

## A CAUSAL STUDY ON THE IMPACT OF PRESENTEEISM AT WORK PLACE AND WAYS TO IMPROVE PRODUCTIVITY IN IT AND ITES SECTOR

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### ABSTRACT:

The organizations are facing new challenges and encouraging its employees to adapt to the changing business need, environment and demanding situations at the workplace. With the current pandemic scenario, the work equations have changed completely and employees are sitting in the job for more than 10-12 hours in a day and productivity is been affected remarkably. The employee's presenteeism at work is not apparent unlike absenteeism. It hits the job card at a very later stage and by then things were beyond control and need to call for an immediate action plans which again puts so much of pressure on their productivity. This led to focus on the study in reducing presenteeism at work by understanding the underlying problems of employee's and its impact on the productivity. The study has encouraged to consider factors such as physical, mental, family, financial and social health to know the impact of presenteeism at work and way to address it at an early stage. The study reveals that comprehensive approach in addressing employee's personal problem, supporting them in work - life balance, and a word of encouragement would help them in reducing the presenteeism. Also, the interval breaks at work, upgrading the employee's skills and considering the job conditions will help to increase the productivity within the time frame.

**KEY WORDS** :Presenteeism, Absenteeism, Stress, Work - Life Balance and Workplace Productivity.

### I. INTRODUCTION

In the competitive work environment, employees showing up to the organization has become more essential than performing their job on time or increasing their productivity. The organization demands physical presence of an employee to follow the standard rules and regulations. They feel so confident to get the job done when the employees are present within the work environment and believes team can support and ensure that the job is completed on time as per the requirement.

A healthy and productive workforce is critical for economic success and population health. Illness at the workplace can result in lost productivity, which arises from two sources: absenteeism and presenteeism. Absenteeism refers to an employee's time away from work due to illness or disability [1]. Presenteeism refers to the decrease in productivity in employees whose health problems have not necessarily led to absenteeism and the decrease in productivity for the disabled workers before and after their absence period [2]. It is defined as being present at work, but limited in some aspects of job performance by a health problem, and it is often a hidden cost for employers [3]. It includes time not spent on job tasks and decreased quality of work (e.g. product waste and product defects) [4]. Absenteeism and presenteeism are part of a continuum within which workers likely transition back and forth over time [5]

They underestimated the power of presenteeism at the workplace. The employees showing up to work and not being fully productive costs huge amount of loss. The total cost of presenteeism for U.S. companies exceeds

150 billion dollar a year, which is reportedly more than the cost of absenteeism (Hemp, 2004). Due to policies and procedures the employees are turning up to the organization irrespective of their health complications or any personal problems. They sit in the job for long hours with in-completion or take longer duration than it actually required or make some basic mistakes. All these are overseen by the reporting authorities and assumes that it could be corrected by themselves or doesn't need any attention to it. But presenteeism has a major impact on personal and professional life. There is no definite definition for presenteeism. **But it refers to the loss of productivity, physical presence in the workplace with hardly any interest, lack of attentiveness at work due to physical or mental un-wellness.** Most of the organization feels absenteeism as threat for the growth of the organization but the actual threat is the presenteeism.

In the modern world, the concept of presenteeism is discussed in most of the organization for improving health of an employee and productivity. Also, the new terminology employee wellness is implemented in most of the organizations to reduce employee stress and improve work life balances. The stressors are been diagnosed through various sources and promote wellness through yoga and meditation.

Johns (2009) in a review mentioned that the European definition, focuses on the management and epidemiology or occupational health aspects of the term and its impact on job insecurity and the North American focus in assessing the impact of ill health, such as experiencing a migraine, on productivity[6]. He found that it lacks the scientific fact that presenteeism is the opposite of absenteeism and more research is required to assess this concept. Research has shown that in the UK, on average, presenteeism costs businesses £605 (Rs 56,213.79) per person each year. According to a KPMG Econtech report, the overall annual cost of presenteeism to the Australian economy is around \$34 billion (Rs 1.76 trillion), nearly four times the cost of absenteeism and equivalent to a 2.7 per cent reduction in the country's GDP. The Global Corporate Challenge study states that presenteeism can cost companies the equivalent of three months' (per annum) in lost productivity.

The other study by Health Insurer Vitality has found that more than 40% of employees have said that their work is being affected by health problems - a figure that's risen by a third over the last five years. Chartered Institute of Personnel and Development (CIPD) also found evidence of unhealthy trends in the workplace and said more than four-fifths (83%) of its respondents had observed presenteeism in their organization, and a quarter (25%) said the problem had got worse since the previous year. The study by Pricewater House Coopers shows that due to increase in sedentary job the quality of life is getting affected and employees are more prone to chronic ailments such as diabetes, obesity and heart diseases. Due to such scenarios, the organizations are losing at-least 2% of the capital spent on employees due to absenteeism, disability, and presenteeism. The study says that higher indirect costs are incurred by the organization than direct cost such as medical reimbursement and claims.

Absenteeism is any failure to report for or remain at work as scheduled, regardless of the reason (Cascio & Boudreau, 2015). It is also called as bottom - line killer as it affects the productivity of the organization and increases the administrative cost. Absenteeism can have a severe impact on the workplace. The Center for Disease Control and Prevention (CDC) reports that absenteeism in the U.S. costs employers \$225.8 billion annually in productivity losses. This is \$1.685 per employee.

The concept of presenteeism and absenteeism both are determinant in measuring the organization's productivity. The presence and absence of any of these factors affects the quality of work and overall performance. Though both are key components that affects productivity but the presenteeism is overseen and absenteeism is highly rated. In the current scenario, organizations are facing so much problems on presenteeism

due to long working hours, non performance, and employee's mental and physical health affects the productivity.

### **1.1 Impact of Presenteeism and Absenteeism at workplace**

Presenteeism affects workplace in many ways. Most of us are unaware of the impact in the initial days as it has been part of the routine. The symptoms are unnoticeable. For instance, if the employee is not feeling well like having tiredness or giddiness irrespective of that he prefers to go to the organization. Because showing up is more important than paying attention to your physical health. Moreover, the tiredness is accepted as normal health and will be fine after taking rest or meeting people. The repercussion is unknown or overseen due to various factors.

The basic health issues in the long run leads to chronic physical and mental problems. The un-wellness of body and mind is not considered as a major problem in our country. The presenteeism occurs majorly for five reasons (1) when employees are unwell they have a chance to take few hours permission or leave but they prefer to show up (2) working long hours than its required to complete a task and (3) associated with chronic illness and affects work performance (4) due to stress at home and work (5) lack of sleep, fatigue, and un-wellness.

Absenteeism refers to the absence of work due to ill- health which could be physical or mental. The inability to present at workplace and taking off without prior intimation to work results in operational hindrances and increases the administrative cost. According to the view of K. Aswathappa: "Absenteeism costs money to the organization besides reflecting employee dissatisfaction with the company [7]. Rogers and Hurting (1993) "Absenteeism as a choice made by employees which occurs when an employee is absent due to reasons other than illness [7]."

As per the research, absenteeism is visible and directly affects the bottom line of the organization. This could happen because of the intentional and deliberate action of the employee or could be unintentional or due to health or personal problems. A recent report by the Manpower Group revealed that globally, 73 per cent of millennials work more than 40 hours a week, and nearly a quarter work 50 hours. The report also highlighted that millennials in India work the hardest, working (on average) 52-hour weeks. When they work for long hours and no time limits aggravates the stress and drains the energy. Due to work from home people are adding more stress to their personal and professional life which again results in presenteeism.

The Stanford Presenteeism Scale (SPS - 6) helps in understanding the impact of presenteeism at workplace. It helps in presume the employee's health problem and assess the degree to which it affects the completion of the work and employee focus. It consists of 6 items which includes health problem, task completion, distraction, hopeless, focus and energy. The results are measured from strongly disagree to strongly agree. Based on the results the employees are given necessary support to improve their health as well as productivity.

## **II. REVIEW OF LITERATURE**

The effect of presenteeism and absenteeism can contribute to productivity loss for the employers. Unlike absenteeism, presenteeism is invisible and indirectly contribute to productivity loss, increases stressors and creates imbalance in work-life balance. The economic impact of decreased performance as a result of absenteeism is relatively simple to estimate unlike that of presenteeism. Productivity losses resulting from presenteeism have been shown to be significantly higher than such losses resulting from absenteeism[1]

Presenteeism emerged as a new business issue in the 1990's [7]. The research publication says this new concept doesn't have any fixed measurement. The workplace questionnaires, organizational environment or cultural study would help to understand the policies and procedures that supports employee's wellness.

It is when an employee believes he/she —must show up for work, even if one is too sick, stressed, or distracted to be productive; the feeling that one needs to work extra hours, even if one has no extra work to do (Middaugh, 2007, p.172). The unhealthy workforce creates performance issues, stress among peer group and loss of profit to the organization. The stressors could be physical ailments, financial constraints, long working hours, illness, back aches or any body aches, personal or family problems. The suppressed emotions or feelings also leads to anxiety and depression. If it is not addressed properly “—stress creates pressure on individuals and families causing an individual to become easily agitated and less likely to exhibit emotional control (Kim, Sorhaindo, & Garman, 2006, p. 460).

One of the research publications says, the employees in C- cadre suffer from presenteeism than with mid or junior levels due to health ailments. This was stated by Miller (2009) noted, —Executives and managers seem to suffer high presenteeism productivity-loss related to specific health conditions along with those in non-managerial jobs (p. 20). The presenteeism also attributes the inability to perform the job or lacks requisite skills to complete it on time. To deal with such challenges, organizations started estimating the cost of lost productivity [9] that impact the job specific characteristics especially with team work [10,11].

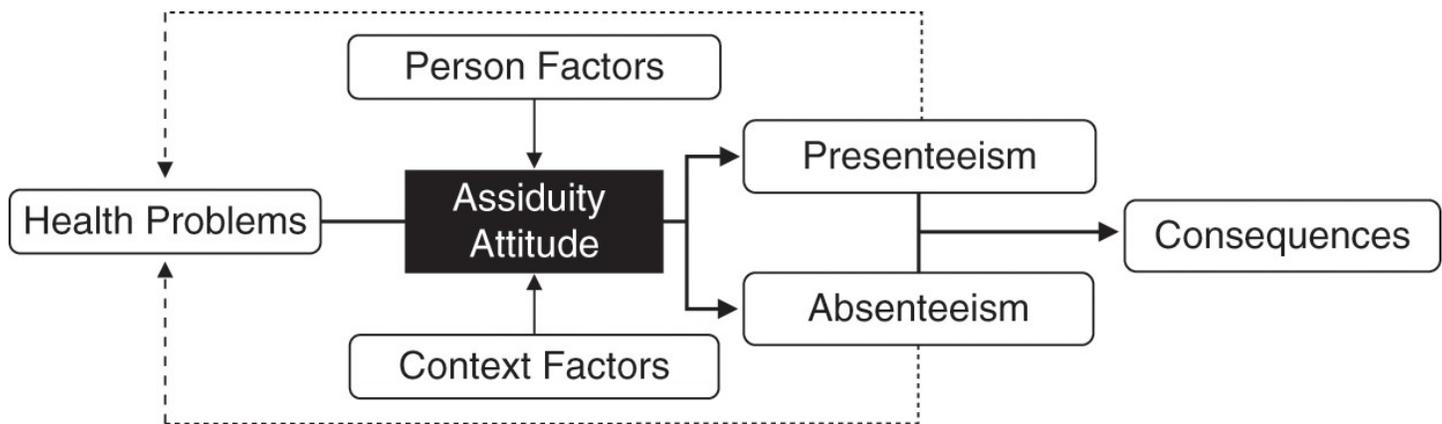
According to a survey conducted by the staffing service, there is a disconnection between the managers and its employees in acknowledging the un-wellness or not feeling well. These puts lot of mental pressure among employees and feeling frequently ill due to continuous work and pressure to complete the task. The presenteeism is also affected by fear of job loss and financial commitments. Most of the organization started experimenting work health promotion to support employee's health through various wellness programs and addressing mental health to increase productivity and reduce presenteeism at workplace.

### **III. CONCEPTUAL BACKGROUND / MODEL**

Workplace productivity impacts the organization's balance sheet and business model in a bigger way. The concept of presenteeism is really under estimated in most of the organizations as they feel employee's present at workplace matters a lot as the team is efficient in getting the work done from them. The absenteeism is unaccepted due to productivity loss is clearly visible and doesn't encourage its employees to take off as they will set the unhealthy standards within the organization.

This disturbs the employee's mental health and compulsory present to work place irrespective of physical illness not encouraging to work with their full potential. The job which was supposed to finish in few hours of timing prolongs to double the hours of actual timing. Though its not considered as serious issues but eventually it affects the job performance as well as productivity. Also, the delay in completion of task creates the turbulence within the team as well as with manager. This disturb the relationship and productivity.

In the current scenario, due to pandemic most of the organizations are functioning remotely and facing the productivity issues due to personal commitments, health issues of the family members, child rearing, no fixed working hours and financial crisis. The mental health of an employee is also affected due to emotional disturbance and lot of accumulating stress. Hardly any time to take care of themselves and 24\*7 the body and mind is functioning to meet the changing demand and to deal with uncertainties. The employees are the backbone of the organizational success. It's imperative to ensure their physical and mental wellness and support them by all means.



(Understanding the behavior of presenteeism – Presenteeism at work)

Source : Cambridge Press

### 3.1 CONCEPTUAL STUDY ON EMPLOYEE RESILIENCE SUPPORT PROGRAM

The resilience is very essential for every individual to cope up with life incidents. It is the person's ability to bounce back to any bad situations and get back to normal state. The model of resilience is used primarily by psychologist and psychiatrist. This concept picked up 40 years back and still evolving to meet the changing needs of the environment.

Luthar has called resilience a construct with two distinct dimensions: (1) significant adversity and (2) positive adaptation [12]. When a person understand these two dimensions which is not seen directly but impacts the quality of life. Then its possible to apply the concept of resilience. Rutter defined resilience as relative resistance to psycho-social risk experiences (Rutter, 1999; 2000) [13]. His model not only focus on the positive comes but it does consider the negative outcomes too. Both Luthar and Rutter model are similar in nature with certain attributes delineating from each other.

## IV EMPLOYEE RESILIENCE SUPPORT PROGRAM

### 4.1 Focus: WORK - LIFE BALANCE

The Employee Resilience Support program is a comprehensive approach by the organization for the wellness of it's own employees. It focuses on physiological and psychological factors of an employee and its impact on the workplace productivity. Most of the time the challenge lies in identifying their real problems as they wont be comfortable in talking about their health or family problems due to fear of judging and impact on their personal attributes. These three are interconnected and asking the right question is very essential to initiate the process.

The organization need to have a special team to help employee's to assist in the program. It involves the operational team and line managers. All the operations need to be very confidential and ensures the employee's get back to the normal working mode at the earliest.

The following are the process need to be followed to implement this model within the organization:

### **ERSP Team: HR / Psychologist / Functional Head**

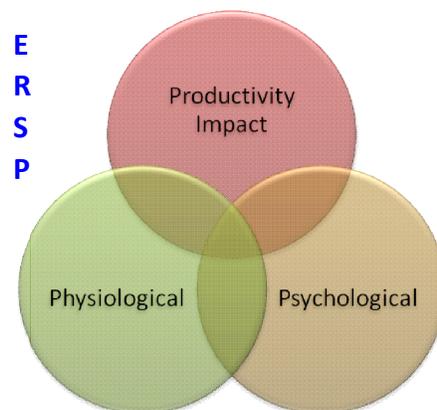
#### 4.2. Team Role:

**HR** - To follow up on regular basis to encourage that the employee gets the necessary support form the team and organization to perform her duties as well as whenever she needs an additional support. .

**Psychologist:** To help the employee in understanding her problems, develop coping skills, address problems and offer customized solutions. Assist them in having good mental health.

**Functional Head:** To understand where the employee gets stuck with the performance issues, assist in developing requisite skills and help in task completion within the stipulated timing.

**Other Resources:** The team can support the employee with the references and other supports to help them in a comprehensive manner.



### **Step 1: Productivity Impact**

Early Interventions of employee's performance report

Signs to be noted and observed for a period of 15- 30 days before calling for the support program:

- ✓ Past performance record - score card / absenteeism / presenteeism
- ✓ Analyzing the current scenario

- ✓ Understanding the problem area
- ✓ Offering the solutions
- ✓ Evaluating the performance

### **Step 2: Physiological Factors**

Need to check for physical health

- ✓ General illness - head aches / body aches / fever
- ✓ Chronic illness
- ✓ Medical conditions
- ✓ Impact on the work performance
- ✓ Feasible solutions

### **Step 3: Psychological Factors**

- ✓ Identify the stressors - family, personal, financial, peer group ,& medical
- ✓ Understand the history of stress, anxiety, and depression
- ✓ Know the psychological triggers
- ✓ Help to develop coping mechanisms
- ✓ Offer counselling and psychotherapy

This would help to address the employee's concerns on the holistic manner and encourage the atmosphere for work life balance. The employee resilience support program requires the minimum duration of 1 - 3 months to cope with the issues and develop resilience to get back to the normal state. The organization plays a major role in addressing employee's concern as they spend most of the time with them as well as the organization's balance sheet is depends on their performance.

They oversee the presenteeism of employees as they believe that they would do it based on the past performance or depending on the managers. Though it pays off most of the time but the presenteeism is a blind spot in the organization which makes the organization bleed in the long run. Probably it affects the turnover in certain percentage which will have the huge impact in the bottom line.

The employee's physical and mental health contributes to the organization's growth. Deterioration in any of these health leads to loss of workplace productivity. Its a cyclic approach as each employee's task is aligned with each other for the completion of an assignment. If any one of the employee delays the completion or oversees certain task it impacts the whole projects. Especially in the current scenario as they are working from home and work life balance has become the challenge. In these adverse situationsthe organization can offer these kind of support to encourage employees to take active break and resume the job. This would increase their morale and they naturally become accountable for their job. Ultimately, this will help in workplace productivity.

## **IV. SUGGESTIONS**

The presenteeism is the essential factor in determining workplace productivity. Though its indirectly linked with the performance but directly affects the bottom line of the organizations. When employees are unwell, its advisable to give a few hours break or a day off to make them feel good about the organization's support system for them as well as it makes them to become more accountable for their job. Based on the employee's need the organization can customize their support system and ensures the employee's resilience s back to increase the workplace productivity. Need to focus on absenteeism too as it has direct impact on the productivity. Most of

the time employee's take off without prior intimation or due to health reasons. This could be physical or psychological. Whatever the reasons, the organization need to understand the intention of employee's absenteeism and address at an early stage to minimize the loss of productivity. The organization need to focus on work - life balance to increase workplace productivity.

## V. CONCLUSIONS

The presenteeism impacts the workplace productivity to a reasonable areas and hits the balance sheet. This could be primarily for show up in the organization, fear of job loss, long working hours, ill health, and peer pressure. The absenteeism is due to lack of interest, non cordial relationship with managers, salary, physical or mental health problems and stress. Both could be addressed at an early stage and help employee's in leading a better life. The study could focus more on work - life balance and offer regular support programs to address their mental health.

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**WEB SOURCES**

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