INTERNAL SOCIAL RESPONSIBILITY AS A TOOL TO PREVENT ABSENTEEISM AND TURNOVER RATES

Liliana Maria Pereira Afonso 1, Instituto Politécnico de Viana do Castelo, Viana do Castelo, Portugal, Liliana.pereiraafonso@hotmail.com

Ana Teresa Ferreira-Oliveira 2, Center for Research and Development in Agrifood Systems and Sustainability, Instituto Politécnico de Viana do Castelo, Viana do Castelo, Portugal, ateresaoliveira@estg.ipvc.pt

Ricardo Jorge Correia 3, Unidade de Investigação Aplicada em Gestão, Instituto Politécnico de Bragança, Campus de Santa Apolónia, 5300-253, Bragança, Portugal, ricardojorge@ipb.pt

Susana Campos 4, Center for Research and Development in Agrifood Systems and Sustainability, Instituto Politécnico de Viana do Castelo, Viana do Castelo, Portugal, campossusana@ipvc.pt

Abstract

In today's competitive business environment, organizations increasingly recognize the significance of Internal Social Responsibility (ISR) in fostering a productive workforce. ISR refers to the commitment of companies to uphold ethical practices, prioritize employee welfare, and create a supportive work culture. Numerous studies suggest that effective ISR strategies can significantly reduce absenteeism and turnover rates, enhancing overall workplace efficiency and employee satisfaction.

Organizations that prioritize ISR often experience higher levels of employee engagement. Engaged employees are more likely to be committed to their work, leading to lower absenteeism and turnover rates. A recent study indicates that organizations with high employee engagement show lower absenteeism and lower turnover (Taiwo and Nwogwugwu, 2024).

One of the primary benefits of ISR is its focus on employee well-being. Research consistently shows that employees experiencing high levels of stress and poor health are more likely to miss work. The American Psychological Association notes that workplace stress leads to a 30% increase in absenteeism and a 50% increase in turnover (APA, 2019).

A supportive workplace culture that values employee input and feedback can significantly impact attendance. When employees feel heard and respected, they are more inclined to show up for work (Radu, 2023).

Job satisfaction is a critical factor influencing turnover rates. ISR initiatives that promote professional development and provide opportunities for advancement can significantly enhance employees' job satisfaction and reduce their desire to leave (Alam et al, 2019) Organizations that engage in ISR practices often cultivate better relationships between management and employees. When leaders demonstrate care for their employees' well-being, it fosters trust and reduces the likelihood of turnover (Ajayi et al, 2024).

This study analyse the influence of the perception of internal social responsibility practices and their impact on absenteeism and turnover. To this end, a questionnaire was administered to 52 employees of an industrial organisation. The data was collected in June 2021, in Viana do Castelo. The data was analysed using descriptive analysis and linear regression models using IBM SPSS Statistics 21 software.

This study focuses on a sample made up of participants aged between 18 and 63, of whom 51 were male and 1 female.

The most common working pattern is shift work, with 17.6% of this group stating that they work a specific shift.

The reasons for absence from work were: sickness, paternity and death of a family member, caring for family members, marriage, student worker status, maternity and unjustified absences .

The results of this research show that there is an association between IHR and absenteeism. It was therefore possible to realise that IHR measures have a predictive effect on employee absenteeism, with the most fundamental being those related to family and well-being (policies for reconciling personal and professional life, policies for promoting health and well-being, policies for providing services to family members). It should also be noted that 'employee relations' (policies to encourage the development of skills and further education, equal opportunities policies that meet the needs and wishes of employees) are also very important.

The findings suggest the need to develop internal social responsibility policies and improve their communication to employees as a way of creating better labour relations and addressing these indicators.

Internal Social Responsibility serves as a vital tool for organizations seeking to combat absenteeism and turnover rates. By prioritizing employee well-being, job satisfaction, and strong workplace relationships, companies can foster a positive work environment that leads to increased engagement and loyalty. As demonstrated through the case study, organizations that invest in ISR reap benefits not only in attendance and retention but also in overall productivity and workplace morale. Embracing ISR is not merely a moral obligation; it is a strategic business imperative that can lead to sustainable success in the competitive corporate landscape.

To understand the effectiveness of ISR initiatives, organizations should establish metrics to measure absenteeism and turnover rates. Regular assessments can provide insights into areas of improvement and demonstrate the value of ISR investments.

Keywords: Internal social responsibility, absenteeism, turnover

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