

**EFFECT OF ABSENTEEISM ON CORPORATE PERFORMANCE:
A CASE STUDY OF CADBURY NIGERIA PLC, IKEJA, LAGOS STATE, NIGERIA.**

Onikoyi, Idris Adegboyega (Ph.D.)¹

Department of Business Administration, Osun State University, Faculty of Management Sciences, Department of Business Administration, Okuku, Osun State, Nigeria.

Awolusi, Olawumi Dele (Ph.D.)²

Department of Business Administration, Faculty of Management Sciences, Covenant University, Ota, Ogun State, Nigeria. E-mail:

Boyede Michael Ayodeji (M.Ed, BA.Ed, Dip)³

Department of Human Resource Development, Faculty of Management Sciences, Osun State University, Nigeria.

ABSTRACT: *This study examined the effect of absenteeism on corporate performance. Cadbury Nigeria Plc, Ikeja was used for the case study. The descriptive survey method of research was used and primary data were collected by the use of questionnaire. The primary data collected were processed by the use of statistical package for social sciences (SPSS). Multiple Regression statistical method was used to analyse and test the research hypotheses at 0.05 level of significance. The findings of study showed that there was a significant relationship between Absenteeism and corporate performance. The F test carried out for the model revealed that $p < 0.05$ which means the model is statistically significant. Based on the findings, it was recommended that organizations should identify the causes of workers absenteeism and seek means of reducing it, avoid regular hiring and firing of staff, discourage workers from taking irrelevant excuses to be absent from work by ensuring that workers are paid based on the hourly rate system and ensure that staff are motivated by paying them commensurate wage rate that will encourage them to remain on the job and improve their performance.*

KEYWORDS: *Corporate Performance, Financial Performance, Absenteeism, Cadbury.*

INTRODUCTION

Organizations over the years have sought means of improving employee resource management particular with the interest of reducing the employee work absenteeism and to maintain low level of employee turnover in manufacturing industry. Employee motivation, shift work system, team work and other means of enhancing employee happiness and job satisfaction have been applied by management to reduce employee absenteeism and labour turnover to improve overall organizational performance. However, despite the awareness of the adverse effect of absenteeism on overall organizational productivity and performance, the level of absenteeism tend to remain high in Nigerian, especially in the foods and beverages industry.

Cascio (2003), defined absenteeism as any failure of an employee to report for or remain at work as scheduled, regardless of reason, expresses a monitory implication. The term 'as scheduled' is

very significant, for this automatically excludes vacations, holidays, jury duty and the like. It also eliminates the problem of determining whether the absenteeism is excusable or not. Medically verified illness is a good example. From a business perspective, the employee is absent and is simply not available to perform his or her job, which means the absenteeism will cost money. Tiwari (2014) defined absenteeism as absence of workers from the regular work without prior permission. Excessive absenteeism involves a considerable loss to the enterprise because work scheduled are upset and delayed and management has to give overtime wages to meet the delivery dates. The rates of overtime wages are doubled than the normal rates of wages. Therefore, study of cause of absenteeism is essential to deal with the problem. Ivancevich and Matteson (2004) were of the view that absenteeism is costly because it reduces output and is disruptive because it requires that schedules and programmes be modified. Van der Merwe (2008) also establishes a relationship between absenteeism and labour turnover in that they share withdrawal behaviour where with absenteeism the behaviour is temporal and permanent with labour turnover.

The cost of absenteeism is huge in most organisations as it is with government departments, as this is one of the contributory factors in the failure of organisations and government departments to meet performance targets.

Due to the awareness of the adverse effect of absenteeism on organizational performance, it has become imperative for management of organizations, employees, investors, government and other stakeholders to be concern in reducing the negative effect in order to enhance overall performance of organizations, in the same vein, it has become imperative to carry out this study with a view of reducing the adverse effect of absenteeism on organizational performance, particularly in Cadbury Nigeria Plc, Ikeja.

In most cases, absenteeism presents adverse effect on the performance of organization. However, despite the awareness that relatively high absenteeism have negative effect on organizational performance, the operations of some organizations tend to increase the level of absenteeism either intentional or unintentional. Intentionally, some organization takes advantage of the increasing level of unemployment to exploit workers by hiring and firing workers at will, thus increasing the level of absenteeism believing that many unemployed workers are always available begging for the same job. Unintentional, some organizations do not adequately motivate workers as the workers are not paid commensurate wage rate, delayed promotion, non-provision of adequate working tools, lack of conducive work environment, lack of insurance cover, no adequate provision of health care facilities amongst others. All these factors tend to increase absenteeism which affects the level of organizational performance. In view of the uncompromising operations of some organizations the research problem is identified to be lack of effective human resource management which has not adequately motivated the employees, thus leading to increase absenteeism.

Research Objective

The main objective of this study is to examine the effect of absenteeism on corporate performance.

Research Question

The following research question was asked to elicit data for the study:

Does absenteeism have an effect on corporate performance?

Research Hypothesis

The following research hypothesis was tested:

H₀: Absenteeism will not significantly affect corporate performance.

H₁: Absenteeism will significantly affect corporate performance.

REVIEW OF RELEVANT LITERATURE

Conceptual Framework

Absenteeism

Absenteeism is an unplanned, disruptive incident; but more specifically it can be seen as non-attendance when an employee is scheduled to work (Van Der Merwe and Miller, 1988). Nel, Dyk, Haasbroek, Schultz, Sono and Werner (2001) defined absenteeism as withdrawal behaviour when it is used as a way to escape an undesirable working environment. Nel *et al.* (2001) also gives the meaning and level of motivation as: the minimum level – doing less than is required; expected level – doing just what is required; and the maximum level – doing more than is necessary. When a person is functioning at the first level or the third level as denoted above, this may be a cause for absenteeism.

Organisational labour productivity needs to be analysed regarding how it will change in the future. Projected employee turnover and absenteeism influence the productivity of an organisation's workforce and its future workforce needs. This issue must be analysed so that plans can be developed to address them (Abbott, 2003).

The monitoring of absenteeism is a human resources function which is often neglected, and which also has employment relations implications if not properly managed; for example, Allen, Jimmieson, Bordia, and Irmer, (2007) states that high turnover and absenteeism rates often show poor management and/or conflict within the relationship with labour. It is the responsibility of the human resources department and the line managers to monitor and establish reasons for high absenteeism. Scheduled time off for employee vacations is an inevitable cost of doing business. In addition, costs related to unscheduled absenteeism can be reduced through wellness programmes, disability management and flexible time-off options. Employers cannot escape the salary costs of time off the job, but when they plan ahead they can often eliminate indirect costs such as hiring a temporary worker, paying someone else to work overtime or lost productivity.

Ferris and Bruckley (1996) state that the final people processing activity in personnel and human resources management is organisational exit or the way in which people voluntarily or involuntarily move out of organisations. Two most commonly discussed issues related to exit are absenteeism and turnover. They represent major costs to many organisations. However a basic difference exists between the costs associated with absenteeism and turnover. Costs and causes of absenteeism, whether determined personally or per situation, tend to remain with the organisation while costs and causes of turnover, on the other hand, sometimes leave the organisation. This can

prove to be advantageous especially if the people who leave the organisation are poor performers and those who replace them bring in new perspectives and talents.

Mullins (2005) states that organisations that create work environments that attracts, motivate and retain hard working individuals will be better positioned to succeed in a competitive environment that demands quality and cost efficiency. Ekinci and Riley (2000) also agree that it is critical to understand that interdependent relationship exists between employee satisfaction and customer satisfaction and that the organisation needs to focus on both these components.

Gaudine and Saks (2001) conducted a study in Canada which sought to test the influence of employee absenteeism in the organisation. Absenteeism was found highest among the health care sector and the social assistance workers. When the results were communicated, they proved successful in reducing employee absenteeism for employees with above - average absenteeism but not extreme absenteeism. Because of absenteeism, quality care can be compromised; for example when a paediatric intensive care nurse has to be replaced by a general nurse for a particular day because she failed to report for duty, patient care will be compromised.

The organisational culture and systems play a very vital role in the management of absenteeism. If a permissive culture in the system exists within an organisation regarding absence, employees will consider sick-leave as a benefit that needs to be utilised, or it will be lost. On the other hand, if unnecessary absence is managed by management and/or co-workers, the employee will think twice before abusing sick-leave (Robbins 2003). Organisations that provide liberal sick leave benefits are encouraging all their employees, including those who are highly satisfied, to take days off. Assuming that you have varied interests, you can find work satisfying and still take interests, you can find work satisfying and still take off to enjoy a three-day weekend or tan on a warm summer day if those days are free and come with no penalties (Robbins 2003).

Nel *et al.* (2001) link performance to absenteeism by giving meaning to the levels of motivation as: the minimum level – doing less than is required; expected level– doing just what is required; and maximum level – doing more than is required. When a person is functioning at the first level or the third level as denoted above, this may be a cause for absenteeism. Motivation when not properly managed could cause employees to act in an unacceptable behaviour. The performance management system when not implemented or not properly managed could be a great cause for high absenteeism rate.

The Acquired Immune Deficiency Syndrome pandemic also poses a social challenge and presents a negative relationship to service delivery. Employees experience social problems that may contribute to absenteeism; for example, a parent may not have a helper to look after the child and therefore this prevents her from going to work.

There could be low productivity as a result of employee sickness or stress caused by inability to take care of relatives who are ill. Service delivery is affected by the prevalence of HIV/AIDS pandemic whether directly or indirectly. It is imperative that organisations put in place policies to deal with this situation and these must be communicated throughout the organisation for clarity and understanding to all the employees. A lot is written on the HIV/AIDS pandemic about linking

performance to absenteeism as alluded to by Nel *et al.* (2001), this environment is a wakeup call to management to pro-actively put in place systems to ensure and promote effective service delivery in spite of the challenging circumstances.

According to Ferris and Bruckley (1996), hypothetically absenteeism in organisations presents itself in two ways: one kind is the frequent offender, the employee whose numerous one day absences often fall on a Monday or a Friday or has frequent one or two days absence from work. This kind of employee collects a high number of 'so-called' attitudinal absences. A temporary respite from work generally reflects a preference to do something else other than spending eight hours in the office. The other kind is long-term absenteeism. Long-term absenteeism is not deliberate or planned, may result from work or non-work injury which generally has nothing to do with the employee's work ethic or personal value system. What are the costs of long term absenteeism?

Elements affected by long term absenteeism include:

1. Benefits as most organisations continue to provide benefits for employees who are absent on a long term basis, for a stipulated number of days.
2. Lost productivity, as is the case with short term absenteeism the time and effort associated with recruiting, orienting and training replacement employees also exists for long term absence. The productivity of a new or transferred employee will suffer until standard level of competency is achieved. This kind of absence is expensive and often disrupts the normal functioning of an organisation.

Even though absenteeism can be attributed to stress, high vacancy rate and other factors Ivancevich and Matterson (1996), examines how prior absenteeism in one job is related to subsequent absenteeism in a new job in the same organisation. In addition the study examined the relationship absenteeism has on new jobs and three work attitudes: organisational commitment, job satisfaction and role overload. Here the specific hypothesis tested was: past absenteeism is a better predictor of new job absenteeism in the same organisation than are the employee attitudes. This relationship can be affirmed by an example of an organisational culture where absenteeism is acceptable as organisational working conditions and penalties are very minimum.

Luthans (1995) attempted to find a relationship between satisfaction and productivity. Although a positive relationship is mostly assumed, his analysis revealed a less than one percent (0.17) average correlation between the two. This confirms the fact that an inverse relationship exists established between satisfaction and absenteeism. However, as with other relationships with satisfaction, there are moderating variables such as the degree to which people feel that their jobs are important. For instance those who believed their work was important had lower absenteeism than did those who felt their work was less important. Additionally, it is important to remember that while high job satisfaction will not result in low absenteeism, low job satisfaction is likely to bring about high absenteeism.

Gerber, Nel, and Van Dyk, (1998) illustrate involvement with the organisation as a tool to reduce absenteeism and later turnover. Involvement represents a state where individuals feel strongly drawn to the objectives, values and goals of the employer. Employees who are deeply involved

are more inclined to increase their participation in the activities of the organisation. Employee attendance is increased when they feel committed to the organisation and develop a strong desire to stay and continue their contribution to goal achievement with which they identify. Successful organisations are characterised by performance-inclined, innovative and creative employees.

Robbins (2009) links absenteeism to satisfaction and deduces a negative correlation. In the organisation when there is no satisfaction there is a cause for absenteeism, Swanepoel, Erasmus, van Wyk and Schenk (2003) refer to one of the causes for absenteeism as boredom. An example is an organisation with a great deal of specialisation where employees perform only a few specified tasks for which they are specifically trained, some may become very bored with the monotonous work. Such dissatisfaction may lead to low productivity and withdrawal from work. These causes have implications on absenteeism for both the service users and service providers. In this instance, service provider refers to the employer which is government, experiencing a loss due to absenteeism while the service users meaning the society are not getting quality services whether due to shortage resulting in stressed workers or due to long hours worked resulting in fatigue.

Corporate Performance

Researchers among themselves have different opinions of performance. It is believed that improving human resource management of the absenteeism improves corporate performance. It has in fact continues to be a contentious issue among organizational researchers (Barney, 1997). For example, Jones (2006), states that performance is equivalent to the famous 3Es (economy, efficiency, and effectiveness) of a certain program or activity. However, Daft (2000), says that organizational performance is the organization's ability to attain its goals by using resources in an efficient and effective manner. Quite similar to Daft (2000), Richardo (2001) defined corporate performance as the ability of the organization to achieve its goals and objectives. However, financial performance of organizations is distinctive and an aspect of organizational performance. Financial measures enable researchers to construct trend analyses and benchmarking analyses. Perceptual sources include employee evaluations of organizational effectiveness or financial health and their overall level of satisfaction. These subjective assessments of performance frequently have been used in organizational theory to evaluate organizational effectiveness and overall employee satisfaction. Given the increasing pressure of organizations to satisfy multiple stakeholder groups, there is a need for more complex measures of organizational effectiveness in which overly simplistic single variable models are inadequate expressions of the real world, multi-goal existence of organizations (Kirchhoff, 1977).

Most practitioners seemed to use the term "performance" to describe a range of measurements including input efficiency, output efficiency and in some cases transactional efficiency (Stannack, 1996). Organization adopts different objectives and measurements for organizational performance. Hamel & Prahalad (1989), however, argued that profitability was the most common measurement used for organizational performance in business organizations. Other researchers such as Galbraith and Schendel (1983) supported the use of return on assets (ROA), return on equity (ROE), and profit margin as the most common measures of performance. Return on Assets (ROA) is derived by dividing net income of the fiscal year with total assets. Return on Equity (ROE) means the amount of net income returned as a percentage of shareholders equity. It measures a corporation's

profitability by revealing how much profit a company generates with the money shareholders have invested.

Richardo (2001) emphasized that successful organizations were those with the highest return on equity and those who had established performance management system “aligning” every aspect of the organization from top management to the factory floor. There was an over-emphasis on financial criteria, with pre-occupation with past performance. Performance measures were usually not linked to strategies and goals of the overall organization and they were inward looking and did not capture aspects of performance necessary to gain and retain customers or build long term competitive advantage. Zou & Stan (1998) propose seven categories of financial, non-financial, and composite scales to measure export performance based on a review of the empirical literature between 1987 and 1997. The financial measures are sales measures, profit measures and growth measures, whereas the non-financial measures are perceived success, satisfaction and goal achievement. Financial measures are more objective compared to the non-financial measures which are more subjective.

METHOD

The descriptive survey method was used for collection of data. Data were collected through primary source. The study population comprises of the staff of Cadbury Nigeria Plc, Ikeja. The sample size of 150 respondents was drawn from the staff population of the company by simple random sampling technique.

Data were obtained from primary source through the use of the questionnaire, and secondary data were extracted from the annual reports of Cadbury Nigeria Plc, Ikeja.

To ensure validity of the instrument used for this study, items capable of measuring different variables identified on the research questions were drawn on the instrument. The questionnaire was validated by giving the draft questionnaire to an expert in Human resources management research to validate and make necessary adjustment before the final questionnaire.

The need to further ensure that the questionnaire used for the primary data collection for this study is reliable, a reliability test was conducted. The Cronbach's alpha (α) statistical method was used to carry out the analysis. The reliability test of the instrument carried out for this study using Cronbach Alpha (α) statistics and 25 respondents selected Cadbury Nigeria Plc, Ikeja who did not form part of the main study, showed that the calculated Cronbach Alpha coefficient (α) was 0.85, which was above 0.70. Therefore, the instrument (questionnaire) was accepted to be reliable and consistent for this study.

RESULT

This section focuses on presentation of results and discussion of findings. The results of the analysed data were interpreted on the basis of the research question generated for the study.

Research Question: Does absenteeism has effect on corporate performance?

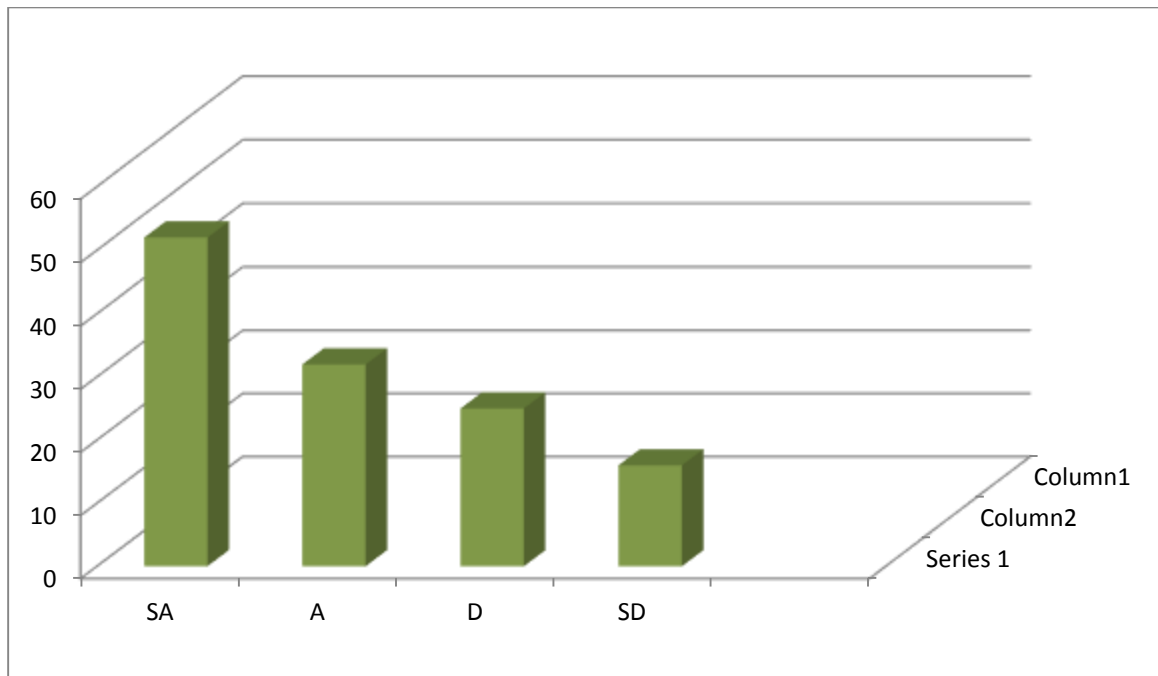
In order to answer and analyse this research question, responses to questions 1 –4 in section B of the questionnaire were used.

Table 1: Absenteeism and corporate performance

S/N	ITEMS	SA	A	D	SD	REMARKS
1	Reduces level of organization productivity	52 (42%)	29(13%)	21(17%)	23 (18%)	125 (100%)
2	Reduces the promptness of meeting customers' demand	48(38%)	40(32%)	21(17%)	16(13%)	125 (100%)
3	Negatively affect level of quality service delivery	56(45%)	38(30%)	19(15%)	12(10%)	125 (100%)
4	Reduces the level of profitability of the organization	50(40%)	21(17%)	37(29%)	17(14%)	125 (100%)
	Average	52(42%)	32(25%)	25(20%)	16(13%)	125 (100%)

Source: Researcher's Computation 2015.

Figure 1. Graphical Representation of Responses to Research Question



Source: Researcher's Computation 2015

Table 1 and graphical representation (Fig. 1) above shows that 67% (comprising of SA = 42% and A = 25%) of the total respondents expressed the view that absenteeism has adverse effect on corporate performance while only 33% of the total respondents (comprising of D = 20% and SD = 16%) were against the statement. Therefore, it follows that absenteeism has adverse effect on corporate performance in Cadbury Nigeria Plc, Ikeja.. This implies that absenteeism reduces the level of organizational productivity, profitability, quality service delivery and promptness of meeting customers' demand in Cadbury Nigeria Plc, Ikeja. This implies that there is need to avoid what causes absenteeism of staff.

The research hypothesis is analysed and tested for significance.

H₀: Absenteeism will not significantly affect corporate performance.

H₁: Absenteeism will significantly affect corporate performance.

$$y = a_0 - b_1x_1 - b_2x_2 - b_3x_3 - b_4x_4 \dots\dots\dots 1.$$

Where:

y = Corporate Performance (Dependent variables).

x = Absenteeism (Independent variable).

Variables x₁, x₂, x₃ and x₄ represent the question items 1-4 in the group B section of the questionnaire for measures of independent variable (x = Absenteeism).

Where:

x₁ = Reduces level of organizational productivity.

x₂ = Reduces the promptness of meeting customers' demand

x₃ = Negatively affect level of quality service delivery

x₄ = Reduces the level of profitability of the organization

Table 2: Coefficients

		Unstandardized Coefficients		Beta	T	Sig.
		B	Std. Error			
Equation	(Constant)	3.613	0.152		12.112	.000
	x ₁	2.124	0.065	.512	10.019	.001
	x ₂	0.921	0.185	.284	4.109	.002
	x ₃	1.008	0.441	.118	7.672	.012
	x ₄	1.193	0.028	1.001	2.172	.014

Source: SPSS Analysis 2015

a Dependent Variable: y

R – Squared (R²) = 0.955
Adjusted R-Squared: = 0.954

Table3: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1855.725	4	563.931	95.666	.000 ^a
	Residual	1600.901	319	6.018		
	Total	3456.627	323			

Source: SPSS Analysis 2015

- a. Predictors: (Constant), x₁, x₂, x₃, x₄
b. Dependent Variable: Corporate Performance

Table 2 above shows that the determined regression model for the Hypothesis is:

$$y = 3.613 - 2.124x_1 - 0.921x_2 - 1.008x_3 - 1.193x_4 \dots\dots\dots 1.$$

The above equation revealed a constant value of 3.613, which is the part of corporate performance that does not depend on the explanatory variables of absenteeism. The model shows that 1% improvement on each of the components of absenteeism (explanatory variables) will reduce the corporate performance (y) by 2.124, 0.921, 1.008, and 1.193 respectively.

A close examination of the results presented in the equation above indicates that R² value of 0.955 indicates that about 95.5% of the total systematic variations in corporate performance (dependent variable) were due to the variations to absenteeism (independent variable). This means that only 4.5% of the total systematic variations in corporate performance are left unexplained hence captured by the stochastic error term in the estimate model.

Also, the adjusted R² of 0.954 shows that after adjusting for the degree of freedom the entire variables taken together, could still explained about 95.5% of the systematic variations in corporate performance.

In Table 2 above, the findings revealed that all the independent variables have significant causal influence on corporate performance. The order of causation is:

x₁ (Beta=0.512; ρ <0.05); x₂ (Beta=0.284; ρ <0.05); x₃ (Beta=0.0118; ρ <0.05); x₄ (Beta=0.001; ρ <0.05);

In Table 3 above, the F test carried out for the model revealed that ρ<0.05 which means the model is statistically significant. Implications of this result are:

Accept H₁ which says there is significant relationship between absenteeism and corporate performance. A large value of F indicates a significant proportion of the variation in corporate performance (y) is explained by the regression equation and model is valid. The above result shows that the overall model is statistically significant. This means that x₁; x₂; x₃; x₄; (independent

variables) taken together have significant impacts on corporate performance at 5% level of significance.

DISCUSSION OF FINDINGS

The findings of this study agreed with Tiwari (2014), who reported that, the impact of absenteeism and labour turnover on organisation performance appear to be average. The study posited that absenteeism also affects the level of satisfaction among the employees and organisational performance.

Luthans (2002) attempted to find a relationship between satisfaction and productivity. Although a positive relationship is mostly assumed, his analysis revealed a less than one percent (0.17) average correlation between the two. This confirms the fact that an inverse relationship exists established between satisfaction and absenteeism. However, as with other relationships with satisfaction, there are moderating variables such as the degree to which people feel that their jobs are important. For instance those who believed their work was important had lower absenteeism than did those who felt their work was less important. Additionally, it is important to remember that while high job satisfaction will not result in low absenteeism, low job satisfaction is likely to bring about high absenteeism.

This finding supports the findings of Mumford (2000) found that employee self-actualization depend on the employees level of satisfaction or happiness which could be enhanced by healthy organizational culture. Mumford (2000) further sees the concept of job satisfaction as “the degree of fit between organisational demands and individual needs, and that the employee's satisfaction with his job and the employers’ satisfaction with his job and with work performance will enhance employee achievement of greater high and self-fulfilment which reduces labour turnover.

CONCLUSION AND RECOMMENDATIONS

The major findings from this study based on the results of the analysis of the data and the test of hypothesis include the following:

Absenteeism significantly affects corporate performance. This result was confirmed based on the results of the analysis of the determinant variables which showed that absenteeism reduces the level of organizational productivity, profitability, quality service delivery and promptness of meeting customers’ demand in Cadbury Nigeria Plc, Ikeja.

Organisational culture significantly improved employee happiness in carrying out their jobs. This statement was proven to be true based on the outcome of the analysis of the determinant variables, which showed that organizational culture that encourages free flow of communication among employees’ team work, rewards outstanding performance of employees, encourage employees innovations, motivation and payment of commensurate wage rate to Employees significantly improved employee happiness in carrying out their jobs.

There is no doubt that every organisation would want to improve the level of its corporate performance. Similarly, Cadbury Nigeria Plc, Ikeja would want to improve its corporate performance particularly through effective management of labour to reduce absenteeism. It has been found that effective management of labour reduces employee absenteeism leads to improvement in organizational level of productivity, effectiveness, prompt delivery of service, quality service delivery, efficiency, profitability and overall corporate performance of the organization. Thus, there study has shown adequate indications that there is direct negative relationship between corporate performance and labour turnover on one hand and direct negative relationship between absenteeism and corporate performance on the other hand. Therefore, it could be concluded that if organizations, particularly the Cadbury Nigeria Plc, Ikeja could ensure management of labour by reducing absenteeism it will significantly contribute to improving their corporate performance.

Based on the findings of the research, it is recommended as follows:

- i. The organizations should identify the causes of workers absenteeism and seek means of reducing the absenteeism in order to enhance corporate performance.
- ii. Organizational should avoid regular hiring and firing of staff as this increases cost of recruitment, training/induction of the new staff and cost of settlement of the disengaged staff.
- iii. Workers should be discourage from taking irrelevant excuses to be absent from work by ensuring that workers are paid based on the hourly rate system. This will discourage absenteeism.
- iv. The organizations should provide enabling work environment conducive enough to enhance the health and welfare of the employees.
- v. Organizations should encourage team work that will enhance team spirit and relationship among team members that could encourage employees to remain on their work.
- vi. Organizations should ensure that staffs are adequately motivated by paying them commensurate wage rate that will encourage them to remain on the job and improve their performance.
- vii. Organization should ensure organizational culture that encourages employees' innovation that could enhance the level of productivity; this will enhance the level of organizational productivity and overall performance.
- viii. Adequate punishment besides salary based on hourly rate, should be melted on the absenting staff by suspensions and issuance query of cases of staff absenteeism to deter workers from absenteeism.

REFERENCES

- Abbott, J. (2003). Does employee satisfaction matter? A study to determine whether low employee morale affects customer satisfaction and profits in the business-to-business sector. *Journal of Communication Management*, 7(4), 333–339.
- Allen, J., Jimmieson, L., Bordia, P. and Irmer, E. (2007). Uncertainty during Organisational Change: Managing Perceptions through Communication. *A Journal Change Management*, 7(2), 36-48.

- Barney, J.B.(1991). Firm resources and sustained competitive advantage. *Journal of Management*, 1(17), 99-120.
- Cascio, W.F. (2003). *Managing Human Resources- Productivity, Quality Of Work Life, Profits.* (4th Edition.). London: Mcgraw-Hill Incorporation.
- Daft, R. L. (2000). *Organization Theory and Design.* (7thedition.). Thomson Learning: South-Western College Publishing.
- Ekinci, A. and Riley, F. (2000). *Fundamental of management: Essentials concepts and applications.* 4th Edition. New Jersey: Pearson Prentice Hall.
- Erasmus, B., Van Wyk, M. and Schenk, H. (2003). *Human Resource Management Theory and Practice.* Cape Town: Juta and Co. Ltd.
- Ferris, H. and Bruckley, T. (1996). *Human Resources Management-Perspectives, Context, Functions and Outcomes.* (3rd Ed.). New York: Prentice-Hall Incorporation.
- Galbraith, C. and Schendel, D. (1983). An empirical analysis of strategy types. *Strategic Management Journal* 4, 153-173.
- Gaudine A.P and Saks A.M. (2001). Effects of an absenteeism on feedback intervention on employee absence behaviour. *Journal of organisational behaviour.* 22 (1). 1-15
- Gerber, P.D., Nel, P.S. and Van Dyk, P.S.(1998). *Human Resources Management.* (4th Ed). Southern Africa: International Thomson Publishers
- Hamel, G. and Prahalad, C.K.(1989). Collaborate with your competitors and win. *Harvard Business Review*, 67(1), 133-139.
- Ivancevich, J.M. and Matteson, M.T. (2004). *Organisational Behaviour and Management.* (2nd Edition). New York: Irwin Inc.
- Jones, M. D. (2006). Which is a better predictor of job performance: job satisfaction or life satisfaction? *Journal of Behavioral and Applied Management*, 8(4), 20–42.
- Kirchhoff, B. A. (1977), Organisation effectiveness measurement and policy research. *Academy of Management Review*, 2 (3), 347-355.
- Luthans, F. (1995). *Organisational behaviour.* 7th Edition. Irwin Boston: Mc Graw-Hill
- Luthans, F. (2002). Absenteeism and the collective bargaining agreement: An empirical test. *Academic of Management Journal*, 24(2), 425-43
- Manning, T. (2002). Gender, managerial level, transformational leadership and work satisfaction. *Women in Management Review*, 17(5), 207–216.
- Mullins L.J. (2005). *Management and organisational behaviour.* 7th Edition. New Jersey: Prentice Hall.
- Mumford, M.D. (2000). Managing creative people: Strategies and Tactics for innovation. *Human resources management review*, 10 (3), 27-45.
- Nel, P.S; Van Dyke, P.S; Haasbrock, G.D; Sono, T and Werner, A. (2001). *Human resources management.* Cape Town: Oxford university press.
- Nel, P.S; Van Dyke, P.S; Haasbrock, G.D; Sono, T and Werner, A. (2006). *Human resources management.* 5th Edition. Cape Town: Oxford university press.
- Robbins S. P. (2003). *Organisational behaviour, concept, controversies, application.* 8th Edition. New Jersey: Prentice Hall.

- Ricardo, R and Wade, D. (2001). Corporate performance management: How to build a better organisation through driven strategies alignment. Butterworth Heinemann.
- Swanepoel, S.B; Erasmus, B., Van Wyk, M. and Schenk, H. (2003). South African *Human Resource Management: Theory and Practice*. Cape Town: Juta and Co. Ltd.
- Stannack, P. (1996). Perspective on employees' performance. *Management Research News*, 119(4-5), 38-40.
- Tiwari, U. (2014). Impact of absenteeism and labour turnover on organizational performance at Iti, Nani Allahabad, India. *Abhinav National Monthly Refereed Journal of Research in commerce & Management*, 34 (10), 9-15
- Van Der Merwe T. W; and Miller D.M. (1988). *Performance Improvement Interventions: Enhancing people, processes and Organization through Performance Technology*. Mumbai: Jaico Publishing House.
- Zou, S. And Stan S. (1998). The determinants of export performance. A review of the empirical literature between 1987 and 1997. *International marketing Review*. 15 (5), 333-356

About the Authors

Onikoyi, Idris Adegboyega [Ph.D. FCA, FCIT, AMNIM] is a Lecturer in the Department of Business Administration, Faculty of Management Sciences, Osun State University, Okuku Campus, Osun State, Nigeria. His main research interests are Mergers and acquisitions, corporate planning, management technique adoption strategies and strategic management. Some of his recent publications can be found in the Global journal of Commerce and Management; and International Journal of Management and Network Economics.

Olawumi Dele Awolusi [Ph.D.] is a Lecturer in the Department of Business Administration, Faculty of Management Sciences, Covenant University, Ota, Ogun State, Nigeria. His main research interests are internationalization and foreign market entry, management technique adoption strategies, international business and MNE diversification strategies. Some of his recent publications can be found in the International Journal of Management and Network Economics, International Journal of Business Performance Management and the International Journal of Services and Operations Management

Boyede Michael Ayodeji [M.Ed, BA.Ed, Dip] is a lecture in the Department of Human Resource Development, Faculty of Management Sciences, Osun State University. Nigeria. His main research focus is in the areas of Industrial Relations, Human Resource Management and corporate strategic planning. He has published both internationally and in local Journals. Some of his recent publications can be found in international Journal of Industrial and Labour Relations and the Nigerian Journal of Industrial Education and Trade Unionism.

E- Mail-boyede2005@yahoo.com 08034792497