



## Absenteeism and Employee Turnover of Co-Workers as Indicators of Job Dissatisfaction among Existing Employees: A Study on Service Industry in Nepal

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### **Abstract**

*This study has examined the relationship between absenteeism and turnover of co-workers whether such acts brings dissatisfaction among the employees. Absenteeism is considered as a major problem in the service sector, this study also indicates that there is positive relationship between absenteeism of co-workers and job dissatisfaction among existing employees whereas there is no significant correlation between employee turnover and job dissatisfaction among existing employees.*

**Keywords:** Job dissatisfaction, Absenteeism, Employee Turnover, Service Industry

### **Introduction**

Service industry rely widely on the humans for its functioning. Manpower used in the service industry cannot be substituted with electronic or mechanical devices. Absenteeism and Employee Turnover creates gap causing understaffing, deterioration of service quality and further overburdening of remaining employees (Nzimande, 2011). Various previous studies have examined the relationship between job satisfaction and employee turnover.

Employee absenteeism is a costly personnel problem that concerns employers. An understanding of the relationship between job satisfaction and absenteeism may provide important insight for public managers who cope with the consequences of employee absenteeism (Clenney, 2005). This research aims to study how employee turnover with absenteeism of coworkers indicates job dissatisfaction among remaining employees of service industries in Nepal. This study attempts to analyze the reason behind employee turnover, employee absenteeism, their level of job dissatisfaction and their impact among employees.

### **Research Methodology**

The present study is based on primary source of data. Primary data were collected through individual interaction with HR Manager of selected service organizations within the Kathmandu Valley who then circulated the questionnaires to their co-workers (mid-level and assistant level only). The questions asked in the questionnaires included basic

information of the respondents followed by other questions related to absenteeism, employee turnover and job dissatisfaction.

Based on the variables included in the theoretical framework of the study, questionnaire was developed using 5-point Likert scale on each dimension incorporating the knowledge gained from the review of available literature. The responses are used for obtaining additional inputs into the process of questionnaire design.

Mid-Level and Assistant Level employees who worked in different service industries in Kathmandu Valley, with the population sample of 400 were used for the study, where the confidence level is 95% and the margin of error is + or – 5 percent. The sample size is calculated as per Sloven’s Formula (Altares, 2003; Guilford & Frucher, 1973) below:

$$n = \frac{N}{1+Ne^2} = \frac{400}{1+400*(0.05)^2} = 200$$

where,

n= sample size

N= population size

e= margin of error

## Reliability Analysis

### *Test of Reliability*

Cronbach's Alpha	No. of Items
0.622	24

According to Guieford (1965) when Cronbach’s alpha ( $\alpha$ ) is greater than 0.6 it has good internal reliability and when 0.7 it shows the questionnaire has a relatively high internal reliability. The result shows that Cronbach’s alpha ( $\alpha$ ) is higher than 0.6. It indicates that the reliability of the questionnaire is acceptable and allowed for further analysis.

## Model Specification

The following model was employed to test the hypothesis. Independent variables for the study are Absenteeism of co-workers and Employee Turnover. Dependent variable is job dissatisfaction for this study. The regression model was used in the study to analyze the relationship between dependent and independent variables. Following regression model was used in the study.

$$JDS = a_0 + a_1A + a_2ET + e_i$$

Where,

**Dependent Variable**

JDS= Job Dis-Satisfaction among exiting employers

**Independent Variable**

A= Absenteeism of Co-workers

ET= Employee Turnover

ei= error

**Data Analysis**

**Correlations Analysis**

To measure the extent of relationship between independent and dependent variable, Pearson’s correlation was used. The correlation measures the strengths of the linear relationship between variables.

*Correlation Analysis between Job Dissatisfaction with Absenteeism and Employee Turnover*

	<b>Absenteeism</b>	<b>Employee Turnover</b>
<b>Job-Dissatisfaction</b>	.144*	0.065
Sig (2-tailed)	0.042	0.363

\*. Correlation is significant at the 0.05 level (2-tailed)

The result of analysis in above table statistically confirmed that there exists positive correlation between Absenteeism and Job dissatisfaction and correlation is significant. However, Employee turnover and Job dissatisfaction is not correlated and significant. It was further confirmed as the p value (0.144) that correlation is significant at the 0.05 level (2-tailed) between Absenteeism and Job dissatisfaction.

**Regression Analysis**

Here regression results from various specifications of the models examined job dissatisfaction with its variables absenteeism and employee turnover is dealt. Following table shows the detail:

*Regression Analysis*

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	.559 <sup>a</sup>	0.312	0.294	0.58874

The above table shows that there is 31.2 percent of variation in dependent variable i.e. Absenteeism and Employee Turnover due to independent variable Job dissatisfaction. So it means that 31.2 percent of the independent variable can predict the dependent variable.

*Anova Table*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	18.231	2	6.077	17.532	.000 <sup>b</sup>
	Residual	40.208	197	0.347		
	Total	58.439	199			

a. Dependent Variable: JDS

b. Predictors: (Constant), ET, AB

From the above Anova table the F statistic is 17.532. Similarly, the p-value is less than 0.05 which clearly states that two predictors, the independent variables (Absenteeism and Employee Turnover) when taken together as a set shows that there is significant relationship between dependent variable (Job dissatisfaction).

**Hypothesis Testing**

In order to study the significance of relationship between study variables, the hypothesis testing was conducted. The testing of the hypothesis was done both by the correlations analysis and regression analysis via test of significance for the study variables.  
*Table 4.7.7*

*Summary of Hypotheses Testing*

S.N	Hypotheses	Tools used	Decisions
1	There is significant relationship between absenteeism of co-worker and job dissatisfaction of existing employees.	Correlation	Accepted
2	There is significant relationship between employee turnover and job dis-satisfaction.	Correlation	Rejected

From the above table it is shown that the first hypothesis is proved to be accepted while second hypothesis is proved to be rejected.

Hypothesis 1 (H1): There is significant relationship between absenteeism of co-worker and job dis-satisfaction of existing employees. Since absenteeism of co-worker have positive and significant impact on job dissatisfaction of existing employees which



implies that absenteeism plays vital role in any organization which directly first and foremost affects those employees who are present on that day.

Hypothesis 2 (H2): There is significant relationship between employee turnover and job dis-satisfaction. Since employee turnover and job dissatisfaction don't have significant relationship which implies that employee leaving the organization doesn't much affect the employees who haven't left the organization. There are various factors of employee turnover both voluntarily (better opportunities, pay, work feasibility etc.) and naturally (retirements, deaths etc.). So, the present researcher didn't found significant relationship between employee turnover and job dissatisfaction.

### **Conclusion**

The major conclusion of this study is that one independent variable (i.e. absenteeism) has positive correlation with dependent variable (job dissatisfaction) while another dependent variable (employee turnover) has no significant correlation with dependent variable (job dissatisfaction). Absenteeism itself is very in disciplinary act in any organization, not only the management but co-workers also don't feel good while their colleague goes on leave. As first and foremost the work burden gets added up and due to this added work, regular office time gets hampered, unnecessary pressure and many more. Human being are social animal so always would like to work in team and this absent may cause adverse effect in work life. While in other hand employee turnover is regular phenomena in any organization, employee leaves an organization for better opportunities whether be it financially, position wise, workwise. But there are still other factors that determine the employee turnover like retirements, dismissals, deaths etc.

With the findings it can be concluded that employees can tolerate the turnover but not the absenteeism. With turnover there occurs new horizon among the existing employees; new employee brings new ideas new perspective and new charisma in an organization whether later it may turn it to be good or bad. Employee turnover brings trainings which equally benefits the existing employees. Dismissal also being part of turnover equally benefits the existing employees as in many instances employees are engage in each other's works. Though in person there may occur a sign of sympathy but work wise the satisfaction level of existing employees don't get affected. Retirements are not only part of turnover but also an employment as a whole. Any employee fulfilling their whole work tenure creates positive attachment towards the organization among existing employees. So, analyzing these factors it shows no significance among employee turnover and job dissatisfaction among existing employees. Absenteeism on the other hand showed significant level of dissatisfaction among existing employees. Employee never wants extra burden of work and in case of their colleague being absent a big no, which showed positive relationship between absenteeism and job dissatisfaction.



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