

Title: Implications of Presenteeism on the Sustainability of the Organisation

Authors names:

Corresponding author : Dr. Hannah Frederick,

**Associate Professor, Department of Commerce,
Madras Christian College (Autonomous), Tambaram, Chennai 59.**

Email id : hfgfef@gmail.com Phone No :+91 9444759633

Co author: : J. Janet Ebenezer

**Research scholar, Department of Commerce,
Madras Christian College (Autonomous), Tambaram, Chennai 59.**

Email id : jej.vjt@gmail.com Phone No :+91 9840543940

Abstract

Sustainability of the organization is under threat due to various reasons. Presenteeism – attending to work while ill is not considered as the major threat for the sustainability of the organisations. This is due to the fact that its outcome is not apparently seen in the organization though it has adverse effect. A study was conducted among 204 Private sector employees in Chennai city. This study has developed a model using Structured Equation Model (SEM) whereby it has identified the Implications of Presenteeism and its outcome being work stress, absenteeism and exposure to harassment at work. The results suggests that the Implication of Presenteeism can be reduced by removing the fear of losing their job, encouraging smooth interpersonal relationship with the superiors, creating pleasant work environment, showing equal treatment, and not affecting the performance appraisal.

Key words: Presenteeism, Sustainability, Absenteeism, Exposure to harassment at work, Stress.

Implications of Presenteeism on the Sustainability of the Organisation

Introduction

One of the challenges that organizations face these days is maintaining quality human resource. But absenteeism affects the organisation. Therefore the organizations are aware of the term 'Absenteeism' as it had always been their major concern. Just as Absenteeism, Presenteeism also has an adverse effect on the sustainability of the organizations. Presenteeism for this research study is taken from Aronsson & Gustafsson (2005) who has stated Presenteeism as 'going to work despite judging one's current state of health'. Presenteeism is attending work when ill (Johns,2011).

Presenteeism is more subtle, though, which makes it more dangerous. It is one of the major problems in all the organizations irrespective of different geographical locations and culture (Brown,2016). Mitchell & Bates (2011) has found that health conditions are associated with workplace productivity loss. Higher levels of sickness presence were associated with lower objective performance, reduced psychological health and wellbeing and higher levels of sickness absence (Ashby & Mahdon, 2010). Presenteeism is more common in tough economic times and when unemployment is high because, people are afraid to lose their jobs (Val Kinjerski, 2010). Therefore organisations should make use of appropriate policies to combat Presenteeism (Munro, 2007).

Hence a study was undertaken to identify the Implications of Presenteeism, its implications on the organizations and the strategies to be adopted to avoid Presenteesim in order to bring about sustainability in the organization.

Objectives of the study

- Establish the relationship between the variables contributing to Presenteeism and Absenteeism, Working under stress and Exposure to harassment at work.
- Identify the mediating role of Working under stress on the relationship between variables of Presenteeism and Absenteeism.
- Identify the mediating role of Working under stress on the relationship between variables of Presenteesim and Exposure to harassment are work.

- To suggest strategies to reduce the Implications of Presenteeism for sustainability of the organisation.

Theoretical framework and Hypothesis formulation

2.1 Implications of Presenteesim

Though Presenteeism is not insisted by the organizations, employees are forced into presenteesim due to various causes. Gilbreath and Karimi (2012), in their study has revealed that Negative supervisor behaviors were more strongly correlated with Presenteeism than positive supervisor behaviors. Exposure to work intensity, verbal abuse or discrimination, handling chemicals, awkward postures and shift work are also found to be Implications of Presenteeism (Eurofound , 2012). Permanent full-time work, mismatch between desired and actual Working hours, shift or period work and overlong working weeks increase sickness Presenteeism (Böckerman P, Laukkanen E, 2010).

2.2 Presenteeism and Working under stress

Gilbreath and Karimi (2012) has found that job stress and Presenteeism were positively correlated. According to Lunardo (2015) Presenteeism stems from ill health, stress, and raised motivation. Further Cho , Park, Lee , Min and Baek (2016), shows that Presenteeism increases in proportion with lower levels of job satisfaction and colleague support; higher levels of job stress, work intensity, and job strain; and more emotional labor.

2.3 Presenteeism and Exposure to harassment at work place

Previous studies show connection between the Implicationsfor Presenteeism and Exposure to harressment at work place. Dr. Miraglia et. al.(2016) in her study has revealed the key Implicationsa person to head into work while sick were job demands such as under-staffing, workload and finances. It was also linked to conflict between work and family, being exposed to harassment, abuse and discrimination in the workplace. Ashby and Mahdon (2010) has stated that, perceived pressure from senior managers, line managers and colleagues were Implicationsfor employees to come to work when unwell. Cho et.al.(2016) in their study has found that exposed to harassment, abuse, and discrimination are related positively to Presenteeism.

2.3 Presenteeism and Absenteeism

According to Gustafsson Klas & Marklund Staffan,(2011), Sickness Presenteeism also appeared to lead to Sickness Absenteeism, whereas Sickness Absenteeism did not have a

significant impact on future Sickness Presenteeism. Johns (2010), is of the view in a health-based scenario, chronic Presenteeism further damages one’s health, prompting a spiral of lowered productivity, increased Absenteeism, and possibility disability. Hemp Paul(2004) claims that unlike Absenteeism, Presenteeism isn’t always apparent. In fact, Presenteeism appears to be a much costlier problem than its productivity-reducing counterpart, Absenteeism.

Research Methodology

Relevant data for this study were collected from both primary and secondary sources. The questionnaire consisted of questions in a nine point Likert scale consisting of questions on Implications of Presenteeism and the consequence of these Implicationson Presenteeism such as Working under stress, Absenteeism and Exposure to harassment to work. Primary data were collected from the private sector employees in Chennai city, Tamil Nadu. All the data from the collected questionnaires was entered using SPSS 21 with Amos 21 as a tool for analysing the obtained data.

Data analysis

Preliminary examination of data

A total of 250 respondents completed the survey. After screening of the data 46 unusable questionnaires were found and discarded and a final 204 questionnaires were used for the study. Visual inspection of the histogram, normal QQ plot and box plot showed that the data is normal.

Model Evaluation and Analysis

Structural Equation Modelling (SEM), encompasses two components: (a) a measurement model (essentially the CFA) and (b) a structural model
 Measurement model (essentially the CFA)

Following an analysis of the relevant literature, the initial pool of 13 items was tested for the construct – Implications of Presenteeism by applying confirmatory factory analysis (CFA) to assess the measurement model fitness by using AMOS 21 . Many factors such as ‘Fear of losing job’, Fear of losing benefits, Job insecurity, Disciplinary action, Insufficient leave benefits, Affects promotion, Transfer of jobs, and Avoid overtime work were eliminated in the model since their contribution to the model was very insignificant. A final Measurement model consisting of 5 variables was considered for the construct Implications of Presenteeism.

Table:1 Variables in each construct for CFA

Construct	Variables	Standardized	Model fit	Outcome
-----------	-----------	--------------	-----------	---------

		regression coefficient	summary	Value	
Implications of Presenteeism	Fear of losing positions	.677	χ^2/df	2.271	Good fit
	Conflict with superiors	.815	CFI	.986	Good fit
	Unpleasant work environment	.892	GFI	.979	Good fit
			AGFI	.938	Good fit
	Discrimination at work	.670	TLI	.972	Good fit
Affects performance appraisal	.639	RMSEA	.079	Good fit	

Benchmark value - $\chi^2/df \leq 3$ (Chau, 1997), $CFI \geq 0.90$, $GFI \geq 0.90$, $AGFI \geq 0.90$, $TLI > .90$ (Hu and Bentler, 1999), $RMSEA \leq 0.08$ (Hooper et al.,).

As unidimensionality was proved for these constructs, they were further tested for reliability and validity.

Reliability and Validity

To analyze the reliability of the variables, this study used the Cronbach's alpha coefficient. To test validity of the data, Convergent Validity was assessed by means of:(a) Construct Reliability(CR), (b) Average Variance Extracted(AVE) and Discriminant Validity.

Table:2 Reliability and Validity for Implications of Presenteeism

Implications of Presenteeism	Reliability	Validity						
	Cronbach alpha	AVE	CR	Discriminant Validity				
				Fear of losing positions	Conflict with superiors	Unpleasant work environment	Discrimination at work	Affects performance appraisal
Fear of losing positions	.858	.555	1.16	.745				
Conflict with superiors				.503**	.745			
Unpleasant work environment				.596**	.734**	.745		
Discrimination at work				.473**	.551**	.611**	.745	
Affects performance appraisal				.519**	.542**	.548**	.382**	.745

The diagonal figures in **bold** indicate the square root of average variances extracted (AVE) for constructs. Benchmark value–Reliability: Cronbach's alpha > 0.70 (Nunnally and Bernstein (2010)); Convergent validity: AVE > 0.5 (Fornell, C., and Larcker, D. F., (1981) , Composite reliability(CR) > 0.60 (Bagozzi and Yi, 1988); Discriminant validity is adequate when the proportion of average variance extracted (AVE) in each construct

exceeds the square of the coefficient representing its correlation with other constructs (Fornell and Larcker, 1981).

** Correlation is significant at 0.01 level.

Table 2 shows that reliability and validity criterion is satisfied in this test.

Results

Relationships between the Implications of Presenteeism and the outcome of the Implications of Presenteeism

This hypothesis was tested using Pearson correlation coefficients by taking the average of the variables contributing towards Implications of Presenteeism.

The hypothesis is “There is relationship between the Implications of Presenteeism and its outcome such as Working under stress, Absenteeism, and Exposure to harassment at work.

Table 3 Pearson Correlation coefficients for relationships between the Implications of Presenteeism, and its outcome

Outcome	
Working under stress	.419**
Absenteeism	.367**
Exposure to harassment at work	.616**

** Correlation is significant at 0.01 level.

Based on the reported results there is positive correlation between the Implications of Presenteeism, and its outcome such as Working under stress, Absenteeism and Exposure to harassment at work. These evidences provide support for the hypothesis “there is a relationship between the Implications of Presenteeism and its outcome such as Working under stress, Absenteeism, and Exposure to harassment at work”.

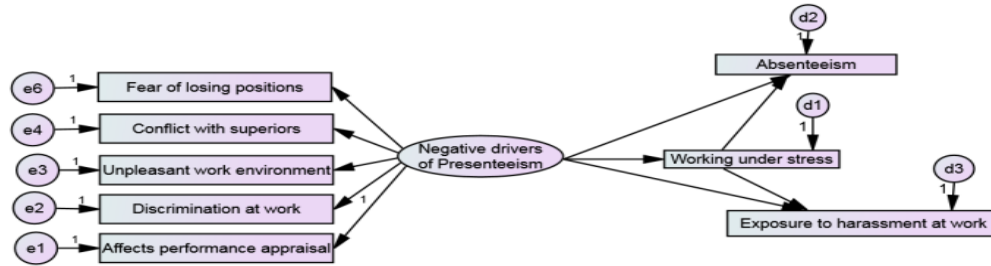
Structural Equation Modelling (SEM)-Path diagram technique to confirm the presence of the Mediator in the proposed model.

This research is aimed to investigate the relationship between

- Implications of Presenteesim and its outcome - Absenteeism, subject to the mediator Working under stress
- Implications of Presenteeism and its outcome -Exposure to harassment at work place, subject to the mediator Working under stress.

Hence, the following model was tested using Amos 21.

Figure 1



The fitted model indicated good fit with all the fit-indices better than the recommended cut-off values as shown in the Table 4.

Table:4

Model fit summary	Value	Outcome
χ^2/df	2.110	Good fit
CFI	.971	Good fit
GFI	.956	Good fit
AGFI	.913	Good fit
TLI	.955	Good fit
RMSEA	.074	Good fit

Benchmark value - $\chi^2/df \leq 3$ (Chau, 1997), $CFI \geq 0.90$, $GFI \geq 0.90$, $AGFI \geq 0.90$, $TLI > .90$ (Hu and Bentler, 1999), $RMSEA \leq 0.08$ (Hooper et al.,).

From the above model the following two models are taken and studied.

Sub Model 1

1. Independent Variables (IV) or Exogenous variable: Implications of Presenteeism
2. Dependent Variable (DV) or Endogenous variable: Absenteeism
3. Mediator Variable: Working under stress is a mediator variable that mediates the relationship between IV (Implications of Presenteeism) and DV (Absenteeism).

Sub Model 2

1. Independent Variables (IV) or Exogenous variable: Implications of Presenteeism
2. Dependent Variable (DV) or Endogenous variable: Exposure to harassment at work place represents the dependent variable.
3. Mediator Variable: Working under stress is a mediator variable that mediates the relationship between IV (Implications of Presenteeism) and DV (Exposure to harassment at work place).

Application of Sobel test to test the significance of a mediation effect.

As there seems to be a relationship between the constructs proposed in the two sub models using Structural equation model, the significance of mediating variable is tested by applying Sobel test. The results are shown below.

Partial mediation in sub model 1 and sub model 2 as shown in the model, calls to test the significance by applying Sobels test. In sub model 1 where Working under stress acts as a mediator between Implications of Presenteeism and Absenteeism, the test statistic for the Sobel test is 3.501, with an associated p-value of 0.000. The fact that the observed p-value falls below the established alpha level of .05 indicates that the association between the IV and the DV (in this case, Implications of Presenteeism and Absenteeism) is reduced significantly by the inclusion of the mediator (in this case, Working under stress) in the model. In other words, there is significant evidence of mediation with Working under stress acting as a mediator in the relationship between the Implications of Presenteeism and Absenteeism.

Sobel's test was also applied to test the significance of the Partial mediation in sub model 2. The test statistic for the Sobel test is 1.995, with an associated p-value of 0.046. The fact that the observed p-value falls below the established alpha level of .05 indicates that the association between the IV and the DV (in this case, Implications of Presenteeism and Exposure to harassment at work) is reduced significantly by the inclusion of the mediator (in this case, Working under stress) in the model. In other words, there is significant evidence of mediation with Working under stress acts as a mediator in the relationship between the Implications of Presenteeism and Exposure to harassment at work.

Discussion

The results show that, the Implications of Presenteeism are Fear of losing positions, Conflict with superiors, Unpleasant work environment, Discrimination at work and Affects performance appraisal. These Implications of Presenteesim leads employees to work under stress which finally leads them to Absenteeism and also to Exposure to harassment at work.

Managerial implication of the study

The present research contributes to management theory on how Implications of Presenteeism can affect the sustainability of the Organisations. Hence the management must adopt suitable strategies to reduce Presenteeism, by removing the fear of losing their job, encouraging smooth interpersonal relationship with the superiors, creating pleasant work environment, showing equal

treatment, and not affecting the performance appraisal. This will help in bringing sustainability in the organization by reducing absenteeism and exposure to harassment at work.

IJSER