minilik get contracted the first hydro power plant on Akaki River in the year 1912. In the 1948also he got electric power in the light of its function its name was changed to Ethiopia electric light and power in the year 1955 at that time the annual capacity was 35 while the number customer 12500. The Ethiopia electric light and power transferred to Ethiopia electric power utility by regarding its functions. Currently the annual electric power production capacity is about 4980 GWH and the number of customers is 1.1 million at the time of establishment of the authorized capital of the utility was 6.1 billion Birr (www.eepco.gov.et).

1.3. Statement of the Problem

Human resource is one of the important values of the organization. Without human power, there is no existence of organization. However, achieving its goals, an employee intentionally or habitually absence from work, while employer expect workers to miss a certain number of workdays. Each are executive absence can equate to decrease productively and could have a major Effect on company finance, moral and another factor (http:/www.probelem of absenteeism.com,).

Employees' absenteeism has been in the middle of the serious troubles facing majority of the workplaces for years particularly in the government authorities.

Employee absence at the place of work doesn't only affect someone or an employee who is absent at the workplace, but rather the employees in general and their departments are affected. From the economic point of view absenteeism leads to the loss of potential productivity plus the increased government expenditure on needless interventions for example overtime costs and other benefits to workers may be required to make up work. Absenteeism reduces spirits of others and hence low output of an organization (Warren, 2002).

The functions of Local Government Authorities are disadvantaged due to workers absenteeism. This problem is one of the main harms facing many sectors in Ethiopia. Small percentage of workers absenteeism may cause considerable amount of production lost. Workers absenteeism directly affects the production and productivity. It causes a replacement which is costly and time consuming, so many formalities have to be followed to maintain and replace a person hence during that time production is hindered to a great extent. The purpose of this study was to explore the impact of workers absenteeism in the Local Government Authorities taking Wolkite electric power as a case study and the findings would support towards putting down strategies to be employed to

reduce the absenteeism in the work place. However, the findings would also contribute to the literature in absenteeism. Local Government Authorities are vital to the economic growth and development of the national. For this reason, the ability for these organizations to make such a contribution is largely dependent on human resources who possess the knowledge, skills and abilities to maintenance and give other service. The importance of dealing with absenteeism of workers in any organization is of serious importance considering that voluntary absenteeism of key employees has direct and indirect negative consequences for the organizations.

The past researcher, who conducted the study on this topic did not provide sufficient and satisfactory investigation on this problem and answered on this problem so that in order to fill the gap between the past researchers, this research conducted.

Employees' absenteeism is usually the biggest problem facing human resource management in today work environment. (Barigehart 2006:135) thus study began in the assumption that absenteeism has greater effect of Ethiopian electric power utility in Wolkite district and have adverse effect achievement of the goal of the organization on throughout the country.

Even though, there were studies conducted on the subject matter, most of the studies were conducted on the relationship between absenteeism and grievances, absenteeism and organizational commitment and Job satisfaction, absenteeism, attitudes, and performance. No studies were conducted on the cause and consequence absenteeism and most of studies were conducted in abroad. But now the researcher intended to investigate cause and consequence absenteeism in case of Wolkite electric power utility. The researcher was motivated to answer this problem.

1.4. Research questions

- ✓ What are the consequences of absenteeism that affect the organization productivity?
- ✓ What are the causes of absenteeism?
- ✓ How do the organization control absenteeism in their utility?

1.5 Objectives of study

1.5.1 General objective

The general objective of the study was to assess the cause and consequence of employee absenteeism and come up with possible recommendation and findings.

1.5.2 Specific objective

- To asses the cause of absenteeism in the organisation.
- To identify negative impact of absenteeism on productivity.
- To identify controlling procedure to minimize absenteeism.

1.6 Scope of the Study

This study focused on EEPU in Wolkite district. Also, it focused on cause and consequences of employee absenteeism. Methodologically the researcher used both simple random sampling the representative of the population and descriptive ways like table, percentage, frequency etc. The scope was limited to cause and consequence of absenteeism in Ethiopian electric power utility in Wolkite town.

1.7 Signifiances of the Study

Primary importance of the study was on the fact that it provided current suggestion through identification causes and consequences of employee absenteeism for the utility. Also, it was able to give an insight into the various troubles associated by absenteeism. The rationale of this study guaranteed that the results are used to bring some helpful changes to EEPU.

1.8 Limitation of the study

Due to the corona virus pandemic the research was limited with shortage of information that are necessary for the study. Financially the researcher was unable to finish the thesis on time. There was also unwillingness of respondents to fill out questionnaires and biased responses.

1.9 Organization of the Paper

This study paper was designed with introduction that is chapter one that indicate the general background of the study, the statement of the problem research question objective of the study, scope of the study, significant of the study and Organization of the Paper. The second chapter deals with literature review in relation to the problem under the study. The following third chapter was about research methodology and chapter four deals with analysis and interpretation of data collected through questioners and interview method. Finally, the last chapter of this paper was concerned about the general highlight and possible solution or the work plan.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In our world organization operatory by the help of resource that they have same of their resource maybe financial, row materials, and other tangible and intangible resource and power who is the key resource to accomplish the organizational objective. Poorly managing this resource to accomplish the organizational objective has a diverse effect on the performance and continuity of the organization failure (Raymand A., 2000). They have offered uniform benefits package selected by human resource department and top management. For example, benefits are vacation pay, holyday pay, financial pay, service reward shift premium pay, accident and sickness (Loyd, 1998)

2.2 Concept of Absenteeism

The role of manager involving in absenteeism is crucial. The management style should reflect how manager to communicate effectively and positively reinforce behavior. The need to know that utilizing the absenteeism of employee give opportunity for reinforcement and not punishment knowledge of the behavior principle result in better understanding of employee behavior this again result in better absenteeism and way to intervene (Kinicki, 1998).

Absenteeism is undesirable because of its operating problems. It causes cost to the organization including the cost of discontinuity even when workers are absent. So, the cost is higher than its benefit per unit of output. The overtime pay also may be underutilized and productive maybe drop because of reduced output due to under satisfying (JonhM.Invanevich, 1998).

Absenteeism is also appearing to be associated with job dissatisfaction. A review of literature on factory associated with job attendance concludes that job satisfaction was one of the major influences and attendance (Loyd, 1998). Manager appears to have same influence over attendance behavior they have to ability to punish. Establish bonus system and allows employees participation in developing plan. Whether these other approaches will reduce absenteeism determined by value of the reward received by employed the amount of the reward whether employees perceive the

relationship between attendance rewards (Michael T.Mattson, 1995).

Not less than once we all have been not in attendance from job for one ground or another. A number of workers are absent more than others, although when it takes place on a usual basis then absenteeism is evident problem for that organization. Absenteeism as it has been defined above is the routine absence from work, thought to reflect employee discouragement and disappointment. Workers absenteeism is a trouble for almost all employers, not to mention a costly one at that. The challenges of absenteeism on productivity and its impact in term of funds and managerial effectiveness are quite understandable, confront is in taking positive action to manage it. Workers or members of staff can be absent from work for a numeral of causes, some of them for a very excellent reason but no matter what the reason, nonattendance is costly and troublesome and needs to be handled with cleverness, consideration and confidence.

What reason leads employees to miss out job? Non-attendance is one of the largest parts of serious difficulty facing today's place of work. The managers have to be able to recognize what is causing their human resources to miss work and its effects in turn for them to find a resolution. The cause for the nonappearance can be alienated into two groups as under: -

2.2.1 Blameless or Innocent Absenteeism

Blameless non-attendance refers to employees who are absent for reasons beyond their control; like sickness and injury. Blameless absenteeism or innocent absenteeism is not culpable which means that when an employee becomes absent then he or she can't be held responsible or blamed. In a labor relations circumstance this means that it cannot be remedied or treated by punitive procedures.

2.2.2 Culpable or Blameworthy Absenteeism

Culpable or blameworthy absenteeism refers to employees who are absent without authorization for reasons which are inside their control. For example, a member of staff who is on sick leave despite the fact that he/she is not ill, it can be confirmed that the employee was not ill, is accountable of blameworthy absenteeism. Therefore, to be culpable is to be guilty. In a labor relations situation this means that progressive punishment can be useful.

In favor of the large majority of human resources, non-attendance is unlawful, blameless absenteeism occurs once in a blue moon. Measures for punitive action apply only to culpable non-attendance. Various organizations take the analysis that through the procedure of individual

absentee psychotherapy and management, the greater part of workers will surmount their troubles and come back to suitable point of usual attendance (Vandeweerd, 1983).

2.3 Classification of Absentéisme

Authorized absenteeism if an employee absents from work taking permission from his and her superior and applying for leave.

Unauthorized absenteeism if an employee absents from work without informing or taking permission and without applying for leave will full absenteeism If an employee absents him or herself from duty will full Absenteeism cause by circumstance beyond and one control.

Other classifications (www.business.daily.pay.com);

1. Chronic tardiness and partial shifts

You know it well. Getting to work late. Leaving early. Taking outsized breaks. In absenteeism-speak, this is the death of a thousand paper cuts.

2. Burnout

Stressed and overworked employees—especially those who do not feel appreciated—look forward to the weekend more than most. Add just a dash of personal stress on top of their current workload, and you have the makings for impromptu, unsanctioned mental health day.

3. Passive disengagement

Employees who lack motivation in their jobs and feel no sense of loyalty or responsibility to their employers or coworkers are certainly more likely to miss work. Measuring absenteeism among these employees is tricky, because it's possible that even when they're there, they're only partially there.

4. Active disengagement

By which we mean job hunting. Because job interviews happen during business hours your actively disengaged employees will have to fake an illness or something to clear their schedules.

5. Bullying

Like any bullied school kid who feigns illness to avoid torment, a hostile work environment—

whether it be verbal, physical, or sexual in nature—can go a long way in keeping your employees in bed in the morning.

The tricky thing about bullying and harassment is that the attacks can come in the form of macroaggressions that are difficult to convict, and victims are often unwilling to bare their experience.

6. Depression

According to the National Institute of Mental Health, the leading cause of absenteeism in the United States is depression. I put it under Category 2, but really, it's more like a Category 2.5, straddling the line between something you can influence and something you can't.

Depression can lead to substance abuse if people try to self-medicate their pain or anxiety. Much like bullying and harassment, employees will generally be reluctant to open up about their experience, and in many parts of the country, depression is still stigmatized.

7. Illness & Injury

The most commonly reported reason for missing work (though not always the actual reason) is illness and medical appointments. The usual illness-absenteeism rate unsurprisingly spikes in cold and flu season.

Acute injuries can happen at work or not and can be the result of negligence or pure circumstance. In addition to acute injuries, chronic injuries—like back and neck problems—and overuse injuries can arise in every job, whether you work on a loading dock, behind the wheel, or at a computer.

8. Children care and Eldercare

Practically in a category of difficulty all its own: obligations to miss work to stay home and take care of a child/elder when normal arrangements have fallen through (for example, a sick caregiver or a snow day at school) or if the dependent is ill or hurt.

2.4 Cause of Absenteeism

According to Manoj Kumar Sarkar (2000) the following can cause absenteeism.

- *Maladjustment with factor condition*

As worker continues to live in the city, urban life becomes distasteful to him because of sin of

sanitarily condition prevailing there.

Social and religious ceremonies - Social and religious function divert workers from work to social activity

- *Un satisfaction housing condition*

The workers who come to town usually find that they are not wanted and they well the number of unemployed and casual workers experience housing difficulties.

- *Industrial fatigue*

Low wage compels a worker to seek some part time job to earn some side income.

- *Un health working condition*

Irritating and intolerable working condition exist in factories.

Absence of adequate welfare facilities.

Absenteeism is also due to the adequate welfare facilitates available to workers.

- *Alcoholism*

The habit of alcoholism among worker is significant cause of absenteeism, which is high in first week of each month.

- *Ineptness*

Most of the workers suffer from a high degree of ineptness. Workers always work about financial matters.

- *In adequate level of facilities*

Negligence on the part of the employer to provide adequate leave facilities compels the workers to fall leave.

2.5 Timing, Measurement and Length of Absence

With the exception of such theories of different scholars on non-attendance yet Anderson (1998) indicated that researchers should without a doubt explain their rationale for the timing of their measurements, and the measurement lengthwise of absence aggregation phase. Various authors outlined the suggestion that non-attendance accumulated over any era is most probable to be a sign of variables that are defined and comparatively stable over that phase. Their center of attention was on three time periods as a basis of variance in absenteeism, that is to say short-term, medium-term and long-term non-attendance.

2.5.1 Short-term absence

Short-term nonattendance is defined as having time duration of a small number of days to three months. This cover up the range of most decision-based studies, plus the so-called 'attendance spell' approach used in predicting the measurement lengthwise of time until somebody takes his or her subsequently absence. Inconsistency due to attendance-decision restrictions, discriminating work and life stressors or comparative dissatisfaction can be highlighted in a short-term aggregation era.

2.5.2 Medium-Term Absence

Medium-term kind of absence refers to non-attendance that can be estimated to have a time duration of between three months and one year. This stage includes quarters and single years, which are frequent intervals for non-attendance records and attendance patterning. According to (Anderson &Geldenhuys, 1998), medium-term sources of inconsistency are well thought-out to offer steady connections.

2.5.3 Long-Term Absence

Long-term or long-standing nonattendance is defined as a time duration of more than one year of an employee being out of work. Seeing that in every part of definitions, a single year dividing line is to some extent subjective. All the same, the one-year gap period for non-attendance have a point of environmental validity, in other words, additionally to yearly rhythms being strong peripheral 'pacers' of behavior patterns, numerous organizations use a fiscal or calendar year as their absence accounting phase – determining at what time sanctions kick in and how tough they will be (Anderson &Geldenhuys, 1998).

Absenteeism is a serious problem for management because it involves heavy additional expense reserve, which the overhead cost of idle equipment, has to face.

It should be noted that no single measure can be effective in controlling absenteeism but skillful combination of various measures would definitely lead to desired result.

- Adaption of a well-defined requirement produce.
- Provision of health full and hygienic working condition.
- Provision of reasonable wages, allowances, and job security for workers.
- Motivation of workers welfares and social measures management should recognize the need of worker and offer them adequate and cheap having facilities.
- Improved communication and prompt redressed of grievances.
- Development of worker education.

2.6 Theories Relevant to Absenteeism

Over the Past many years there have been studied and Survey was conducted to discover what leads to absenteeism. The most recognized theories are Psychological, sociological, the Economic theory and Nicholson's "Attachements" Theory on Absenteeism. Because motivation Is very Much important and goes hand in hand with absenteeism, there are so many new theories of motivation which are constantly being developed which relates to absenteeism. These theories are such as the attribution theory and the Equity theory.

Wilcox (2008) clarify voluntary and involuntary absenteeism by looking at three theories which are Psychological, sociological and Economic theory. These theories attempt to rationalize absenteeism, a multidimensionalconstruct to simple important determinants. All these theories of absentee is metry to High light the importance of work and non-work factors in absenteeism. They demonstrate that factors in addition to direct incapacity account for a proportion of work place absenteeism.

The theories suggest that Attendance is directly influenced by two primary factors : attendance motivation and ability to come to work. Attendance motivation, in turn largely influenced by satisfaction with the job situation and various internal and external pressures to attend. This theory attempts to account for both voluntary and involuntary absenteeism

Psychological Theory

Under psychological theory it is viewed as absenteeism of employees is related to individual's motivation to attend work regularly. This theory also includes the Maslow's hierarchy of needs which points to employees' impression of whether his or her contribution or presence at work has meaning or not (Maslow A, 2000).

- **Sociological Theory**

Sociological theory of absenteeism focus on the variables within society that affect employee's behavior and decision-making regarding work at the workplace. In any institution there are numerous norms, rules, conventions, habits and values hence all these have the direct impact on employee's behavior in relation to presence or absence at the workplace.

- **Economic Theory**

Under the economic theory the assumption is that people do not truly want to work, but they do so in order to maintain a certain standard of living, dependent on a specific financial attainment level. Therefore, high performance of a worker will depend on momentary rewards; hence if there are no such rewards then an individual will choose to work less hence lead to absenteeism (Treble J, 2011). The traditionalist economic perspective sees the need to work competing with other alternatives as commodities within the same market.

- **Attribution Theory**

An attribution theory proposes that we watch a person's actions and then attempt to set up whether interior or exterior forces caused it. If it is judged to be inner, it is seen as being under the person's power; if it is judged to be external, it is seen as a consequence of the circumstances. Attribution is thought to be subjected to numeral considerations, because we judge events in circumstances. For instance, we review how distinguishing behavior is and whether behavior is curious for a particular human being.

- **Equity Theory**

The Equity Theory is a straightforward theory which differentiates worker's inputs and the outputs. According to the presumption, the finding to this fair sense of equilibrium serves to make sure that a well-built and constructive connection is achieved with the employee, with the largely result being pleased or satisfied and motivated employees (Jex& Britt, 2008).

- **Nicholson's "Attachment" Theory on Absenteeism**

Nicholson believed that despite the gathering of much varied research on absenteeism there was a serious lack of theory associated with the topic. He believed that this had caused the "fragmented" nature of the research carried out on absenteeism (Nicholson, 1977).

2.7 Job satisfaction

Job satisfaction is one employee general attitude towards the job. In other direct impact on the manner in which the intrinsic reward isdispersed, affect the enteric reward and satisfaction of the receiver (Roymand, and Anoes 2005). Other major components that should be added to this five on individuals' attitude toward the work itself and toward life the individuals attitude health, age level of aspiration social Status and political and social

activities can all contributes to do job satisfaction. Therefore, job satisfaction is an attitude that result from another specific attitude factor (W. rute, 1997).

2.8 Adverse effect of absenteeism

The adverse effects of absenteeism are too many to be listed. We can describe them under two broads categorize, as under absenteeism on the one hand directly contribute to the raise in production cost while on the other it deprives the industry of the hard-earned reputation due to deterioration quality of good produced and delay in supply to value customer (Saskshi.2005; 317).

2.9 Employees Benefits and Service

The direct monetary value to individual employee be ascertain as in cause of pension, medical insurance or holiday pay service applies such item company name, paper company or purchasing service for direct money value for the individual employee cannot be readily established (Gram Dessler, D Nina D Nolecore,ViriniahHolleNbeck,Gerhat,Wrigh 1994;505).

2.9.1 Type of employee Benefit and Service

1. Legally required payment
    - Old age disability and health insurance
    - Worker compensation
    - Un employment compensation
2. Contingent and deferred benefit
    - Group life insurance
    - Pension plan
    - Medical expense
    - Disability income
3. Payment for time not worked
    - Vacation
    - Holiday payment

- Voting pay allowance ibid
- Evaluation of absenteeism

Absenteeism is the faire of employee to report for work when they are not schedule to work. There also may be increased cost for replacement substandard production the need for more help from supervisors and peers and increased inspection cost (Ivancevich, 1997).

2.10 Empirical review

There are, unfortunately, very few empirical studies dealing with the absentee-affective reaction relationship. One study, by Staw and Oldham (1978), is interest because it links absenteeism, attitudes, and performance. They argue that if a person is in a compatible Job (high stress), he or she may require some level of absenteeism to reduce stress. If a person is in a compatible Job (low stress) then absenteeism will not serve the same function. They predict a positive relationship between absenteeism and performance In the Incompatible Jobs. Some empirical data are presented to support this differential hypothesis. While this study IS important because it articulates theoretically the need to examine the absenteeism-attitude relationship and the positive consequences of absenteeism, it never directly tests the link between absenteeism and attitudes. That relationship inferred from the sign of the association between absenteeism and performance for people in compatible and compatible Jobs.

A recent study by Clegg (1983) addresses the relationship between absenteeism and organizational commitment and Job satisfaction. A basic thesis in this research IS that researchers have focused too much on the attitude-absenteeism relationship rather than giving attention to the Opposite causal path or some alternative explanation. Using a longitudinal design, some evidence was presented indicating that absenteeism was negatively related to Job satisfaction and that jab satisfaction was negatively related to absenteeism.

The study by Katz and others (Katz, Kochan, and Gobeille, 1982; Katz, Kochan, and Weber, 1982) on industrial relations and economic indicators provides some evidence about the relationship between absenteeism and grievances. Using plant-level data, they reported a correlation $r\sim 0.26$ ($p< 0.01$) between absenteeism and grievances. Unfortunately, this type of statistic does not speak to the causality of the relationship or what other variables may affect these

two variables. In other related analysis, m a regression format, they report that grievances may have a negative effect on direct labor efficiency, a productivity measure. Unfortunately, we have found few other studies that bear directly on this relationship.

There are peripheral studies that examine effects of the Union on absenteeism (Allen, 1981), of the collective bargaming provisions on absenteeism (Daiton and Perry, 1981), and of the role of the upon in represent employee interests on absenteeism (Hammer, Landau, and Stern, 1981), but none of these shed any light on the manner in which absenteeism may affect grievances.

2.11 Gaps of the Study

Even though, there were studies conducted on the subject matter, most of the studies were conducted on the relationship between absenteeism and grievances, absenteeism and organizational commitment and Job satisfaction, absenteeism, attitudes, and performance. No studies were conducted on the cause and consequence absenteeism and most of studies were conducted in abroad. But now the researcher would intend to investigate cause and consequence absenteeism in case of Wolkite electric power utility.

2.11 Conceptual Framework

The conceptual frame work for this present schoolwork is based on the work of Derek and his fellows (2007) that Organizational Performance is taken as dependent variable (DV) and employee's absenteeism, workload, work stress and job satisfaction are taken as an independent variable. Moreover, organizational performance is taken as substitute for job satisfaction and job commitment.

Basing on this framework; Employee turnover is positively associated with inefficient performance of an organization; Work load of employee is positively associated with inefficient performance of an organization. Furthermore, work stress of employee is positively associated with inefficient performance of an organization and finally Performance of organization is negatively associated with family to work conflict of employee (Derek, Patrick, & David, 2007).

For that reason, there are various effects with the absenteeism of workers in work places which leads to an impact to performance. Therefore, the retaining of workers in work places is very important if combinations of discussed impacts are to be effectively solved.

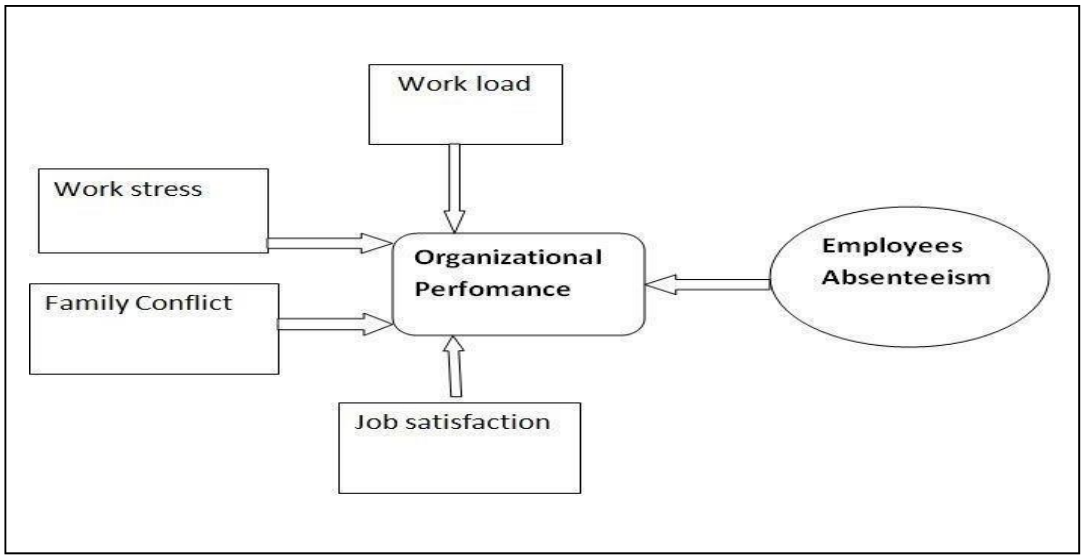


Figure 2.1 Conceptual Framework

CHAPTER THREE

Methodology

3.1 Introduction

Under this segment various issues was discussed thoroughly like the research design, population, sampling techniques, research instruments, data collection procedures, and analysis.

3.2 Research Design

The type of the research design that the researcher used when conducting the study used descriptive type of research deign because it describes the situation as it exists.

3.3 Sources, Types and Methods of Data Collection

The sources of data for this study was primary and secondary. The primary source of data was collected through self-administrated questionnaires. The reason for choosing questionnaires is to collect the first-hand information and such thing helped the researcher to come up with conductive power. The secondary sources of data collected from literature, different books, journals and reports of Ethiopian Electric Power Utility in Wolkite district.

3.4 Population and Sampling Technique

The target population of the study was employees of Wolkite Town of Ethiopian Electric Power Utility. The sampling technique that was applied to determine actual sample respondents for this research would be census method. The reason for using the above technique is the number of target population is small, which was 40 employees of Wolkite Town of Ethiopian Electric Power Utility.

3.5 Methods of data Analysis

The researcher used both quantitative and qualitative ways of data analysis. Hence, the study incorporated with the above-examined methods through using descriptive ways such as tables, percentages, frequencies etc.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This part presents the data presentation and analysis part of study. 40 questionnaires were distributed to the employees of EEPU to analyze the causes and consequences of Absenteeism. From the questionnaires distributed to the total respondents 40 of them were filled and returned with appropriate response. All distributed questionnaire is respondents correctly. The result of questionnaire is presented and analyzed one by one using tabulation and percentage forms

4.1. Demographic Characteristics of the Respondents

Table 4.1 demographic information

NO	Description	Respondents	
		Frequency	Percentage
1.	**Gender**		
	Male	24	60
	Female	16	40
	Total	**40**	**100**
2.	**Marital Status**	-	-
	Married	23	57.8
	Single	17	42.2
	Total	**40**	**100**
3.	**Age**	-	-
	18 -25	9	22.2
	26 -40	29	73.2
	41 -60	2	4.5
	Total	4	100
4.	**Educational Level**	-	-
	Diploma	15	37.8
	Degree	25	62.2
	Total	**40**	**100**
5.	**Family size**	-	-

	1 -3	25	62.2
	4 -6	12	31.1
	Above 6	3	6.7
	Total	**40**	**100**
6.	**Monthly salary**	-	-
	1000 -3000	19	46.7
	3001 -5000	8	20
	Above -5000	13	33.3
	Total	**40**	**100**
7.	Working hours per day	-	-
	5	2	4.4
	7	2	4.4
	8	33	84.4
	Above 8	3	6.7
	Total	**40**	**100**

Source: Own Survey, 2020

The above table 4.1 presents the demographic characteristics of the sample respondents. Item 1, portraits the gender composition of the employees. Accordingly, out of 40 respondents 60% (24) are Males and the remaining 40% (16) are Females. This shows that the corporation is dominated by male workers. This could be due to the trend that existed in Ethiopia for the last several years. Generally, in the country job opportunity favors males due to the cultural influence and low value given to education to females.

Item 2 of the same table depicts marital status of the corporation. From the contacted sample respondents 57.8% (23) are married and 42.2% (17) employees are single. This shows that the majority of the corporation employees are married. This implies that the workers could stay longer in the corporation as they have higher level of stability in their life.

Item 3 of the above table (4.1) shows the respondents' age categorization. Therefore, the corporations age composition shows 22.2% (9) 73.3 % (29) were between age (26-40) are aged,

4.5% (2) employees were ranged between aged (41-60) are aged. (18-25) this implies that most of the corporation's employee age between (26-40) ages. Within the range productive age.

Item 4 of the same table depicts the employee's Educational status; (37.8%) and (15) 62.25% (25) of the contacted employees of the corporation are Diploma and Degree holders respectively. Therefore, from the above data one can infer that the majority of the corporations' workers are degree holders which can perform their duties with reasonably professional manner.

In order to address the absenteeism in relation with, Family size, Workers hours' item 5 and 6 were prepared. The average family size of workers is 3. This implies that the corporation workers have something deal outside the corporation which could affect their punctuality.

The other point that was raises was working hours of the employees. Most of the employees work for about 8 hours. This is in line with the country's working hours.

Regarding the monthly salary, most the workers have at least 300 ETB per month.

4.2 Cause of Absenteeism

Table 4.2 causes of absenteeism

No	Item	Variable	Percentage	Frequency
1	**Sickness**	Strongly agree	22.2	9
		Agree	55.6	22
		Neutral	8.9	4
		Disagree	13.3	5
		Total	**100**	**40**
2	**Inadequate transport facility**	Strongly agree	60	24
		Agree	24.4	10
		Dis agree	15.6	6
		Total	**100**	**40**

3	**Long hour of work in the corporation**	Agree	15.6	6
		Neutral	13.3	5
		Dis Agree	48.9	20
		Strongly dis agree	22.2	9
		Total	**100**	**40**
4	**Social and religious function**	Strongly agree	15.6	6
		Agree	37.8	15
		Dis agree	46.7	19
		Total	**100**	**40**
5	**Alcohol drink**	Agree	22.2	9
		Dis-agree	44.5	18
		Strongly dis agree	37.3	13
		Total	**100**	**40**
6	**After pay day**	Strongly agree	*55.6*	*23*
		Agree	20	8
		Dis agree	11.1	4
		strongly dis agree	13.3	5
		Total	**100**	**40**
7	**Nature of work**	Agree	66.6	27
		Dis agree	17.8	7
		Strong dis agree	15.6	6
		Total	**100**	**40**
8	**Age**	Strongly agree	44.4	18
		Agree	31.1	12
		Dis agree	17.8	7
		Strongly dis agree	6.7	3

		Total	**100**	**40**
9	**Gender**	Strongly agree	48.9	20
		Agree	15.6	6
		Disagree	22.2	9
		Strongly disagree	13.3	5
		Total	**100**	**40**

Source: Own Survey; 2020

The in order to point out what cause's absenteeism in the corporation the above table 4.2 was prepared item 1 shows sickness as a cause of absenteeism accordingly 22.2% (9) ,55.6% (22),8.9% (4) and 13.3% (5) employees replied implies that sickness is one of the causes for absenteeism in corporation. Strongly agree, agree, neutral and disagree are respectively.

Item 2 of the same table depicts to in adequate transportation facility the cause of absenteeism in the corporations were 60% (24), 24.4% (10) and 15.6% (6) employees are strongly agree, agree and disagree are respectively. This shows that the majority of the corporation employees are did not received adequate transport facility which aggravate absenteeism in the organization.

Item 3 On the above table (4.2) shows that working long hour of the corporation are 15.6% (6), 13.3% (5), and 48.9% (20) and 22.2% (9) employees are strongly agree, agree, disagree, and strongly disagree are respectively, this shows that the working hour of the corporation's employees are not affected in the absent in working day.

Item 4 from the table (4.2) depicts the cause of absenteeism Social and religious function are 15.6% (6), 13.3% (6), 48.9% (21) and 22.2% (10) employees replied implies that social and religious functions are strongly agree, agree disagree and strongly disagree are respectively. This shows that most of employees are the worker becomes not absent from their duty on occupation of social and religious function.

Item 5 the above table (4.2) depicts cause of absenteeism alcohol drink in the EPCO 22.2% (9), 44.4% (18), and 33.3% (13) employees are neutral, disagree and strongly disagree respectively. This shows that the corporation's employees are not addicted alcohol drink.

Item 6 the above table (4.2) depicts the cause of absenteeism after pay day in the corporation 55.6% (23), 20% (8), 11.1% (4) and 13.3% (5) employees are strongly agree, agree, disagree and strongly disagree are respectively. This shows that the corporation employees are the absenteeism is comparatively high after pay day. Because they get their wages they feel like a good time, so absenteeism is high in the corporation.

Item 7 the above table (4.1) depicts the employee absenteeism in the corporation are increased by nature of work 66.7% (27), 17.8% (7) and 15.6(6) employees are strongly agreed, agree and strongly disagree are respectively. This shows that the corporation employees are difficult to nature work. So, they come to in the factory, they feel strange, these new situations to make them uncomfortable, so high rate of absenteeism in the corporation.

Item 8 The above table (4.2) depicts that Age of employees to increase absenteeism in the corporation 44.5% (18), 31.1% (12) ,17.8% (7) and 6.7% (3) employees are strongly agree, agree, dis agree and strongly dis agree are respectively. This shows that the corporation employees are increase absent to age, younger employees are often restless because they spent time with their friends and fun, the older employees are absent from sickness.

Item 9 the same table depicts Gender is the cause of absenteeism to increase in the corporation 48.9% (20), 15.6% (6), 22.2% (9) and 13.3% (5) employees are strongly agree, agree and disagree are respectively. This implies that the majority the corporation employees Genders are strongly agree to increase absenteeism.

Although most of the above points are the causes of absenteeism in the corporation, he following causes are the top 5 reason in the corporation.

1. Inadequate transportation facility
2. Nature of work
3. Sickness
4. After pay days
5. Age

4.3 Consequences of Absenteeism

Table 4.3 consequences of absenteeism

No	Item	Variable	Frequency	Percentage
1	**Loss of productivity of employee**	Strongly agree	25	62.2
		Agree	9	22.2
		Disagree	6	15.6
		Total	**40**	**100**
2	**Over time payment to fill the Gap**	Strongly agree	19	48.9
		Agree	16	40
		Neutral	2	4.4
		Disagree	3	6.7
		Total	**40**	**100**
3	**Decreased overall productivity of those absent employ**ee	Strongly agree	27	66.6
		Agree	7	17.8
		Neutral	6	15.6
		Total	**40**	**100**
4	The company trying to cover up the directed and indirect cost involves to line	Strongly agree	5	13.3
		Agree	23	55.6
		Disagree	7	17.5
		Strongly disagree	5	13.5
		Total	**40**	**100**
5	Unable to meet customer need	Strongly agree	15	37.8
		Agree	21	53.3
		Neutral	4	8.9
		Total	**40**	**100**

Source: own survey 2020

The main objective this study is to address the consequences of absenteeism. To do this the above table 4.3 was prepared.

Item 1 From the above table (4.3) depicts consequences in EPCO loss productivity of employees are 62.2% (25) employee are strongly agree 22.2% (9) employee are agree 15.6% (6) employee are disagree.

This shows that the majority of employee are strongly agree. Because their income is reduced to their absent time.

Item 2 from the above table (4.3) depicts consequences of absenteeism in EPCO. Over time payment to fill the gap are 48.9% (19) are strongly agree, 40% (16) employees are agree, 4.4% (2) employees are neutral and the remaining 6.7% (3) employees are disagree. This implies that the majority of the corporation employees are overtime payment to fill the gap other employees are strongly agreed.

Item 3 from the above table 4.3 depicts the consequences of absenteeism are decreased overall productivity of those employees are 66.6% (27) employees are strongly agree, 17.8% (7) employees are agree and the remaining 15.6(6) employees are neutral. This implies that decreased overall productivity of those absent employees is strongly agreed.

Item 4 from the same table (4.3) depicts the consequences of absenteeism the company trying to cover the direct and indirect cost involves to hire are 13.3% (5) employees are strongly agree 55.5% (23) employees are agree, 17.8% (7) employees are disagree and 13.3% (5) employees are strongly disagree. This implies that the majority of the corporation's employees are agree. The cost of production of the company increased.

Item 5 from the above table (4.3) depicts the consequences of absenteeism in EPCO. Unable to customer need are 37.8% (15) employees are strongly agree, 53.5% (21) employees are agree and the remaining 8.9% (4) employees are neutral. Most the corporation's employees are unable to meet customer needed. So, the customer has pay high price for the commodities.

Consequence of Absenteeism

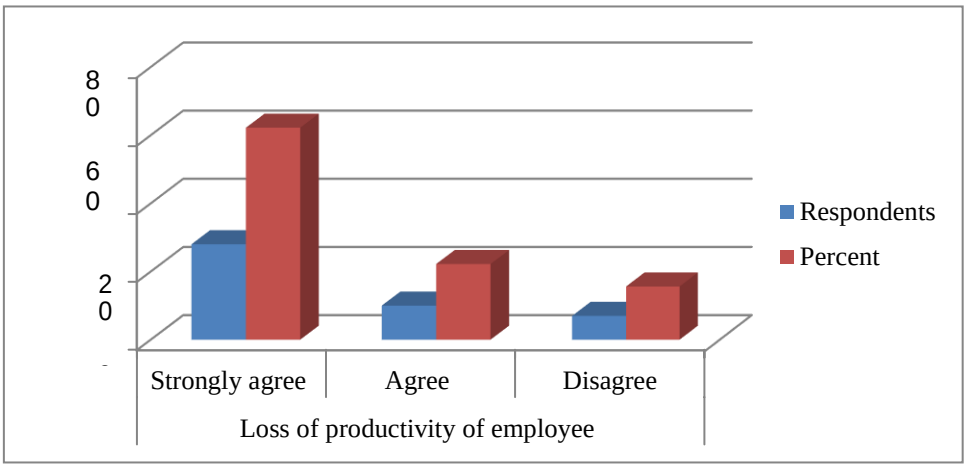


Figure 4.1 this indicate that high rate consequences of absenteeism loss productivity of the corporation employees.

4.4 Control of Absenteeism

Table 4.4 Control Absenteeism

No	Item	Variable	Frequency	Percentage
1	Improve employee motivation	Strongly agree	28	71.1
		Agree	9	22.2
		Disagree	3	6.7
		Total	**40**	**100**
2	Improve job satisfaction	Strongly agree	25	62.2
		Agree	11	26.7
		Disagree	4	11.1
		Total	**40**	**100**
3	Employee job enlargement	Strongly agree	12	28.9

		Agree	24	60
		Neutral	4	11.5
		Total	**40**	**100**
4	**Reserve reward and discipline rule**	Strongly agree	27	66.7
		Agree	10	24.4
		Disagree	3	8.9
		Total	**40**	**100**
5	**Job rotation**	Strongly agree	12	31.1
		Agree	25	62.2
		Neutral	3	6.7
		Total	**40**	**100**
6	**Attendance controlling system.**	Strongly agree	36	88.9
		Agree	4	11.1
		Total	**40**	**100**

Source own survey 2020

Item 1 From the above table (4.4) depicts of the control of absenteeism in EPCO improve employee motivation are 71.1% (28) employees are strongly agree, 22.2% (9) employees are agree and the remaining 6.7% (3) employees are disagree. This show that the majority of the corporation's employees are strongly agrees. An employee should have improved extrinsic motivation through some kind of reward and recognition program.

Item 2 from the above table (4.4) depicts the control of absenteeism in EPCO improve job satisfaction 62.2% (25) employees are strongly agree, 26.7% (11) employees are agree and the remaining 11.1% (4) employees are disagree. This shows that the majority of the corporation's employees are strongly agree. This can be achieved by cutting down on work place stress and workers enjoyable experience.

Item 3 Shows the above table (4.4) depicts control of absenteeism in EPCO employee job enlargement are 28.9% (12) employees are strongly agree,60% (24) employees are agree and the remaining 11.1% (4) employees neutral. This shows that majority the corporation's employees are employee job enlargement are agreed.

Item 4 from the above table (4.4) depicts control of absenteeism in EPCO reserve reward discipline rule is 66.7% (27) employees are strongly agree, 24.4% (10) employees are agree and the remaining 8.9% (3) employees are dis agree. This shows that the majority of the corporation's employees are strongly agree. Financial reward up on decreased absenteeism, the employees will strive to work harder and cut down absenteeism.

Item 5 from the same table depicts control of absenteeism in job rotation plan are 31.1% (12) employees are strongly agree, 62.2% (25) employees are agree and the remaining 6.7% (3) employees are neutral. This shows most the corporation's employees are job rotation plan are agreed. This will help employees under take a new task or role and learn new skills and knowledge.

Item 6 from the above table (4.4) depicts control of absenteeism in EPCO an attendance controlling system are 88.9% (36) employees are strongly agree and the remaining 11.1% (4) employees are agree. This shows that the majority of the corporation's employees are strongly agree. So, each employee is entrance and exit time to sign attendance sheet mandatory of the corporation

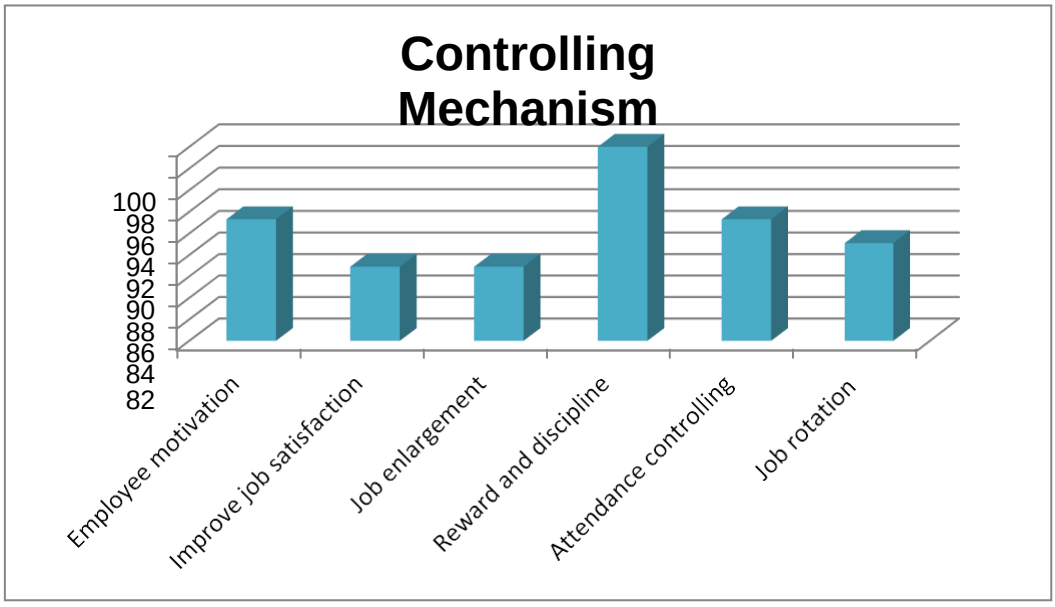


Figure 4.2 this indicates that reward and discipline are most important controlling mechanism of the corporation. The next best mechanism is employee motivation and attendance control mechanism of the corporation.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Based on the response gathered from the workers of Ethiopia Electric Power Utility of Wolkite district and analysis made the following conclusions are drawn.

- The study reveals that majority of the population in corporation are male and a few of them are females. This shows that there is imbalance in the sex composition of the corporation.
- According to the response of the respondents, the majority the working force in corporation are middle age class and productive population, and the educational status of large number of respondents in the corporation are degree holders.
- From the response received, majority of the employees in the organization are dissatisfied in their wage and salary, payment and there is also inadequate transportation facility. Due to this fact, most of employees in the organization are absent from their working place.
- Most of employees of the corporation have difficulty in the nature of the work itself. This creates discomfort for them to a vile themselves at the right time in the work place.
- Most of the employees of the corporation have not an adequate payment which has a remarkable effect on their life.

Most of the employees had shown frequent absenteeism from their job because that causes loss of productivity.

The company is trying to cover up direct and indirect costs involved to hire new employees. So, the cost of production of corporation's is increasing. In general carelessness on job Accidentalness, unfavorable treatment by supervisor work lead, disputes with manager are the factor of absenteeism that lead employees down grade their position interims of production stability and continuity.

5.2 Recommendations

In the area of globalization, the rate of human in the organization is at center of management there became aware that human resource management is affectation and area that play vital role in the success of the organization.

Based on the findings and the conclusions drawn in addressing the problems identified the researcher forwarded the following recommendations as a cure for the observed problems.

- ✓ The cooperation is supposed to correct salary system in a way that can satisfies the needs of the employees.

- ✓ The coronation system should be corrected in a way that can build the matter and capacity of the employees.
- ✓ The corporation should implement different training and development program that can build and support the capacity of the employees so that they will not feel difficult and bored.

- ✓ The organization should deliver an opportunity for personal growth and development. It is better to reduce post-accident happenings by building first aid treatment for ill employees and providing favorable treatment by their supervisor and creating awareness about the job.

- ✓ The manager should be encouraging for those who perform above the standards and in comparison, with other employees in the corporation. And hence, he/she should recognize their effort either financially or non-financially the well-done employees by recognizing their effective contribution to the corporation.

- ✓ In general, by reducing all the risks and problems of their employees the manager is expected to be proactive and committed to facilitate the employees working environment.

APPENDIX

WOLKITE UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

This questionnaire is designed to assess the cause and consequences of employee absenteeism on EEPU in wolkite district. Your answers have valuable contribution to successfully accomplish this study. Your genuine response has special contribution to the overall study.

(I would like to thank you in advance)!!!

Instructions

1. No need of writing your name

2. Put: (√) or (X) mark for the closed ended question in the box provided.

3. State your opinion for the open-ended question on the space provided.

I (Demographic characteristics of Respondent)

1. Gender Male ☐ Female ☐

2. Marital status Married ☐ Single ☐ Divorced ☐

Widowed ☐ Separated ☐

3. Age 18 -25 ☐ 26 -40 ☐ 46 -60 ☐ > 61 ☐

4. Educational level below grade 12^{th} ☐ Grade 12^{th} completed ☐

Diploma ☐ Degree ☐ Master PHD ☐

5. Family size ☐ 1 -3 ☐ 4 – 6 ☐ >6 ☐

6. Monthly salary <1000 ☐ 1001 -3000 ☐ 3001 -5000 ☐ > 5000 ☐

7. Working hours per day 5 ☐ 7 ☐ 8 ☐ 10 ☐ >10 ☐

II. Cause of Absenteeism

No	Description	Strongly agree	Agree	Neutral	Dis agree	Strongly disagree
1	Sickness					
2	Inadequate Transportation facility					
3	Long hours of work in the corporations					
4	Social and religious function					
5	Alcohol Drink					
6	After pay day					
7	Nature of the work					
8	Age					
9	Gender					

III. Consequences of Absenteeism

No	Description	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	Loss of productivity of employees					
2	Over time payment to fill the gap					
3	Decreased over all Productivity of those Absent employees					
4	The company is trying to cover up the direct and indirect cost involved to hire					
w5	Unable to meet customers need					

IV. Control of Absenteeism

No	How do you give the following absenteeism controlling mechanism in your organization?	Strongly agree	Agree	Neutral	Dis agree	Strongly disagree
1	Improve employee motivation					
2	Improve job satisfaction					
3	Employee job enlargement					
4	Job Rotation Plan					
5	Reserve reward and discipline rule for absenteeism					
6	Attendance controlling system					

THANK YOU FOR YOUR COOPERATION!

Reference

- *Derek, A., Patrick, M., & David, W. (2007). Engaging the aging workforce, the relationship between perceived age similarity, satisfaction with coworkers, and employee engagement.*
- *Edwin B., Fippo, (1984). Personnel Management and Human Resource Management.6th ed.; Prentice Hall, USA*
- *Gerhart Anderson (2004) statics for Business and Economics 6th ed., Human resources management 8thed.*
- *http://citeseerx.ist.psu.edu/viewdoc/download?doi.../pdf.*
- *IVanciuichViniam (1998) personnel and Human Resource management Behavior 4th ed.*
- *Jex, S., & Britt, T. (2008). Organizational Psychology: A Scientist-Practitioner Approach*
- *Journal of Applied Psychology, 92(6), 1542–1556. Retrieved on September 23rd 2015 from*
- *Kinick and Kreitner, (2006) Organizational Behavior 7th ed.*
- *Michael T. Mattsion, (1999) Human resource management 8thed.*
- *Maslow A, S. D. (2000). The Maslow Business Reader. New York: Joh Wiley& Sons Inc.*
- *Raymond and Anoes, (2005**)** Human Resource management 9th ed.*
- *Robbins S, J. T. (2005). Organization Behavior (15th Edition ed.). New Jersey: Pearson Education Inc.*
- *Treble J, B. T. (2011). Worker Absenteeism and Sick Pay. New York: Cambridge University Press*
- *Vandeweerd, J. (1983). Guidelines for Absenteeism Control. Retrieved June 14, 2016, from Benefits Interface: http://www.benefits.org/optimize/risk-sharing/attendance-management?showall=&start=2*
- *Wilcox, C. (2008). The Influence of Organizational Incentives on Absenteeism: Sick Leave Use among Postal Employees. Phoenix: University of Phoenix.*
- *(2nd Edition ed.). New Jersey: John Wiley & Sons Inc.*