



The Factors Affecting Employee Absenteeism in Private Organization of Kathmandu Valley

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Abstract

Purpose: This study examines the factors influencing employee absenteeism in private organizations of Kathmandu Valley.

Design/Methodology/Approach: An explanatory research design was employed using quantitative methods. Data were systematically collected from 404 employees through convenience sampling using structured questionnaires and analyzed with Excel and SMART PLS 4 applying Structural Equation Modeling (SEM).

Findings: Results reveal that pay level, co-worker relationships, fairness, and nature of work significantly influence employee absenteeism. Unmet physiological, safety, social, and esteem needs increase absenteeism, while better fulfillment of these needs reduces work absence.

Originality/Value: The study confirms that employee absenteeism is largely driven by unmet employee needs as explained by Maslow's Hierarchy of Needs Theory. Improving pay, working conditions, workplace relationships, and fairness can reduce absenteeism.

Practical Implications: Organizations should focus on satisfying employees' hierarchical needs through competitive compensation, supportive work environments, fair practices, and positive workplace relationships to minimize absenteeism and improve attendance.

Keywords: employee absenteeism, pay level, nature of work, co-worker relationships, fairness, working conditions, needs, structural equation modeling

Introduction

Absenteeism is defined as the state of being away from one's work or voluntarily/involuntarily not performing work for no reason that the employer can consider justifiable. Absenteeism comes in two critical forms, avoidable absenteeism and unavoidable absenteeism (Gimeno et al., 2004).

Absenteeism brings the economy to its knees with losses in productivity, escalating operational costs, and reduced efficiency. It requires engaging temporary resources at times and puts a tremendous financial strain, thus has every possibility of negatively impacting team morale and customer satisfaction, sometimes organizational performance, if it goes high and becomes chronic



with many times reasons beyond employees' control (Kocakulah et. al., 2016).

Employee absence is the issue for all companies, although its frequency and reasons may differ very greatly from one country to another globally. With the development of Labor laws and progress on the working environment front, absenteeism started to be recognized as a more complicated issue (Kessler, 2003). A key problem facing the modern workplace is absenteeism, it has been found out that absenteeism in the workplace is usually caused by pay level, working condition, co-worker relationship, supervisory relationship, nature of work, and fairness, which has definitely been impacting the productivity and smooth running of the operations of the workplace (Gangai, 2014). Organizations today try resolving these issues by investing in wellness programs and other programs for employees, providing mental health support, implementing attendance management strategies that use data to curb absenteeism in order to maintain productivity (Kocakulah et. al., 2016).

Employee absenteeism has long been a problem in developing countries that has an impact on economic growth, organizational performance, and productivity. But in recent years, the problem has grown more complicated due to a combination of reasons including family obligations, health problems, and poor employee engagement, which are made worse by inadequate social assistance programs and undeveloped healthcare systems (Belita et al., 2013). Absenteeism is also influenced by cultural and familial responsibilities. Employees may need to take time off for family-related reasons, such as weddings, religious festivals, or caregiving obligations, in nations like India (Jain & Nair, 2016). This circumstance can lead to stress in addition to increase employee absenteeism.

Employee absenteeism has become a major problem for private companies, having a big influence on both economic performance and the effectiveness of organizations. Unplanned employee absences present significant operational and financial difficulties that require fast management in the quickly changing corporate

landscape of Nepal. According to studies, the average absenteeism rate for private organizations in the Kathmandu Valley is between 8% to 12%, which is higher than the acceptable industry norm. In addition to interfering with day-to-day operations (Khadka & Sapkota, 2025).

There is a notable organizational practice gap in the Kathmandu Valley, as just 45% of private firms have put in place systematic absence management strategies. (Ojha, 2020). The absenteeism problem is further complicated by the physical and infrastructure issues that are specific to the Kathmandu Valley. Poor urban design, insufficient public transit, and regular political protests frequently cause problems with commuting, which raises employee absenteeism and punctuality. (Adhikari & Maharjan, 2022)

Additionally, there is a substantial knowledge gap in effective vocational training and technical proficiency, those are essential for worker productivity and job satisfaction due to a lack of thorough research explicitly looking at absenteeism in the private sector of the Kathmandu Valley (Adhikari, 2010). Developing focused treatments and policies that might successfully address this issue requires an understanding of the fundamental causes of employee absence.

Therefore, absenteeism is caused by quite a number of things like health, the stress of work, dissatisfaction with one's job, and cultural or economic context. It has traditionally been viewed as a physical problem, but it is now recognized as an intricate issue involving both physical and psychological factors. High levels of social support, as in the cases of Sweden and Canada, may reduce rather than increase absenteeism, but cultural norms in Japan may dissuade workers from taking leave. Economic conditions also show that workers in countries with a good social net take off more, while workers from high-unemployment areas will work when sick just not to expose their jobs. It is this mix of diverse factors in each respective context that forms the base of the solution to absenteeism.

Research Objective

The study examines the factors influencing employee absenteeism in private organizations of Kathmandu Valley, focusing on pay level, nature of work, co-worker relationships, supervisory relationships, fairness, and working conditions through the lens of Maslow's Hierarchy of Needs Theory.

Literature Review

Absenteeism among employees is a complicated problem that is impacted by many different causes in both developed and developing countries. The corporate culture has a significant impact on absenteeism patterns (Erol, 2005). Employers who prioritize employee well-being and provide supportive work environments frequently enjoy decreased absence rates. When it comes to reducing absenteeism, a supportive work culture that is marked by trust and positive reinforcement works especially well. Employee absenteeism in developing nations is also significantly influenced by organizational culture and management techniques. Research shows that poor communication and autocratic management practices might make absenteeism worse (Rahman, 2024).

Absenteeism in Nepal is also associated with cultural and familial responsibilities, as workers may put their personal obligations ahead of their attendance at work. Early research conducted in Nepal revealed that a deficiency of policies addressing health concerns, transportation difficulties, and work stress were important causes of absenteeism (Banjade, 2023). According to (Belita et al., 2013), people might be absent from work, such as social factors, workplace environment, and health-related concerns. Health problems can cause higher absenteeism rates among workers, including the occurrence of infectious diseases, poor nutrition, and restricted access to healthcare.

Low wages and widespread job insecurity is a major factor in employee absenteeism. Many workers especially in rural areas face the twin

challenges of insufficient pay and precarious employment, which makes them question their dedication to their jobs (Kalleberg, 2009). The availability of social support networks and the composition of families play a significant role in setting absence rates. Employees who have the legal right to take paid or unpaid leave for childbirth, childcare, or eldercare duties are less likely to skip work in nations with strong family leave laws, like Canada and Sweden (Allen et al., 2014).

Absenteeism at work may also be influenced by a nation's economic situation. Because they fear losing their jobs, workers may be less inclined to take time off in nations with high unemployment rates or economic downturns. However, because workers in nations with more robust social safety nets, like Norway or the Netherlands, have access to paid sick leave and job protection, absence rates are often higher there (Ishimaru, 2020). Social expectations and cultural standards have a big influence on absenteeism trends because absenteeism is stigmatized in cultures like South Korea and Japan, workers may feel a strong sense of obligation to their employers and frequently report to work even when they are unwell (Kim et al., 2016).

Employee absenteeism can be caused by a number of management-related problems, as the graphic illustrates. These include a lack of effective channels of communication, little chances for professional advancement, and a lack of participation by frontline employees in decision-making (Jackson & Sirianni, 2009). The graphic also implies that lower absence rates may result from the presence of junior personnel, inexperience in managing crucial situations, and employee disinterest (Banjar, 2023). The fishbone diagram's "Manpower" part most likely depicts workforce-related difficulties including staffing shortages, retention and recruiting problems, and morale issues that can lead to employee absenteeism (Banjar et al., 2023). Employees feel underappreciated due to poor welfare, which includes poor canteens, medical facilities, and

cleanliness, and attendance is disrupted by family matters including social commitments. Motivation is decreased by job discontent brought on by poor pay, stress at work, and damaged relationships.

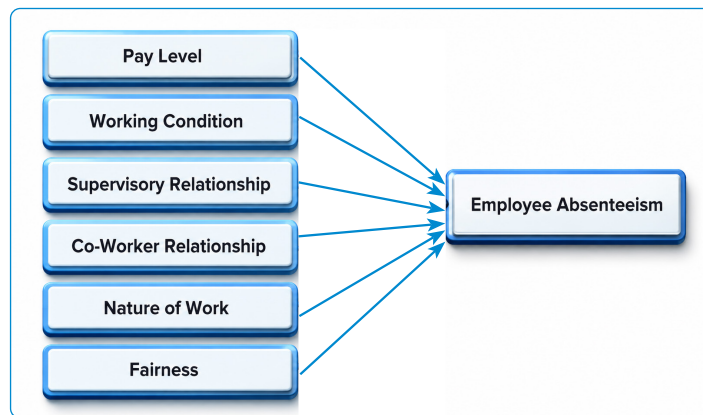
Conceptual Framework

Employee Absenteeism the state of being away from one's work or voluntarily/involuntarily

not performing work for no reason that the employer can consider justifiable (Gimeno et al., 2004). Absenteeism may affect customer service and project timeliness leading to a decline in business performance and image. Absenteeism management using effective policies and employee motivational strategies is very vital in establishing an efficient and positive working environment.

Figure 1

Conceptual Framework



Pay Level

One of the significant causes of employee absenteeism is pay level, if employees perceive their pay as being too low in comparison to their workload or industry rate, they tend to feel underappreciated and isolated, leading to more absenteeism (Bakker & Demerouti, 2007). Better paid employees may have greater commitment and motivation to be present at work more often (Pfeifer, 2010). If employees are paid low wages by not giving allowance, other perks and bonus then they will become less productive and will never support becoming competitive within the work atmosphere which will certainly affect absenteeism.

H1 There is significance negative relationship between pay level and employee absenteeism.

Working Condition

Working conditions also play a crucial role in the attendance of employees, poor working

conditions, like poor facilities, lack of safety measures, heavy workload, or insufficient resources, cause physical and psychological stress, and hence employees take frequent leaves (Podsakoff & LePine, 2007). Inadequate workplace safety, excessive workload, poor ventilation, and exposure to harmful substances can lead to occupational diseases and stress disorders, increasing the level of absenteeism (Laaksonen et al., 2010).

H2 There is significance negative relationship between working condition and employee absenteeism.

Supervisory Relationship

Supervisor relationships play a massive role in employee absenteeism, with the employees who feel unsupported, treated unfairly, or poorly managed by their supervisors tending to develop job dissatisfaction, reducing their willingness to report to work on a daily basis (Biron & Bamberger, 2012). Supervisors who are supportive

and provide social support and constructive feedback can enhance employees' motivation and commitment, which reduces absenteeism and, conversely, negative supervisory behaviours, such as favouritism and blame shifting, can increase work stress and strain, and thus absenteeism levels (Biron & Bamberger, 2012).

H3 There is significance negative relationship between supervisory relationship and absenteeism.

Co-Worker Relationship

Negative or toxic co-worker relations also boost absenteeism because employees exposed to conflict at the workplace, harassment, or low teamworking could be unwilling and demotivated to go to work (Chiaburu & Harrison, 2008). Good working relationships with colleagues build a positive work culture, which generates job satisfaction and commitment that can lead to fewer absences too conversely, negative employee relationships can make employees more absent due to stress and disengagement (David & Avery, 2015). If the work culture is good, there is team support also the peer influence is good tends to decrease absenteeism.

H4 There is significance negative relationship between co-worker relationship and absenteeism.

Nature of Work

The nature of work itself may also be liable for the absenteeism, particularly where work is repetitive, excessively demanding, or perceived as not demanding, and thus leading to lowered work engagement and increased levels of absenteeism (Hackman & Oldham, 1980). Excessive job demands in the nature of heavy workload and stringent deadlines, with minimal autonomy, generally lead to heightened stress levels among employees, thereby contributing to burnout and high levels of absenteeism as well. Conversely, occupations that give employees control over their tasks and decision-making processes are associated

with low levels of absenteeism (Väänänen et al., 2003).

H5 There is significance negative relationship between nature of work and absenteeism

Fairness

Perceptions of workplace fairness can be it in relation to salary allocation, promotions, workload assignment, or disciplinary procedures, it has significant effects on employee commitment and attendance. Employees who feel treated unfairly are more likely to disengage, resulting in absenteeism as a means of protest or withdrawal (Greenberg, 2011). When employees perceive fairness in areas like workload distribution, performance evaluation, and reward systems, they are more likely to be more satisfied in their work and be more committed, and consequently reduce absenteeism as well conversely, perceptions of injustice create frustration and disengagement, and hence cause employees to disengage from work activities (Colquitt & Greenberg, 2013).

H6 There is significance negative relationship between fairness and absenteeism.

Methodology

This study employed a quantitative research approach with an explanatory research design to examine the factors affecting employee absenteeism in private organizations. The target population of the study comprised employees working in private organizations within Kathmandu Valley. Employees from different functional areas and managerial levels were considered to obtain diverse perspective regarding absenteeism. The sample size 404 was determined using non-probability technique. The questionnaire consists three sections: demographic characteristics, factors affecting employee absenteeism using Likert-Scale and descriptive questionnaire. Respondents were selected through convenience sampling due to accessibility and time constraint. The study utilized primary data collected from employee through structures questionnaire. The collected data were coded and analysed using Smart PLS 4.0 to examine

the relationship between independent variable and employee absenteeism, in order to identify the most significant predictor of absenteeism.

Results and Discussion

General Understanding on Employee Absenteeism

Employee absenteeism in private organization of Kathmandu valley is mainly caused by working condition (23.7%), followed by pay level (20%), nature of work (16%), fairness (14.7%), co-worker relationships (13.1%), and supervisory relationship (12.5%).

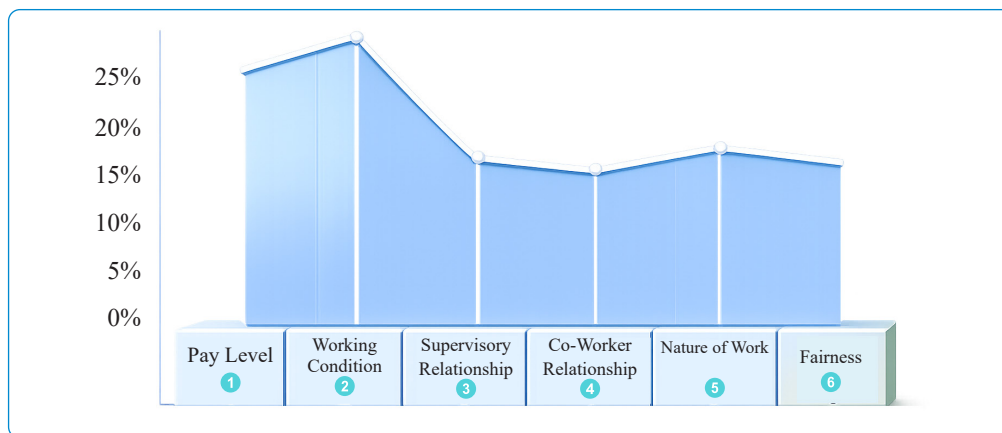
The survey results indicate that (28.7%) of respondents takes 3-5 times leave from work, followed by (27.2%) take leave from work more than 5 times a year, (23.5%) take leave almost

every month and lastly (20.5%) of respondents takes 1-2 times a year only. This suggest that the largest group frequently take leave, indicating higher absenteeism or flexible policies.

Similarly, respondents noted the impact of absenteeism for organizations are, (30.4%) stated it affects overall productivity and efficiency, (21%) said it influences company policies and workforce management, (17.3%) believe it helps identify workplace issues and employee dissatisfaction whereas (17.3%) mentioned its impact on teamwork and employee morale, (13.9%) emphasized insights into employee well-being and work-life balance. The study indicates that absenteeism is considered most important because it directly affects organizational productivity and operational efficiency.

Figure 2

Measures to Prevent Employee Absenteeism



For absenteeism reduction (26.7%) advocated for enhancing job satisfaction and creating positive work environments, performance-based solutions were favoured by (21.5%) through incentives and rewards systems, career development opportunities captured (20%) of responses, while supportive management and leadership emphasized (16.6%). Interestingly, only (15.2%) suggested strict policies and penalties as effective barrier. This implies fostering employee morale and workplace

proves far more effective in achieving absenteeism reduction.

Largest proportion of respondents (25.7%) believed that creating a more flexible and supportive work environment, followed by (23.4%) of respondents emphasized implementing clear communication and conducting regular employees check-ins. Additionally, (18.5%) of respondents indicated that providing employee support programs. Meanwhile, (17%) highlighted

the role of providing better training for managers to handle absenteeism and employee well-being. Lastly, (15.5%) of respondents suggested that promoting a positive workplace culture to enhance employee engagement and morale can also help manage employee absenteeism.

Inferential Statistics

Inferential statistics is the statistical technique enabling researchers to test hypotheses and estimate the characteristics of populations based on sample data (Field, 2013). Basically, inferential procedures allow the researchers to go beyond the direct measurements made in the sample to draw their conclusions about the population parameters, testing hypotheses, and making predictions based on sample findings (Randolph & Myers, 2013). This section comprises of measurement model assessment and structural model assessment.

Measurement Model Assessment

Measurement model assessment is the process of carefully checking whether the tools and indicators used to measure research concepts are

both reliable and valid before moving on to test how those concepts relate to each other in a structural model. It is a crucial step in research that ensures each concept, or construct, in a structural equation model is accurately represented by the questions or indicators used to measure it (Anderson & Gerbing, 1988). Reflective construct and formative construct are two types of measurement model.

Internal Consistency Reliability

Internal consistency refers to the extent to which all the items present in a scale correspond well and effectively represent some common underlying trait or capability, also assures the response consistency for all items in the instrument (Tavakol, 2011). Normally, consistency reliability values above 0.70 are considered satisfactory, underlining the point that items consistently measure a similar construct. However, in an exploratory nature of studies, Composite Reliability (CR) and Cronbach's alpha (CA) values of 0.7 or higher are considered acceptable, as the research is at an early stage of development (Hair et al., 2017).

Table 1

Cronbach's alpha and Composite Reliability

Construct	Cronbach's alpha	Composite reliability
CR	0.829	0.877
EA	0.823	0.876
F	0.844	0.889
NW	0.838	0.884
PL	0.918	0.938
SR	0.865	0.902
WC	0.821	0.871

Table 1 reflects the findings of the reliability test. It is evident that the standard or guideline for Cronbach's alpha and composite reliability has been met.

Convergent Validity

Convergent validity refers to determining how well a group of indicators allows the measurement of one common latent variable, which

is done typically through factor loading, composite reliability, and average variance extracted (Babin, 2019). Strong convergent validity is indicated by high AVE >0.50, where the indicators represent the latent construct well and will explain most of their variances and on the other hand, AVE <0.50 implies weak construct validity, suggesting that a substantial portion of indicator variance is not

sufficiently represented by the underlying construct (Fornell, 1981). The construct's outer loading value 0.7 or higher is preferred. If AVE is above 0.5 then

the factor loading of 0.7 or higher is acceptable (He et al., 2006).

Table 2

Convergent Validity

Construct	Items	Loading	AVE
Co-worker Relationship	CR1	0.762	0.589
	CR2	0.713	
	CR3	0.759	
	CR4	0.837	
	CR5	0.762	
Employee Absenteeism	EA1	0.744	0.586
	EA2	0.751	
	EA3	0.745	
	EA4	0.775	
	EA5	0.810	
Fairness	F1	0.784	0.616
	F2	0.828	
	F3	0.711	
	F4	0.779	
	F5	0.817	
Nature of Work	NW1	0.770	0.606
	NW2	0.829	
	NW3	0.688	
	NW4	0.814	
	NW5	0.782	
Pay Level	PL1	0.869	0.752
	PL2	0.850	
	PL3	0.870	
	PL4	0.849	
	PL5	0.897	
Supervisory Relationship	SR1	0.790	0.648
	SR2	0.765	
	SR3	0.813	
	SR4	0.831	
	SR5	0.823	

Construct	Items	Loading	AVE
Working Condition	WC1	0.616	0.576
	WC2	0.761	
	WC3	0.847	
	WC4	0.790	
	WC5	0.760	

As presented in Table 2, all constructs achieved AVE values exceeding the 0.50 benchmark, all items demonstrate strong factor loadings. These results indicate satisfactory convergent validity for all constructs, and consequently, all items were retained in the measurement model.

Discriminant Validity

Discriminant validity was assessed using the Fornell–Larcker criterion and the Heterotrait–Monotrait (HTMT) ratio to ensure that each construct was distinct from the others (Bollen, 1989).

Table 3

Fornell–Larcker Criterion

Construct	CR	EA	F	NW	PL	SR	WC
CR	0.768						
EA	0.511	0.765					
F	0.652	0.461	0.785				
NW	0.632	0.535	0.626	0.778			
PL	0.492	0.213	0.518	0.415	0.867		
SR	0.587	0.381	0.466	0.543	0.606	0.805	
WC	0.548	0.373	0.498	0.469	0.656	0.704	0.759

As presented in Table 3, the diagonal values (displayed in bold) represent the square root of AVE for each construct. The results reflect that, for every construct, the square root of AVE is

greater than the corresponding correlations with other latent constructs. Therefore, the construct demonstrates the adequate discriminant validity (Hamid & Sami, 2017).

Table 4

Heterotrait–Monotrait (HTMT) Ratio

	CR	EA	F	NW	PL	SR	WC
CR							
EA	0.591						
F	0.785	0.543					
NW	0.757	0.627	0.757				
PL	0.580	0.235	0.586	0.486			
SR	0.692	0.446	0.540	0.631	0.675		
WC	0.686	0.418	0.622	0.556	0.790	0.827	

For the assessment of discriminant validity, Heterotrait- Monotrait (HTMT) ratio values below 0.85 (more rigorous criterion) or 0.90 (more liberal criterion) are considered acceptable. As shown in table 10, all HTMT values are below the more liberal threshold of 0.90. The findings demonstrates that discriminant validity has been confirmed, indicating that the measurement model does not

exhibit any discriminant validity issues (Hair et al., 2017).

Structural Model Assessment

Structural model assessment is a crucial component of structural equation modeling (SEM), involving the evaluation of the relationships among latent variables (unobservable constructs) and their indicators (observable variables).

Figure 3

Path Diagram

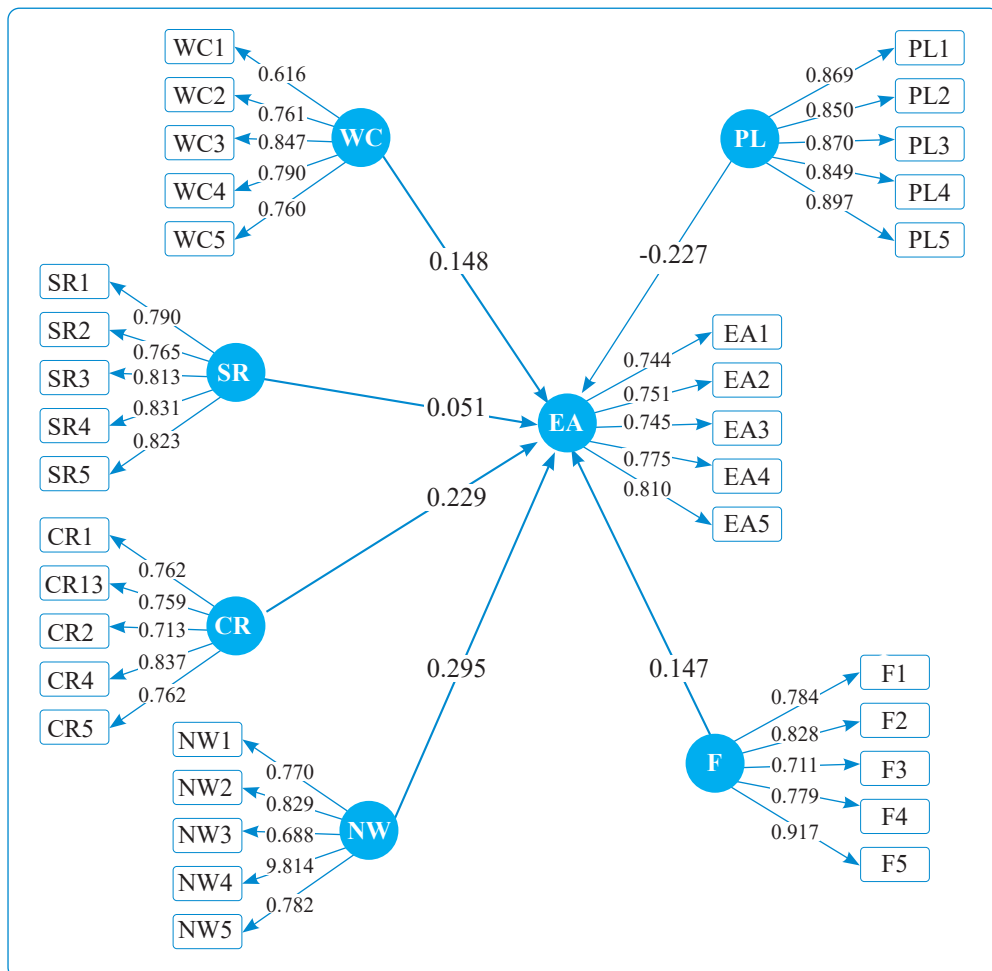


Figure 3 illustrates that the study comprises multiple latent variables measured through a single observed indicator. Once the indicator has gone through systematic inspection, it is then placed

into their respective constructs within the latent variable through global model fit and adequately measured observed variables. Use latent variables to measure the effect of each by attributing them to

the observed variables. In Figure 15, we illustrate how all these variables such as pay level, working conditions, supervisory relationships, co-worker relationships, nature of work, fairness, being independent variables relate to the dependent variable as they relate to employee absenteeism.

The R2 measure for absenteeism of employees is at 0.369, showing that about 36.9% of the variability in the absenteeism of employees is accounted for by pay level, working condition, supervisory relationship, co-worker relationship, nature of work, and fairness.

For hypothesis 1, the β -coefficient is -0.227, indicates that for every one unit increase in pay level, employee absenteeism decreased by 0.227 units. Similarly, for hypothesis 2, the β -coefficient is 0.148, meaning that employee absenteeism changes by 0.148 units for every unit change in working condition. Consequently, the other β -coefficient hypothesis 3 is 0.051, meaning that employee absenteeism changes by 0.051 units for every unit change in supervisor relationship. Additionally, hypothesis 4's other β -coefficient is 0.229, meaning that a 1- unit change in co-worker relationship will result in a 0.229 unit increase in employee absenteeism.

Similarly, hypothesis 5's β -coefficient is 0.295, meaning that a 1- unit change in nature of

work will result in 0.295 units change in employee absenteeism. Lastly, for hypothesis 6's sequential β -coefficient is 0.147, meaning that 1 unit change in fairness will result in 0.147 unit increase in employee absenteeism.

Hypothesis Test

Hypothesis testing in this study was conducted using bootstrapping in SmartPLS 4. In alignment with methodological recommendations by (Streukens & Leroi-Werelds, 2016) a minimum of 10,000 subsamples was drawn to ensure robustness in the estimation of path coefficients. The significance of the hypothesized relationships was assessed by examining the t-values, p-values, and confidence intervals. The t-value quantifies the number of standard deviations the estimated coefficient deviates from the null hypothesis value (Field, 2013). For a two-tailed test at a 5% significance level, a t-value greater than 1.96 typically indicates statistical significance (Hair et al., 2017). The p-value reflects the probability of obtaining the observed result under the assumption that the null hypothesis is true (Beers, 2021). In line with conventional research practice, a significance threshold of p value must be less than 0.05 and was applied to determine whether a relationship was statistically significant (Hair et al., 2017).

Table 5

Hypothesis Testing

H	Relationship	Beta	SD	t-values	P values	CI		Decision
						2.50%	97.50%	
H1	CR→ EA	0.229	0.073	3.150	0.002	0.085	0.369	Supported
H2	F→ EA	0.147	0.069	2.140	0.032	0.012	0.283	Supported
H3	NW→ EA	0.295	0.071	4.149	0.000	0.154	0.433	Supported
H4	PL→ EA	-0.227	0.057	3.988	0.000	-0.338	-0.115	Supported
H5	SR→EA	0.051	0.081	0.636	0.525	-0.099	0.215	Not Supported
H6	WC→ EA	0.148	0.081	1.823	0.068	-0.012	0.306	Not Supported

Table 5 shows that most of the hypotheses proposed in this study are supported. Specifically, hypothesis H1, H2, H3, and H4 are supported, as

their results meet all the statistical requirements. For these hypotheses, the t- values exceed 1.96, the p- values are less than 0.05, and the β -coefficient

lies within the 95% confidence interval, with the confidence intervals excluding zero. However, H5 is not supported, as the p-value (0.525) is greater than 0.05, and the confidence interval includes zero. This indicates that supervisory relationships do not have a significant effect on employee absenteeism. Likewise, H6 is not supported, as the p-value (0.068) is greater than 0.05, this indicates working conditions do not have a significant effect on employee absenteeism.

The finding of the study indicates a significant relationship between co-worker relationship, fairness, nature of work, and pay level, as most of the hypothesized relationships satisfy the required statistical criteria. In contrast, supervisory relationships and working conditions do not demonstrate a statistical significance, as they fail to satisfy the established criteria, suggesting a comparatively limited influence within the study context.

This study examined the factors influencing employee absenteeism in private organizations of Kathmandu Valley by analyzing the effects of pay level, co-worker relationship, fairness, nature of work, supervisory relationship, and working conditions. The discussion interprets the findings in relation to the proposed hypotheses and existing literature, highlighting both significant and non-significant relationships identified through structural equation modeling (SEM).

The findings indicate that a high pay level has a significant negative effect on employee absenteeism (H1). Akerlof (1982) argued that employees who receive higher wages perceive greater organizational support and reciprocate through improved commitment and attendance. This finding suggests that adequate compensation reduces the likelihood of absenteeism because it enhances financial security, job satisfaction, and organizational commitment. Herzberg (1966) similarly emphasized that salary is an important hygiene factor that prevents employee dissatisfaction and contributes to workforce stability. Likewise, Maslow (1954) explained that

the fulfillment of physiological and safety needs through adequate income motivates employees to remain committed to their jobs. Karn et al. (2025) further argued that satisfaction of fundamental human needs contributes to positive employee attitudes and organizational commitment. In the Nepalese context, the Ministry of Finance (2021) reported rising living costs and economic pressures, implying that competitive compensation becomes increasingly important for ensuring employee attendance and reducing absenteeism.

The results reveal that working conditions do not have a statistically significant influence on employee absenteeism (H2). This finding is consistent with Gangai (2014), who reported that working conditions alone do not significantly predict absenteeism. One possible explanation is that employees in private organizations may consider acceptable physical working conditions as a basic organizational requirement rather than a motivational factor. Herzberg's (1966) two-factor theory also categorizes working conditions as hygiene factors that prevent dissatisfaction but do not necessarily motivate employees to improve attendance. Therefore, absenteeism may be influenced more strongly by psychological, financial, and interpersonal factors than by the physical work environment alone. Similar observations have been made by Mishra and Aithal (2022), who noted that employee retention and attendance depend on a combination of organizational policies, motivational practices, and employee engagement rather than isolated workplace conditions.

Similarly, supervisory relationships were found to have no significant effect on employee absenteeism (H3). This finding is consistent with Imran et al. (2023), who observed that increased supervisor support does not necessarily reduce absenteeism. The result suggests that attendance decisions are influenced more by organizational systems, employee motivation, and personal circumstances than by direct interactions with supervisors. While transformational leadership

has been recognized as an important factor for enhancing organizational commitment and employee performance (Mishra et al., 2024), its direct influence on absenteeism may be limited unless accompanied by supportive organizational policies, fair reward systems, and opportunities for employee development.

The findings further demonstrate that co-worker relationships have a significant negative relationship with employee absenteeism (H4). Strong interpersonal relationships among colleagues encourage cooperation, emotional support, and a positive workplace climate, thereby reducing absenteeism. This finding supports Ariani (2015), who concluded that positive co-worker relationships increase employee engagement and attendance. Maslow (1962) emphasized that belongingness and social acceptance are essential human needs that foster motivation and organizational commitment. Likewise, Karn et al. (2025) argued that fulfilling employees' social and psychological needs strengthens workplace relationships and improves organizational outcomes. Therefore, organizations that promote teamwork and collaborative cultures are more likely to experience lower absenteeism.

The nature of work was also found to have a significant negative effect on employee absenteeism (H5). Employees who perceive their work as meaningful, manageable, and aligned with their knowledge and skills are more likely to remain committed to their organizations. Herzberg (1966) identified the work itself as one of the strongest intrinsic motivators influencing employee satisfaction and performance. Similarly, Maslow (1970) suggested that meaningful work contributes to self-esteem and self-actualization, encouraging individuals to remain engaged with their responsibilities. Mishra and Aithal (2022) also emphasized that organizations should design meaningful jobs and adopt employee-centered management practices to enhance commitment and

reduce workplace withdrawal behaviors, including absenteeism.

The study further reveals that fairness has a significant negative effect on employee absenteeism (H6), indicating that greater perceptions of organizational justice reduce absenteeism. This finding supports Johns (1997), who argued that perceived unfairness in organizational decisions often leads employees to withdraw psychologically and physically from work. Fair treatment in organizational policies, rewards, and decision-making processes enhances employee trust, satisfaction, and commitment. Karn et al. (2025) further explained that equitable treatment fulfills employees' esteem and psychological needs, thereby strengthening organizational loyalty. Likewise, Herzberg (1966) argued that fairness in organizational practices contributes to employee satisfaction by reducing dissatisfaction associated with organizational policies. Consequently, organizations that maintain transparent and equitable management practices are better positioned to minimize absenteeism.

Overall, the findings demonstrate that compensation, co-worker relationships, fairness, and the nature of work are the primary determinants of employee absenteeism in private organizations of Kathmandu Valley. These findings are consistent with motivational theories proposed by Maslow (1954, 1962, 1970) and Herzberg (1966), which emphasize that both basic and higher-order human needs influence workplace behavior. The results also support the argument of Karn et al. (2025) that organizations should address employees' economic, psychological, and social needs to improve organizational effectiveness. Furthermore, the findings align with Mishra et al. (2024), who highlighted the importance of transformational leadership and employee engagement in strengthening organizational commitment, although leadership alone may not directly reduce absenteeism. Therefore, private organizations should prioritize competitive

compensation systems, equitable organizational practices, supportive peer relationships, and meaningful job design while complementing these strategies with effective leadership and employee development initiatives to achieve sustainable reductions in employee absenteeism.

Conclusion

The study concludes that the factor affecting employee absenteeism in private organization of Kathmandu valley. The findings reveals that employees generally understand absenteeism as a behavior influenced not only by personal health or family reasons but also by organizational and work-related conditions.

The findings reveal that key factors affecting employee absenteeism include pay level, nature of work, fairness, and co-worker relationships, indicating that when these needs are adequately met, the likelihood of employee absenteeism significantly decreases, and it supports the absenteeism process. In contrast, supervisory relationships and working conditions did not show similar support, suggesting that when these needs remain unmet, they tend to significantly increase employee absenteeism.

The study further highlights that employees in private organizations face multiple challenges, including job insecurity, work pressure, inadequate pay, poor working environments, and limited managerial support. These challenges contribute to dissatisfaction and disengagement, which ultimately reflect in higher absenteeism.

Private organizations can overcome absenteeism challenges by improving pay structures, ensuring safe working conditions, and offering fair and transparent organizational policies. Supportive supervision and positive co-worker relationships help employees feel valued, respected, and socially connected at the workplace. Providing work-life balance initiatives, flexible leave options, and employee wellness support

reduces stress and burnout among employees. When employees' basic, social, and psychological needs are addressed, absenteeism declines and overall organizational performance improve.

Overall, the study reflects that employee absenteeism in private organizations of Kathmandu Valley is a multidimensional problem rooted in organizational practices and employee well-being. Addressing absenteeism therefore requires a holistic approach that focuses on improving working conditions, ensuring fair treatment, strengthening supervisory relationships, and supporting employees' basic and psychological needs. By aligning organizational policies with employee needs, private organizations can reduce absenteeism and foster a more committed and productive workforce.

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