

A Study on Effects of Absenteeism and Labour Turnover at Vasanthi Soap Industries PVT LTD

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Abstract- Employees play a vital role in ensuring the productivity and smooth functioning of any organization. However, issues such as absenteeism and labour turnover pose significant challenges to organizational efficiency, particularly in manufacturing industries where continuous workflow and skilled labour are essential. This study titled “Effects of Absenteeism and Labour Turnover in Vasanthi Soap Industries” aims to examine the causes, impact, and implications of employee absenteeism and turnover on productivity, workflow continuity, employee morale, and organizational performance. The research was carried out using a descriptive research design, with data collected through structured questionnaires from 106 employees across various departments. Both primary and secondary data sources were utilized. These issues lead to production delays, increased workload, reduced efficiency, and higher recruitment and training costs.

KeyWords: Labour turnover, workload imbalance, reduced efficiency

I. INTRODUCTION:

Every organization, irrespective of its size or sector, relies heavily on its workforce to achieve productivity,

growth, and sustainability. Employees are considered the

most valuable asset of an organization, and their consistent presence and commitment are essential to maintain operational efficiency. However, two major human resource challenges that disrupt the smooth functioning of organizations are absenteeism and labour turnover. Absenteeism refers to the habitual or frequent absence of employees from work without valid reasons. It often indicates dissatisfaction, poor morale, health problems, lack of engagement, or external personal challenges faced by employees. While occasional absence is natural and unavoidable, persistent absenteeism can have far-reaching consequences such as reduced productivity, increased workload for other employees, disruption in work schedules, and additional costs for the organization.

Objectives of the study:

1. To analyse the influence of occupational stress on absenteeism
2. To analyse the effects of absenteeism employee productivity
3. To identify the satisfaction level of the respondent with the overall management

.III LITERATURE REVIEW

Simrankaur Bhatia , Shrishti kukreja , Kishore Kumar Deka 2018

Absenteeism is a type of unprepared activity which threatens the organization to fall in danger as it leads to the trouble of the daily process. Absenteeism converts the organization into nonstandard work place behaviour. Such affect of absenteeism affects.

Humera Fathima , Mr. Ravi Chandra BS 2024:

The issue of workplace harassment is grave and can lead to detrimental outcomes for both the individual and the company. Cortina, Magley, Williams, and Langhout (2001) discovered in their literature review that workplace harassment can cause employees' stress levels to rise, their job satisfaction to decline, and their productivity to drop. Furthermore, harassment at work can result in significant employee turnover, which can be expensive for businesses.

Mahima Virmani Bansal : 2016

The main aim of the unit Human Resource is to develop an understanding of how management functions can affect the performance of a business. Human resources are one of the most important features of many businesses - especially in an economy where there is an increasing shift towards service-based industries.

Dr. A. Khaleelur Rahman , K. Thoufeeque Ahmed : 2020

The paper is intended to determine the working philosophy, welfare facilities, impact on organization's efficiency, mutual obligations and involvement of employer and employee and performance appraisal effects. The paper consists of objectives, limitations, research methodology, findings, and conclusions. The information is collected using primary and secondary data.

Mr. SUJAN RAJ , Dr. NEHA DUBEY : 2025

A prevalent issue that reduces corporate productivity and profitability is employee absenteeism. Developing effective strategies to mitigate the effects of absenteeism requires an understanding of its causes and consequences. This Study is meant to explore the prevalence, causes, and impacts of Employee Absenteeism in Schutz container systems private limited. Analyze the correlation between absenteeism, job satisfaction, employee engagement, and work stress.

Devy Senza Maulina , Wawan Prahiawan , Liza Mumtazah : 2024

This research was conducted to determine the influence of employee absenteeism and turnover on innovation and organizational performance. The variables used in this research are employee absenteeism and turnover, where how much influence these two variables have on the success of innovation and organizational performance. The data collection method uses literature study which is then searched for research gaps from several articles/journals in this research. The research results show that employee absenteeism

V. RESEARCH METHODOLOGY

MEANING OF RESEARCH METHODOLOGY

Research methodology is the systematic and organized approach used by researchers to conduct a study and investigate a specific problem or question. It outlines the overall research design, the type of data to be collected, the methods and tools used for data collection, and the techniques for data analysis.

RESEARCH DESIGN

This study is Descriptive in nature. Descriptive research design is a type of research methodology that focuses on providing an accurate and systematic description of a phenomenon, situation, or population.

Sampling framework:

Sampling unit-employees of vasanthi soap industries Pvt Ltd

Sampling size-120

The tools used are

- Chi square
- Correlation

Chi-square:

The Chi-Square test is a non-parametric statistical method used to evaluate whether

there is a meaningful association between categorical variables in a dataset. It works by comparing the actual observed frequencies of occurrences in each category with the expected frequencies that would occur were no relationship between the variables.

CORRELATION

To examine the relationship between the turnover impact and organisational performance.

V. DATA ANALYSIS:

MEANING OF DATA ANALYSIS

Analysis of data is a process of inspecting, cleaning, transforming and modeling data with the goal of discovering useful information, suggesting confusions and supporting decision making. Data analysis has multiple facts and approaches, encompassing diverse technique under a variety of names, in different business, science and social science domains.

CHI-SQUARE TEST

To examine whether there is a significant association between the perception of having too much to do in the time available and the average leaves taken per month.

HYPOTHESIS

NULL HYPOTHESIS (H₀)

There is no association between the perception of having too much to do in the time available and the average leaves taken per month.

ALTERNATIVE HYPOTHESIS (H₁)

There is an association between the perception of having too much to do in the time available and the average leaves taken per month.

Chi-Square Tests

	Value	df	Asymptotic Significance (2- sided)
Pearson Chi-Square	189.092 ^a	12	.000
Likelihood Ratio	154.840	12	.000
Linear-by-Linear Association	8.068	1	.005
N of Valid Cases	106		

a. 12 cells (60.0%) have expected count less than 5. The minimum expected count is 1.04.

INFERENCE:

The Chi-Square test result ($\chi^2 = 189.092$, $p < 0.001$) indicates a significant association between the perception of having too much work and the number of leaves taken per month. This means the null hypothesis is rejected. Employees who strongly feel they have too much work tend to take fewer leaves, possibly due to work pressure or responsibilities. On the other hand, those who do not feel overworked tend to take more leaves.

CORRELATION

To examine the relationship between the turnover impact and organisational performance.

HYPOTHESIS

NULL HYPOTHESIS (H0)

There is no correlation between the perception that labour turnover affects the organization and the perception that the performance of the organization suffers due to frequent employee exits.

ALTERNATIVE HYPOTHESIS

(h1)

There is a significant correlation between the perception that labour turnover affects the organization and the perception that the performance of the organization suffers due to frequent employee exits.

Correlations

		Turnover Impact	The performance of the organization suffers due to frequent employee exits
Turnover Impact	Pearson Correlation	1	.348**
	Sig. (2-tailed)		.000
	N	106	106
The performance of the organization suffers due to frequent employee exits	Pearson Correlation	.348**	1
	Sig. (2-tailed)	.000	
	N	106	106

** . Correlation is significant at the 0.01 level (2-tailed).

INFERENCE

The significance level ($p = 0.000$) confirms the strength of this relationship. The sample size ($N = 106$) ensures reliability of the results. Overall, higher turnover is linked to lower perceived organizational performance.

SUGGESTIONS:

Introduce biometric attendance systems to accurately record attendance and reduce manipulation.

Improve communication between employees and management through regular meetings.

Enhance the workplace environment with better lighting, ventilation, and hygiene.

CONCLUSION:

The study concludes that absenteeism and labour turnover are significant challenges affecting the overall efficiency, productivity, and stability of Vasanthi Soap Industries. These issues arise mainly from factors such as low wages, limited career growth opportunities, occupational stress, and lack of motivation among employees. Frequent absenteeism and turnover not only reduce output but also increase operational costs and create additional workload for the remaining staff. Improving the work environment, revising compensation structures, and introducing effective employee engagement and retention strategies can help reduce these problems.

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