

# The influence of HRM as a process on absenteeism

"Exploring the influence of the meta-features of HRM system strength on absenteeism"

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# **Preface**

Presented here is the thesis on the influence of HRM system strength on absenteeism as a final project of my master of Business Administration at the University of Twente in The Netherlands. This research will give a totally new view on the way we can evaluate the problem of employee absenteeism. An important part of the study has been conducted at Ernst & Young in Mexico City.

My biggest thanks go to my first supervisor JeroenMeijerink, he always gave me the opportunity to work on my own way and supported me in my choice to go to Mexico. With the aid of his advice I was able to generate an academically successful rapport. In addition, I also want to thank my second supervisor Anna Bos-Nehlesfor the feedback she gave. I have learned a lot more about HRM and particularly about the process approach of HRM and the effect that it can have on the attitude of employees. I hope that this knowledge will play a role in my future work life. Apart from the fact that I have learned a lot about HRM, I also have learned a lot about myself due to the fact that I lived – far away from home - in Mexico City which was a great opportunity for me in the light of self-development and rising above yourself. I will never forget this country; viva México!

Special thanks to my parents, sister and all the people I love for giving me motivation and strength.

ErdiAksoy

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# **Abstract**

Absenteeism is an important problem for firms and a lot of research has been conducted on this subject with regard to the role of HRM. However, research has mainly revolved around the relationship between the content approach of HR and absenteeism, rather than the process approach. This research aims to fill the gap of knowledge about the process of HR in its relation to absenteeism in order to examine whether the problem of absenteeism can be tackled in a various way. The meta-features (distinctiveness, consistency & consensus) of an HRM system (Bowen &Ostroff, 2004) will be separately treated with respect to the dependent variable of absenteeism. The problem that this study attempts to tackle is the question to which extent the meta-features of HRM system strength affect absenteeism, due to the fact that – according to the social exchange theory - it seems plausible that there might be a relationship between these variables. With the

Data for this study was collected at Ernst & Young in Mexico City with the aid of a cross-sectional survey. The gathered data has been treated using a multilevel regression analysis in order to test the introduced research model.

Distinctiveness and consistency were shown to have a significant impact on absenteeism. This implies that when employees perceive the HR system as more distinctive and consensual, their annual days of being absent will be significantly lower. In the case of the feature of consistency, no empirical evidence has been found in order to state that it affects absenteeism. There was also no proof found for interaction effects, this means that the three features of HRM system strength can be seen as autonomous explanatory variables that do not affect each other. They can be present without being dependent on each other; they do not support each other in any way. These findings can play a practical role in the HR policy of firms regarding absenteeism. With the aid of this information, it may be possible to anticipate and intervene in particular cases of a high absenteeism rate. Managers can anticipate and intervene by responding and investing within the components of distinctiveness and consensus of the HR system.

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# 1 Introduction

# 1.1 Rationale and background

Employee absenteeism is a recognized issue in any organization which uses fixed work plans(Dalton &Mesch, 1991). The results of absenteeism are far reaching and comprise of direct and indirect impacts. For example higher expenses are an aftereffect of absenteeism, which might be created both directly as in an indirectly manner. Direct expenses of affliction to employers include statutory sick pay, cost of covering nonattendance with temporary workers and a loss of the production. Indirect expenses, for example, low spirit among staff, covering for those who are absent in light of ailment and lower client fulfillment, are hard to measure, while they additionally impact the general levels of a firm's yield (Leaker, 2008).

Cascio(2012) characterizes it as any failure to report for or stay at work as planned, irrespective to what the reason may be. One can distinguish multiple forms of absenteeism. Aveyet. al (2006) suggests that absenteeism could be involuntary or voluntary. Involuntary absenteeism is under regular circumstances unavoidable, for instance in situations when the worker is ill. This kind of absenteeism is generally classified as 'white absenteeism' (Sanders &Nauta, 2004). In contrast to involuntary absenteeism, voluntary absenteeism is a form of absence that is not unable to avoid for employees (Avey et al., 2006). The last example of absenteeism is being classified as 'black absenteeism' or 'grey absenteeism' by Sanders &Nauta (2004), they suggest that this form of absenteeism enhances employees that are not ill at all but yet report themselves as being ill. Literature on absenteeism shows that workers are being affected by an aversive work situation; this kind of situations can lead to dissatisfaction among the workers which, in turn, leads to a possibility of withdrawal behavior (Sagie, 1998; Schaufeli et al., 2009). Aspects as high job demands, work overload, work-family conflicts and stress are also seen as important factors of high rates of absence within companies (Schaufeli et al., 2009).

HRM system strength is an interesting view on HRM since it regards the "process" section of HRM. Bowen and Ostroff (2004) were one of the first that have laid a link between HRM research and the research field of occupational and organizational psychology by looking at the process approaches. The strength of the HRM system consists of a number of components: distinctiveness, consensus and consistency. A strong HRM system is described as a system with a high rate of distinctiveness, consensus and consistency. Distinctiveness consists offeatures that allow a situation to stand out in the environment and to capture attention and interest. Consistency is establishment of an effect over time and modalities regardless of the form of interactions. Consensus implies that people concur about the cause-effect relationship. It is contended that the HRM system is strong when employees see reasonable and unambiguous HRM messages, which are reliably conveyed all through the association, and which are seen and interpretedconsistently among employees Bowen &Ostroff, 2004).

Based on the 'social exchange theory', this study attempts to find out whether there is a link between the meta-features of HRM system strength and the rate of absenteeism for employees. Social exchange is an exchange between the employer and the employee based on the norm of reciprocity. If employees receive proper treatment, they exhibit a positive attitude towards the organization. This leads to a positive relationship between attitudes and behavior (Coyle-Shapiro, et al., 2006). Workers meet the standard of reciprocity by, on the basis of the treatment they receive,

adjusting their obligations to the needs of the employer. The fulfillment of these obligations affects the reciprocal obligations of the employer (Coyle-Shapiro & Kessler, 2002). According to this theory, an HRM system that be classified as 'strong' can give a positive signal to its employees by providing them with the perception that the organization cares about them. In order to explain the relationship between HRM system strength and absenteeism, this study will touch upon the three features of system strength in its relation to absenteeism with the aid of the social exchange theory. Distinctiveness concerns clear and unambiguous messages, this means that the communication of the employer towards its employees should be good in order to reach a high level of distinctiveness. The generation of clear and unambiguous HR messages by employers can be interpreted as investments into the employees. In the case of a high level of consistency, it is essential that the same HR policies are being consistently communicated throughout the firm. For example, training of employees should consistently be judged and rewarded. It can be assumed that this working method will be seen as an investment in the employees. A high rate of consensus addresses the fact that the HR policy is being perceived uniformly by the employees. With the aid of a highly consensual HR system, employees will be able to anticipate to the outcomes that will occur according to their behavior and responses. The generation of a consensual environment could be interpreted by employees as a contribution by the firm towards them. According to the norm of reciprocity, Geurts et al. (1999) state that being present is seen as a reaction of employees in order to 'restore' the equity between the employer and employee. This particular kind of perception of the organization caring about its employees with the aid of a high level of distinctiveness, consistency and consensus is likely to be reciprocated by a lower rate of employee absenteeism (Cole et al., 2002).

Looking towards this concept of reciprocity between employers/managers/supervisors and employees, the potential link between HRM system strength and absenteeism is being examined. Absenteeism is an important problem for firms and a lot of research has been done on this subjecton the basis of the concept of 'content approach of HRM'. The content approach of HRM focuses on the set of HR practices. For example, a possible relationship between training possibilities for employees and employee absenteeism. Therefore this study will discuss a different prospect by addressing exclusively the 'process approach of HRM' system strength instead of the content.

#### 1.2 Problem statement

Despite the fact that there is an expanding consideration for the idea of HRM system strength as presented by Bowen and Ostroff (2004), research about the links between HRM system strength and absenteeismare nonexistent. Different kind of research has been done on several parts of HRM strength, for example the relationship between distinctiveness, consistency and consensus with respect to commitment of the employees and employee outcomes (Sanders et al., 2012), (Bomans et al. 2014) or the fact that absence of consensus about the viability of HR practices contrarily affects perceived future firm performance (Chen et al., 2011). Frenkel et al. (2012) discussed the relationship between the characteristics distinctiveness, consistency and consensus of HRM strength in order to find out if the three aspects actually are interrelated or not. However, a relevant section which has not been examined in this context is the problem of absenteeism. The problem that this study attempts to tackle is the question whether there is a relation between the process approach of HRM and absenteeism, due to the fact that – according to the social exchange theory - it seems plausible that there might be a relationship between HRM system strength and absenteeism. In addition to this, Bomans et al. (2014) refers to the fact that performance indicators like absenteeism

should be examined in further research on HRM system strength.

Therefore this study will attempt to generate a different view on this subject; the process of HRM will be taken into account in this study. This will be done by using the concept of HRM strength, since Bowen &Ostroff (2004) focused on the process approach of HRM in his study. In order to generate new insights regarding HRM and absenteeism, the following research question is formulated:

"To what extent can the degree of absenteeism within an organization be explained on the basis of the meta-features of HRM system strength?"

## 1.3 Relevance

This study is both of theoretical and practical importance. It will give new insights about the process approach of HRM in its relation towards absenteeism due to the fact that this has never been examined before. In a broader sense, the study will provide information about the influence of the three meta-features of HRM system strength on employee behavior.

With regard to the practical relevance, it can be stated that this study will provide new information about the role of HRM system strength towards absenteeism. This can be valuable knowledge for the HR policy of firms. With the aid of such new insights, managers can anticipate and intervene by responding and investing within the three meta-features of HRM system strength. It may have a positive impact on the reduction of absenteeism.

#### 1.4 Outline

This research is conducted on the basis of a particular structure. The second chapter will discuss relevant literature on the subject of HRM strength in order to generate a theoretical framework; the frame of reference that will be the core of the study's direction. The third chapter addresses the methodology. The purpose of this part is to explain the research methods that will be used in this research. It explains how the relevant information will be collected, why particular methods of data collecting are being chosen. The fourth chapter will be the analysis of this thesis; the results of the questionnaire will be presented and elaborated in order to gain an insight into the relation between HRM strength and absenteeism. Thereafter the conclusion will be addressed in the fifth chapter; the results will be thoroughly discussed and an answer to the research question of this study will be generated in order to obtain insight within the relevant subject. The last chapter focuses on possible limitations and suggestions, in addition practical recommendations will be formulated in favor of organizations. This can help to bridge the gap between theoretical research on HRM and the implementation of obtained insights in the practical context.

# 2. Theoretical framework

#### 2.1 Introduction

This chapter provides a synthesis of the scientific research into HRM System Strength and absenteeism. It reflects the theoretical framework, which is the basis for empirical study. In paragraph 2.2 the concept of HRM system strength is delineated. In paragraph 2.3 the conceptualization of the concept of absenteeism will be discussed. In section 2.4, an exploration model is produced that aides the research and generates the hypotheses.

# 2.2 HRM System Strength

Bowen &Ostroff (2004) explain as one of the first the link between HRM research and the research field of employment and organizational psychology in their article "Understanding HRM-firm performance linkages: The role of the "strength" of the HRM system " in terms of attribution theory (Kelley, 1967). Attribution is the imputation of causes of behavior to internal or external factors. The attribution theory examines the way people ascribe causes for behavior and what consequences this has for their motivation. This theory shows that people will work for something when they have the idea that they will have success with that particular effort. If such an effort will yield no success, their motivation to make such efforts will reduce. There are two forms of attribution: internal and external. In the first form, a person seeks the cause to himself. While an external attribution declares an event from factors outside of a person. In addition to internal and external attributions, causes of behavior can also be attributed to situational factors. People can make reliable attributions of causeeffect relationships if these cause-effect relationships meet the following three conditions: there is a distinctive character, consistency and consensus among stakeholders (Kelley, 1967; Fiske & Taylor, 1991). Bowen and Ostroff (2004) utilize these standards and contend that workers make attributions focused around the HRM message that is imparted to them by a distinctive, consistent and consensual HRM system (Bowen &Ostroff, 2004).

Bowen and Ostroff (2004) contend that the connection between HRM and performance could be clarified by the strength of the HRM system which incorporates the process approach of HRM. The shift to the process approach of HRM entailed a focus on what and how the practices of HRM, for instance training possibilities for workers, are being perceived by its employees. The particular choices made by the management about HR practices can be defined as 'messages' sent from the management to the employees (Haggerty & Wright, 2009). Guzzo& Noonan (1994) defines HR practices as so-called "communication mechanisms" and state that the practices send signals that will be interpreted by employees. The HR department is in charge of the configuration and organization of HR practices (Bos-Nehles&Bondarouk, 2012), and hence plays a vital part in conveying this so-called 'HRM message'. A strong HRM system implies that there is a form of consensus between the several managers which increases the chance that they send the same message to the employees. This will guarantee a viable execution of substantial HR practices by linemanagers, which implies that HR practices are implemented as proposed (Nishi et al., 2008; Khilji& Wang, 2006; Wright & Nishii, 2007). It is contended that if the HRM function send signals about which authoritative objectives are essential and what attitude is conventional and rewarded, the more probable it is that those objectives will be accomplished (Bowen &Ostroff, 2004). A strong HRM system upholds a solid managerial environment where the messages that are sent by the HRM system to colleagues are clear, explicit and persistent which encourages workers to disclose requested beliefs and attitudes (Bowen &Ostroff, 2004; De Winne et al., 2012). Following on from

this, Bowen &Ostroff argue that there is a strong HRM system when employees perceive the HRM system as *distinctive*, *consistent* and if there is a high degree of *consensus*(Table 1)among employees about what behaviors are expected and rewarded. These three 'pillars' are divided into nine process features that determine the 'strength' of the HR system. When an organization scores high on the described nine elements, according to Bowen and Ostroff (2004) one can speak about a 'strong' HR system. In that case, employees perceive a particular situation in a similar way. Employees will, in other words, develop similar individual cognitive or causal 'maps'.

Table1Nine process features of a 'strong' HR system (Bowen &

Ostroff, 2004)

Distinctiveness	Consistency	Consensus
Visible	Instrumentality	Correspondence between the most
		important HR-decision makers
Understanable	Validity	Fairness of the system;
		-Distributive
		-Procedural
		-Interactive
Legitimacy	Consistent HR-	
	messages	
Relevance		

#### 2.2.1 Distinctiveness

The rate of distinctiveness is the degree to which employees perceive and differentiate the HR system, so it attracts their attention and arouses interest. A system that ensures that the whole of practices, processes and services are visible, easily understandable and relevant to the employees and also supports the credibility of managers, builds transparency. And this transparency ensures a 'stronger' HR system.

Bowen and Ostroff(2004) distinguish at first four aspects of distinctiveness: visibility, understandability, legitimacy and relevance.

They refer to the visibility of the HRM practices as the degree to which the practices are prominently and easily observable for employees within an organization. Practices that manage to capture the attentions of the employees will influence the behavior of employees due to the fact that the practices will make sense to them (Kim &Ryu, 2011). With this aspect of distinctiveness it is essential that the management attempts to create a shared understanding about the HR practices and the attitudes that are being desired by the management (Bowen &Ostroff, 2004). This briefly means that practices should make sense for employees. It is important that a wide range of practices affects a large number of employees, so the visibility will be positively influenced. Understandability of HRM content refers to the extent to which the HRM message arrives to the employees, i.e. the ease with in which the HRM practices can be understood by the employees and the question if they are unambiguous or not. The practices should be easy to understand in order for the employees to comprehend how they work so they can make attributions to it (Bowen &Ostroff, 2004). Relevance refers to the fact that the practices should be designed in order to provide for the alignment of the individual goals and the goals of the firm. This kind of an alignment will have a positive influence of the firm's performance (Huselid et al., 1997). Legitimacy of the executors of the HRM system would eventually lead up to that employees consider rather showing the desired behavior. The more

employees perceive the actors involved (HRM managers, line-managers) as authorities, the more positively they will be with respect to the organization and the more they are inclined to exhibit the preferred modes of behavior by the stakeholders.

#### 2.2.2 Consistency

Consistency of the HR system indicates that the system is coherent and repeatedly for all employees and that it creates the desired effectthrough all HR practices. By putting the right HR practices, to ensure that the practices have the intended effect and by propagating consistent HR messages, the HR system will be strengthened by its consistency (Bowen &Ostroff, 2004).

Consistency consists of three aspects; instrumentality, validity and consistent HR-messages (Bowen &Ostroff, 2004).

Instrumentality of the HRM system addresses the point that outcomes of the management and behavior of employees should be linked to each other, this practically means that employees need to know what they can expect from the management when they behave in a particular way. According to Vroom's (1964) 'expectancy theory', an employee will take the decision to base his or her behavior on the expectations of the outcome. In terms of HR this can be elaborated as the situation in which an employee perceives that there is a stimulus for the behavior that is desired by the management. High instrumentality implies that the relationship between the behavior of workers and results are nearly related in time and that HR practices are implemented consistently over time (Bowen &Ostroff, 2004; Pereira & Gomes, 2012).

The validity of the HR system concerns the fact that practices indeed do what they are intended to do considered from the perspective of the employee(Bowen &Ostroff, 2004). In the case of a weak rate of validity, i.e. a gap between the actual and the intended practices (Wright & Nishii, 2007), employees will be affected in such a way that there will be a difference in their behaviors (Bowen &Ostroff, 2004). This will in its turn affect the effectiveness of the implementation of the practices. A situation like this can be explained by the fact for instance one manager is practically able to implement the same practice differently than the other manager (Wright &Nishii, 2007). The last aspect of consistency of the HR system is the transmission of consistent HRM messages. This means that the signals that are being sent from the management to its employees about what is expected and rewarded should be consistent (Bowen &Ostroff, 2004). There has to be consistency between the values defended by the management and the values perceived by the employees (Bowen &Ostroff, 2004), so a particular line-manager should take the rough with the smooth in order to foster consistent perceptions in the case of the employees. As explained, the HR practices operate as a communication system (Gilbert et al., 2011), these messages have to send consistent and solid signals to the worker. One can briefly conclude that the same HRM message must be communicated throughout the whole organization as a whole. Bowen &Ostroff (2004) refers to this situation as 'internal alignment', whereby they address the fact that different HRM practices should send the same message. An HRM system which possesses practices fit together a whole is an essential requirement in order to convey the message to employees on a consistent basis.

#### 2.2.3 Consensus

Consensus of the HRM system addresses the question if employees agree among each other about the effect of their behavior on the outcomes. The aspect of consensus is composed of two aspects, namely correspondence between the most important HR-decision makers and fairness of the system (Bowen &Ostroff, 2004).

The correspondence between the HR-decision makers concerns an agreement about the HRM message that has to be communicated. The most important HR-decision makers can be divided into three groups; top management, HR managers and line-managers (Guest & Bos-Nehles, 2012). Top management is engaged in the generation of the firm's goals and is responsible for the decision to apply certain practices. HR managers are in their turn responsible for the design of these practices, while the line-managers deal with the implementation of the practices (Guest & Bos-Nehles, 2012). Correspondence between these actors will result in consensus amongst employees regarding the HRM message, due to the fact that when for instance line-managers and HR managers agree with each other, the chance that they will convey the same messages to HRM staff is more likely. This will provide shared perceptions about the expected behavior because employees can in this case get a better understandingthat which is expected of them (Bowen &Ostroff, 2004).

The perception of consensus is, according to Bowen and Ostroff(2004), related to the distinctiveness and consistency. When policy carriers agree on the HRM policy and the HRM practices that should be performed, the distinctiveness increases. Another factor is that as the various policy carriers are more on one line, both line- and HRM managers, it is easier to send the same message and to be internally consistent. It also increases the possibility that employees commit themselves to this message (Bowen &Ostroff, 2004).

Thesecond and last aspect of consensus is the fairness of the system. They distinguish herein three types of fairness: distributive, procedural and interactive (interactional) fairness (Bowen &Ostroff, 2004).

Distributive fairness refers to how honest one experiences (the contents of) the beneficial provided valuations as for instance reviews, ratings, rewards and promotions. Procedural fairness concerns the way these valuations are granted and whether there is favoritism. A manager should be able to argue with the aid of criteria why he for instance gave promotion to a certain employee, this is essential to evade misconceptions about nepotism. Participation by employees in these procedures would be beneficial for this type of fairness. Interactive fairness is being acquired with the way managers act towards employees. This practically means that managers should explain on an open and respectful basis why certain decisions are made and how the distribution of awards, such as promotions, participation in training and rewards happened (Bowen &Ostroff, 2004). It must be clear to the employee why, for example, one employee does get promotion in contrast to his colleague. A system that scores high on fairness and level of agreement between HR decision makers is consensual and therefore 'strong'.

#### 2.3 Absenteeism

Absenteeism is not showing up at work in case of an employee. That may be due to illness, but also because of vague psychological and psychosomatic complaints that are not medically proven, such as headache, fatigue, gastrointestinal disturbances and tension (Meertens& von Grumbkow, 1992). In the literature, the terms absenteeism and sick leave are frequently being used interchangeably. To clarify, this study will only address the term 'absenteeism', since absenteeism is a broader term which, for example enhances forms of neglecting work that are not linked to being ill. Absenteeism seems relatively easy to measure; in many companies and institutions it is registered. This is one of the reasons why the phenomenon is relatively easily accessible for examination.

Absenteeism isto their nature and background a complex and heterogeneous phenomenon (Allegro & Veerman, 1992). Due to the fact that for certain combinations of health complaints and job requirements is absenteeism is inevitable, whereas in other combinations the incapacity for

employment does not immediately have to be present.

This is why the following classification of absenteeism in the relevant literature is made: white, black and grey absenteeism (Thierry & de Wolff, 1992):

White absenteeism is a form of absenteeism which is a temporary physical dysfunction. The dysfunction is objectively demonstrable. The employee in this period is fully incapacitated. Grey absenteeism is absenteeism in which one reports him or herself as sick because he or she feels sick, but actually is not sick. It is therefore a sickness report on the basis of real problems, but these symptoms are difficult to determine objectively, and it is not as if the employee is fully incapacitated. Black absenteeism is the absenteeism, in which one calls in sick, but it is not sick and also does not feel sick; the employee is fully fit for work.

On the basis of Philipsen's "decision model" (1969), many studies have been conducted on absenteeism. This model emphasizes that once there are health problems, in many cases, the employee has some discretion to decide whether to work or to not. This also makes clear that sickness and absenteeism are not identical concepts; there are people with health problems that remain working. Otherwise, it may occur that one reject to go to work in the case of mild symptoms of sickness. A central concept here is the "absenteeism threshold". The higher the absenteeism threshold, the harder it will be for the person concerned to report sickness, even if there are health problems. A high absenteeism threshold does not always lead to a low rate of absenteeism; the frequency of particular short absences will usually be low, but due to working under illness, conditions may get worse and eventually terminate in more long-term absence (Thierry & De Wolff, 1992). There are two aspects to the absenteeism threshold to distinguish: absenteeism occasion, which are factors that are being fenced off by the behavioral space. They can more or less exist apart from the person in question (such as formal or informal sanctions, waiting days, absenteeism control). The other one is absenteeism requirement. This relates to the subjective need to use the absenteeism occasion or not. A central role in this case is the job satisfaction with its related concepts such as "binding", "identification with the work," or "job involvement" (Thierry & De Wolff, 1992).

# 2.4 The link between HRM system strength and absenteeism

This study will use the social exchange theory (Blau, 1967) as the framework in order to clarify and interpret the connection between HRM system strength and absenteeism.

On the basis of this norm of reciprocity, one can expect a higher rate of care about the wellbeing of employees by the firm towards their employees in the case of the fact that employees perceive HR as distinctive, consistent and consensual. This may lead to more motivation for employees in the case of the adoption of desired behaviors that eventually affect the organizational outcomes (Gilbert et al., 2011). This research will concentrate on a particular form of organizational outcome, namely: absenteeism. In this study it is stated that if employees perceive a distinctive, consistent and consensual HRM system, the likelihood to do something in return to the relative firm in the form as increasing their boundary to be absent is greater.

Distinctiveness is associated with the content of the practices. It can be contended that if employees perceive and comprehend the messages that are being sent with the aid of the practices, they feel that the firm supports them and if they recognize what is desired and expected from them, it is

morelikely that the employees act on the basis of desired behavior (Bowen &Ostroff, 2004). In the case that the employees perceive the feeling that the firm invests in them by being distinct, according to the norm of reciprocity, they will remunerate the firm by a lower rate of absenteeism. This can be explained with the aid of previously found relationships between distinctiveness and employee behavior. There are no examples of studies that did any research into the role of distinctiveness on absenteeism, but according to Sanders et al. (2008) and Takeuchi (2013) absenteeism is a predictor of employee behavior, such as for example turnover intention and affective commitment. When absenteeism is taken into account in a broader perspective, namely as employee behavior, examples of relevant studies can be used. According to Bomans (2013) and Sanders et al. (2006) there exists a positive correlation between distinctiveness and affective commitment. Vigna et al. (2010) found anindirect correlation between all three features of HRM system strength and turnover intention; a strong HR system affects organizational outcome in terms of voluntary turnover. These examples of previous found correlations between distinctiveness and employee behavior entails the following hypothesis:

# H1: A distinct HRM system negatively affects absenteeism.

Consistency of the HR system indicates that the system is coherent and repeatedly for all employees and that it creates the desired effectthrough all HR practices. By putting the right HR practices, to ensure that the practices have the intended effect and by propagating consistent HR messages, the HR system will be strengthened by its consistency that will lead to the perception of employees that the firm contributes to them by sending consistent messages. As a response to the firm the employees will be less inclined to take the choice to be absent. Due to the fact that there are no examples of studies that directly treated consistency to absenteeism, absenteeism will be considered once again in a broader context as employee behavior. Sanders et al. (2008) and Bomans (2013) both found a relation between consistency and employee behavior in the form of affective commitment. As an addition to the focus on employee behavior, the concept of consistency could be compared with the concept of 'role ambiguity' due to the similarities of their meanings. Role ambiguity literally concerns the lack of clarity about expected behavior from a job or position which is a comparable with the description of consistency above. Therefore, empirical evidence about the statement that role ambiguity positively affects absenteeism found by Huff (1982) and more recently by Olivares-Faundez et al. (2014) will give an indication that a consistent HRM system might affect absenteeism. This ensures the following hypothesis:

#### H2: A consistent HRM system negatively affects absenteeism.

Consensus of the HRM system addresses the question if employees agree among each other about the effect of their behavior on the outcomes. This means that in the case of 'internal alignment' between the HR decision makers about the HRM messages that are going to be sent to the employees, the chance is bigger that a consensual environment between the employees is going to be created. This will lead to the employee's perception of receiving unambiguous HRM messages by their management which in turn will generate a response of the employees towards the firm by reducing their rate of absenteeism. In order to give this assumption more strength, the concept of absenteeism is taken into a broader context. The fact that several studies found empirical evidence in order to state that a consensual HRM system affects employee behavior (in the forms of affective commitment and turnover intention) (Sanders et al. ,2008), (Bomans ,2013), (Vigna et al. ,2010).

This brings up the following hypothesis:

H3: A consensual HRM system negatively affects absenteeism.

#### 2.4.1 Moderating effects

The assumption of a moderating effect implies that a number of characteristics of the HRM system strength do not directly affect absenteeism without the presence of another characteristic. According to Gomes et al. (2010), the characteristics consensus and consistency serve as antecedents of distinctiveness. They claimed that distinctiveness is the key aspect of HRM system strength and the aspects of consistency and consensus have an influence on distinctiveness.

The fact that distinctiveness is brought forward as a condition for the performance is reasonable. Hence, the characteristics consistency and consensus do not directly affect the organizational performance when there are no perceptible practices that capture interest and attention of employees (Kim et al., 2011). Only when employees are able to observe the HR practices in the first place, will ensure that they have the opportunity to agree with the HRM messages or to perceive consistent messages. It is therefore essential that the HRM system is distinctive the first place. Regarding the relationship between consensus and distinctiveness there can be further looked at a few points. If the HR decision makers will agree on the transmitted messages, more workers will send similar communications about the HRM message. This increases the visibility of HR practices, which is a feature of distinctiveness. Moreover, consensus among HR decision makers promotes the formulation and implementation of an HR strategy that is tailored to the organization's strategy. Therefore, two main characteristics of distinctiveness, the relevance and legitimacy of the HRM system, will be fostered (Bowen &Ostroff, 2004). This brings up the following hypothesis:

H4: A consensual HRM system moderates the relationship between a distinct HRM system & absenteeism.

As stated by Bowen and Ostroff (2004), distinctiveness makes sure that the HRM system determines the social context for the behavior of employees; consistent HRM message increases the chances that desired behavior will be subjected by employees. In the case of communication and implementation of HR practices that are implemented in a consistent manner throughout the entire organization, the visibility, clarity and relevance of the HRM system will be increased and it also promotes the creation of shared meanings about the HR system by employees (Bowen &Ostroff, 2004). This in turn will have a positive influence on workers who therefore will choose less likely to report themselves absent. This leads to the following hypothesis:

H5: A consistent HRM system moderates the relationship between a distinct HRM system& absenteeism.

#### 2.4.2 Research model

On the basis of the evaluation of the literature, it can be concluded that according to the expectations a relationship between HRM system strength and absenteeism will come forward. On the basis of the hypotheses is a research model was developed.

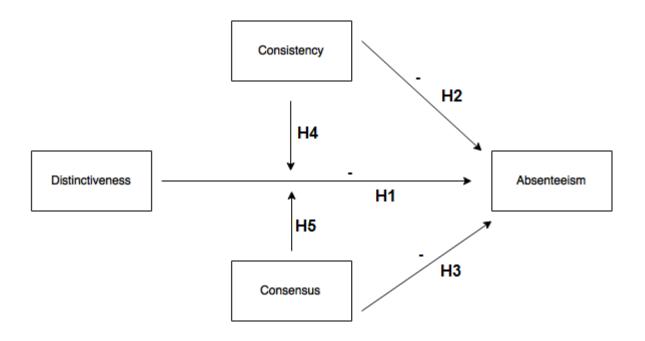


Figure 1Research model of the relation of HRM system strength towards absenteeism

# 3 Methodology

#### 3.1 Introduction

Which research method was chosen and why? This question is answered in this chapter. In addition to that, the units of research are being described and it will dwell on the development of the measuring instruments. Finally, the scale analysis and control variables will be discussed.

# 3.1 Ernst & Young Mexico City

This research has been conducted at Ernst & Young in Mexico City. Ernst & Young is an international service company active in the field of accountancy and tax advisory. Ernst & Young is the umbrella name of an international network of member firms. EY Global Limited is based in London and ensures unity in the policies of all member companies and monitors the global quality of service. EY employs more than 175,000 employees worldwide and is based in about 150 countries.

Ernst & Young Mexico has got 19 offices throughout the country with more than 3500 employees. The office in Mexico City is the biggest division of the country with 2000 employees working in 10 departments. 4 of them are 'client facing areas' that are active within tax advisory, transactions, audit and other advisory services. The remaining departments are internal sections that consist of IT, HRM, education, finance and administration, marketing and clients & business development.

# 3.2 Research strategy and data collection

In order to examine the relationship between HRM system strength and absenteeism, a survey study was carried out due to the fact that this study aims to explain the extent of a particular phenomenon. Using a questionnaire, questions were asked in a systematic way to a number of employees. These questions measure opinions, motives, behavior or other characteristics of the respondents that will give an insight in HRM system strength. Using the answers the characteristics of a group of people could subsequently be mapped. This group, called respondents, is described in the form of indicators such as numbers, percentages or averages. The choice of a survey as the data collection method for this studylies in the fact that it has a number of advantages. First of all, this method is suitable for collecting information in a short time with a lot of people. However, it does apply to the condition that the questions and answer alternatives are designed in a simple way. Unlike an interview for example, which is often used as questions need much explanationor further questioning is needed. Furthermore, with the aid of a written questionnaire mainly quantitative research can be conducted. The data from these observations are then suitable for statistical processing and analysis, this is essential due to the fact that the goal of this study is quantifying the extent of a probable relationship between HRM system strength and absenteeism. Examining an extent can solely be carried out with the aid of quantitative data. An interview often collects qualitative data; these are not usable for statistical processing. Finally, the written questionnaire has the advantage of anonymity. This will barely lead to interviewer effects and the likelihood of socially desirable answers is smaller.

#### 3.3 Procedure and sample

The data for this study is collected through an online questionnaire. This questionnaire has been sent by a manager to 400 employees in order to reduce the threshold of employees to take part in this study by completing the questionnaire. The statistics in Table 4 show that approximately 25% of the

potential respondents (104 employees) did actually participate. The fact that this study exclusively takes employee into account is related to the norm of reciprocity (social exchange theory) that addresses the relationship between the employer and his employee. According to this theory, this study expects that a strong HRM system affects leads to the perception of the organization caring about its employees and that this will be likely reciprocated by a lower rate of employee absenteeism. Therefore, within this context employees must be examined. By surveying employees this study attempts to measure the perceptions of the HRM system, in order to compare it with their annual absence days. Prior to handing the questionnaires to the respondentsthey will be informed by the HR director about the reason of research, namely examining the relationship between HRM system strength and absenteeism. It will be emphasized that complete anonymity is guaranteed. The period of response is three weeks. After two weeks a first reminder will be sent, wherein is asked to kindly complete the questionnaire if they have not responded yet. The following week this procedure will be repeated as the last reminder.

The rates of absence per employee are obtained from the database of Ernst & Young Mexico. These statistics are recorded by name and will be linked in this manner to the outcome of the questionnaire. The connection between the outcome of the questionnaire on the one hand and rates of absence on the other hand will be kept separated. This means that the information about the rate of absence per employee with respect to its degree of HRM system strength is not accessible for managers or superiors. The fact that the names of the employees are being taken into account is required because otherwise it is impossible to analyze the two variables at the individual level.

# 3.4 Measuring instrument

A questionnaire is compiled in order to measure how the various employees in a firm perceive the characteristics of HRM system strength. This questionnaire is based on the existing research instrument ofDelmotte et al. (2011). HRM system strength is divided into three parts; distinctiveness, consistency and consensus (Bowen &Ostroff, 2004). Delmotte et al. (2011) generated a survey consisting of 27 questions that addresses all three parts of HRM system strength. This survey will be used in this study due to the fact that this survey is being used in a big range of studies on HRM system strength, which makes it possible to compare the output of this study with other studies that used the same operationalization. The items of the operationalization of HRM system strength, i.e. the process of defining the measurement of a phenomenon that is not directly measurable, are included in Table 2.

The dependent variable, absenteeism, will be measured on the basis of data originating from a firm's database that notes personal information of its employees like their annual days of absent. The number absent days per participating respondent will be queried from the relevant database.

<b>Table 2</b> Operationalization of	f the variable "HR	M system strength"
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Variables	Definition	Items	Source
Distinctiveness	Features that allow a situation to stand out in the environment and to capture attention and interest	I am regularly informed about the initiatives taken by the HR department In this organization it is clear what the tasks of the HR department are The actual functioning of the HR department is a mystery to me The HR department works too much behind the scenes The HR activities in my organization are easy to understand	Delmotte et al. (2011)

Consistency	Establishment of an effect over time and modalities regardless of the form of interactions	<ul> <li>- I understand the HR strategy of my organization</li> <li>- The HR department gives understandable information on HR activities</li> <li>- The HR department in this organization has a high status</li> <li>- The HR department in this organization has enough power to manage employees</li> <li>- The HR department in this organization gets full support from top management for HR activities</li> <li>- I often wonder about the usefulness of the HR activities in our organization</li> <li>- The HR department undertakes those actions that exactly meet my needs</li> <li>- The HR activities in our organization help me to achieve my goals.</li> <li>- The HR activities for employee appraisal succeed in encouraging the desiredbehavior.</li> <li>- The HR activities add value to the functioning of our organization.</li> <li>- There is a clear fit between HR promises and deliverables.</li> <li>- There is a wide gap between intended and actual effects of HR initiatives</li> <li>- The HR activities implemented in this organization sound good in theory, butdo not function in practice</li> <li>- HR policies in this organization are changed every minute</li> <li>- In this organization there is a clear match between all HR messages</li> <li>- There is a clear fit between all HR activities</li> </ul>	Delmotte et al. (2011)
		- The various HR initiatives send inconsistent signals	
Consensus	There is an agreement among individuals' views of the event effect relationship	- HR and line management are clearly on the same wavelength - Top management and HR professionals clearly share the same HR vision - HR management is established by mutual agreement between HR professionals and line management - Management commonly supports HR policy in our	Delmotte et al. (2011)

#### **3.4.1 Scale**

The questionnaire uses a 'Likertscale', it is often used in social sciences to measure abstract concepts. A Likert scale consists of several statements (1 = strongly disagree) and (5 = strongly agree) on a subject in which the respondent can indicate whether he or she agrees with this statement. The final measurement of the abstract concept is created by adding the various items that relate to the same concept or topic. It is important that scales that are included in a questionnaire are reliable. A form of reliability is Cronbach's alpha( $\alpha$ ), an internal consistency measure that can have a value between 0 and 1. This value indicates that the homogeneity is high enough to be able to count the items on a scale (Buuren, 2003). Pallant (2007) argues that the Cronbach's alpha should ideally be higher than 0.7 in terms of reliability. The values of each variable's Cronbach's alpha are listed in Table 3. All variables have a value higher than 0.7 and are therefore reliable.

#### 3.4.2 Factor analysis

Prior to the regression analysis a factor analysis carried out in order to determine whether the selected questions measure the same items. The independent variables are composed of several

items (questions). The purpose of the factor analysis is to find the underlying, hypothetical variables. The outcomes of the factor analysis were, in the case of distinctiveness and consistency, not in conformity with the expectations of Delmotte et al. (2011). The analysis gave a 3 factor solution in the case of distinctiveness and a 2 factor solution in the case of consistency. On the other hand, the 1 factor solution in the case of consensus was an expected outcome regarding the literature of Delmotte et al. (2011). This means that the operationalization of HRM system strength seems not to be totally foolproof.

**Table 3** Output Scale Analysis of the three independent variables

Variables	Cronbach's alpha (α)	N of the items			
Distinctiveness	,802	13			
Consistency	,759	9			
Consensus	,802	4			

#### 3.5 Data analysis

In order to analyze the collected data, SPSS (software for survey authoring and deployment) is used. The output of the online questionnaires were directly downloaded as an Excel-file and subsequently exported to SPSS. On the basis of the items (See Tabel 2) the variables Distinctiveness, Consistency and Consensus (HRM System Strength) were computed in order to analyze the hypotheses. Regression analysis is used to test the correctness of the hypotheses; this analysis shows whether there is a significant correlation between variables or not. With the aid of this analysis the hypotheses will be solved which eventually will lead to an answer to the research question.

#### 3.6 Control variables

Due to the fact that the phenomenon 'absenteeism' does not only have to be linked to HRM system strength, a number of control variables will be included in this study. Gender (m/f), age (in years), level of education and tenure (years of service of the individual employee) are included as control variables in the analysis, because of the fact that they can affect the results in this study. Age can be an important factor due to the fact that for instance baby boomers are generally more loyal towards their employer than millennials (Yu & Miller, 2005) which means that the choice to call in sick can be higher in the case of millennials which makes it an age-related issue. Furthermore, a relationship has repeatedly been reported between level of education on absenteeism (Jansen et al., 2006). Tenure can be relevant due to the fact that it may influence the worker's rate of HRM system strength since a worker, who has been active for a longer time in the firm, has had more time to perceive the HRM system better. In addition, they can also feel more involved with the companywhich can lead to a lower rate of absenteeism. A dichotomous variable is included in order for the measurement of level of education (high educationreferring to a college or university degree, low education to not holding either).

The information that is required in order to include these control variables will be processed within the questionnaire. These items will be added to the questionnaire.

# **4 Results**

#### 4.1 Introduction

This chapter presents the results that are retrieved from the statistical analysis of the data. The research model consists of 5 hypotheses that will be covered one by one within the following subchapters. The first three hypotheses will test whether there is a significant negative correlation between the three components of HRM system strength (Distinctiveness, Consistency & Consensus) on one side and absenteeism on the other side. The last two hypotheses will address the possibility of a moderating effect; they will test whether there the components consistency and consensus serve as contingencies for the effect of distinctiveness on absenteeism.

#### 4.2 Results

# 4.2.1 Correlation analysis and descriptives

First of all, the relevant variables are examined with the aid of a 'correlation analysis' in SPSS. The type of correlations that are examined in this study in order to analyze the linear relationship between two interval/ratio variables is the Pearson's correlation coefficient. This contains a value between -1 (perfectly negative correlation) and 1 (perfectly positive correlation), the higher the absolute value of r, the stronger the relationship. In addition, descriptive information about the variables is being presented.

The descriptive statistics of the outcome of all the variables are being presented in Table 4. The average scores of distinctiveness, consistency and consensus are relatively low (2,52, 2,57 & 2,35 on a scale with a maximum of 5). The average age of the employees is around 35 and 54% of them is male. 77% of the participating employees finished a university/college and they averagely are active within this organization for around 8 years.

The results of the correlation analysis are being presented within the same table. It shows that there is a moderate negative significant correlation between distinctiveness and absenteeism and a moderate negative significant correlation between consensus and absenteeism. These results imply that when the perception of distinctiveness and consensus of the HR system increases, the absenteeism will decrease. In the case of the perception of consistency of the HR system in its relation towards absenteeism one can analyze a less strong correlation that which cannot be classified as significant. The same counts for all of the four control variables (age, sex, level of education, tenure).

Besides the correlations between the independent variables with respect to the dependent variable it is important to analyze whether the independent variables are interrelated with each other. This could suggest multicollinearity problems, which can reduce the reliability of the concerned variables. On the basis of the results in Table 5 it becomes clear that there are no strong interrelations between the independent variables, this indicates that there is no threat of multicollinearity.

**Table 4**Results of the correlation analysis

Variables	Mean	SD	I	Ш	Ш	IV	V	VI	VII	VIII
Distinctiveness (I)	2,52	,47	_	,185	,097	-,93	-,059	,052	,073	-,202*
Consistency (II)	2,58	,56	,185	_	,247	-,110	-,041	,174	,082	-,057
Consensus (III)	2,36	,81	,097	,247	_	-,081	,019	,061	-,067	-,218*
Age (IV)	35,46	8,8	-,93	-,110	-,081	_	,068	,013	,358	,017
Sex = 1 (V)	,46	,5	-,059	-,041	,019	,068	_	-,004	,112	-,073
Education (VI) = 2	1,23	,42	,052	,174	,061	,013	-,004	_	,035	,006
Tenure (VII)	8,3	5,83	,073	,082	-,067	,358	,112	,035	_	-,046
Absenteeism (VIII)	1,48	1,89	-,202*	-,057	-,218*	,017	-,073	,006	-,046	_
N=104 *p<0.05										

# 4.2.2 Multilevel regression analysis

A correlation analysis gives an insight about the strength and direction of relationships, it is however not enough to test the hypotheses. Correlation means that two variables show certain coherence in an orderly manner. However, correlation does not mean the same as causality (i.e. cause-effect relationship). In other words; correlations do not tell us whether there exists a cause and effect relationship between two variables. With the aid of a linear regression analysis the hypotheses will be discussed in order to test whether the effect is significant or not. With simple linear regression a relationship between an independent variable X and a Y dependent variable is expressed as a linear regression equation. The issue here is whether the dependent variable is affected by the independent variable. Four analyzes are conducted in the light of the multilevel regression analysis. They are presented in Table 5 with the aid of four models. Model 1 only includes the control variables; they do not show any significance in their relationship towards absenteeism. Model 2 is supplemented with the main effects. Looking at the R Square, an immense growth can be seen. With the aid of the main effects, 12,1% of the variance in absenteeism can be explained with this model. In model 3 the interaction effect of distinctiveness on consistency is included; this has however no effect on the R Square. But the interaction effect of distinctiveness on consensus, which is included in model 4, does have got an effect on the R Square. This is however a quite small growth of 12,1% to 12,4% explained variance.

**Table 5**Results of the multilevel regression models of absenteeism

Variables	Model 1	Model 2	Model 3	Model 4
Constant	1,397	4,582*	4,457*	4,574*
Control variables				
Age	,012	,004	,004	,004
Sex	-,259	-,285	-,288	-,264
Education	,089	,170	,192	,134
Tenure	-,013	-,009	-,008	-,012
Main effects				
Distinctiveness		-,983*	-,947*	-,971*
Consistency		,161	,168	,186
Consensus		-,519*	-,521*	-,543*
Interaction effects				
Distinctiveness x Consistency			-,180	
Distinctiveness x Consensus				,233
R <sup>2</sup>	,009	,121	,121	,124

N=104 \*p<0.05

#### 4.2.2.1 Hypotheses

Hypothesis 1 states that a distinct HRM system is negatively related to absenteeism. This probable inference has been tested with the aid of a linear regression analysis. The statistical results of this analysis can be found in Model 2 of Table 5. The statistical analysis shows a significant negative relation between the variables distinctiveness and absenteeism (t = -2,088, p<,05). With a reliability of 95% it can be said that if the perception of distinctiveness of the HR system increases, the absenteeism on its turn will decrease. Therefore, hypothesis 1 is supported. Hypothesis 2 stated that a consistent HRM system is negatively related to absenteeism. The results that can be found in Model 2 of Table 5 do not show any form of a significance (negative) causal inference between a consistent HRM system and absenteeism. With the following statistical output of (t=-,579, p<,05) this means that hypothesis 2 is not supported and that it is not possible to conclude that a high degree of consistency of the HR system has a negative effect on absenteeism. Hypothesis 3 stated that a consensual HRM system is negatively related to absenteeism. The results that are lined out in Model 2 of Table 5 indicate a significant negative relation between consensus and absenteeism (t=-2,253, p<,05). This means that when the perception of consensus of the HR system increases, one can conclude with a reliability of 95%, that the rate of absenteeism will decrease.

The last two hypotheses will address an interaction effect of distinctiveness as a moderator between the relationship of consistency and consensus on absenteeism. In order to solve the following hypotheses, centered variables are conducted. With the aid of the centered variables the new variables are included in the regression analysis that can be found in Model 3 and 4 of Table 5. Hypothesis 4 stated that there was an interaction effect of consensus on the relation between distinctiveness and absenteeism. The results that are shown in Model 3 of Table 5 display that there is no significant interaction effect of consensus on the relationship between a distinct HRM system and absenteeism. Therefore, Hypothesis 4 is not supported. Hypothesis 5 stated that a consistent HRM system moderates the relationship between a distinct HRM system and absenteeism. This however seems not to be significant according to the output that can be seen in Model 3 of Table 5.

There is not enough evidence to state that a consistent HRM system moderates the relationship between a distinct HRM system and absenteeism, this means that Hypothesis 5 is not supported.

# 5 Discussion

#### **5.1 Discussion of results**

The goal of this study was to analyze the impact of HRM system strength on absenteeism. A lot of research has been conducted into absenteeism, especially in relation with HRM. However, the content approach of HRM plays an essential role in these cases and there is paid little attention to the process approach of HRM. In order to generate new insights into absenteeism this study looks whether the perceptions of employees about the HR system has an influence on the rate of absenteeism. This could be a plausible assumption due to an aspect of the Social Exchange Theory (Blau, 1964); reciprocity. According to this theory, an HRM system that be classified as 'strong' can give a positive signal to its employees by providing them the perception that the organization cares about them. This particular kind of perception of the organization caring about its employees is likely to be reciprocated by a lower rate of employee absenteeism. With the aid of three hypotheses about the direct effects of distinctiveness, consistency and consensus (=HRM System Strength) on absenteeism and two hypotheses on probable interaction effects of distinctiveness that operates as a moderator in the relationship of both consistency and consensus on absenteeism, this study tested the question to which content HRM system strength is related to absenteeism.

The results show a significant negative relationship between distinctiveness and absenteeism, just as it shows a significant negative relationship between consensus and absenteeism. In other words, if the perception of the employees about distinctiveness and consensus of the HR system increases, the absenteeism on its turn will decrease. Therefore, the hypotheses 1 and 3 are approved according to the assumption that was made on the basis of the concept of reciprocity. However, there is no relation found between consistency and absenteeism. This means that when the perception of employees about the consistency of the HR system either decreases or not, this will not affect the rate of absenteeism in any way. Despite the fact that there is a low positive correlation between consistency of the HR system and absenteeism, it is not possible to conclude that this is not a matter of coincidence beyond the fact that the correlation is not strong. A possible explanation for this result can be sought in the concept of 'negative reciprocity' (Cramer, 2002). This insight explains that a negative attitude or behavior will be most likely negatively reciprocated by the other actor of the interaction. Although this study does not involve the content of HRM, i.e. HR practices, the implementation of these practices may play an essential role in the rejection of the relevant hypothesis. When the implemented HR policy is consistently being perceived as negative and poor by the employees, they will most likely reciprocate in a negative way. A negative reciprocation of an employee towards its firm will, according to this theory, not have a negative effect on the rate of absenteeism.

An indication that further research is necessary to clarify this issue can be found in the factor analysis of this variable. This analysis measures whether the items that form a variable belong to the same 'dimension', in other words; if they measure the same phenomenon. The factor analysis of the variable consistency shows two different dimensions, which means that within consistency there is an extra component that measures something else about this variable. This could be a reason for the fact that consistency does not correlate with absenteeism.

In the case of the interaction effects that are tested within this study, the assumption that distinctiveness is a precedent of both consistency and consensus (Gomes et al., 2010) is not supported. This means that both hypothesis 4 and 5 are rejected. In other words, the concept of

consistency and consensus are being considered by employees as autonomous aspects that are not functioning as precedents of distinctiveness as opposed to the literature that suggests so. An explanation may be found in the content approach of HRM. The fact that the implementation of HR practices and policy is distinct does not say anything about the value of the content that is perceived by the employees. There may be a chance that employees indeed do distinguish the implemented practices but that they do not perceive it as sound policy. The consequences of such a plot would be a distinguishable but negatively consistent and consensual perception of the HR system. This means that consistency and consensus would not be precedents of distinctiveness. In order to gain more certainty on this matter, the content approach of HRM must be taken into account as well.

# 5.2 Implications& suggestions for future research

#### Theoretical implications

This study contributed to academic research in various ways. In the first place, a total new way of looking towards the problem of 'absenteeism' was being used and tested, namely the process approach of HRM. This gives new insights about the relationship between the process approach of HRM and absenteeism in particular. The results about distinctiveness and consensus in their relation towards absenteeism are a contribution to HRM-related research. This indicates that these two components of HRM system strength are related with employee behavior. This study has encountered that both distinctiveness and consensus of the HR system have got an influence on employee behavior. This implies that when employees perceive the HR system as more distinctive and consensual, their annual days of being absent will be significantly lower. On the other hand, consistency of the HR system does not correlate with employee behavior. There was no proof found for interaction effects, this means that the three features of HRM system strength can be seen as autonomous explanatory variables that do not affect each other. They can be present without being dependent on each other; they do not support each other in any way. These findings should be taken into account regarding further research on HRM system strength in its relation towards employee behavior.

The fact that consistency does not significantly correlate with absenteeism could be an indication that further research on the characteristics of HRM system strength is needed.

In order to learn more about the question if the context plays a role, firms/organizations from other industries could be taken into account. Other KPI's like turnover or employee performance indicators can be used as dependent variables as well to test whether HRM system strength has a significant effect on more aspects of employee behavior.

The factor analysis of the three variables shows that further research is needed into the operationalization of both distinctiveness and consistency; the items of these variables (Delmotte et al.,2011) show more dimensions, the same issue has already been addressed by Bomans (2013). This means that the operationalization of HRM system strength seems not to be totally foolproof. Further research into this subject could specify this diversity in dimensions within the variables.

#### **Practical implications**

This study examined to which extent HRM system strength is related to the problem of absenteeism and was able to empirically show that two (distinctiveness & consensus) of the three characteristics of HR system strength are indeed significantly negatively related to absenteeism. This means that these findings can play a practical role in the HR policy of firms regarding absenteeism. Because with

the aid of this information, it may be possible to anticipate and intervene in particular cases of a high absenteeism rate. Managers can anticipate and intervene by responding and investing within the components of distinctiveness and consensus of the HR system. This can be accomplished by sending visible, understandable, legitimate and relevant messages to employeeswhereby the agreement among the senders of the messages is very important in order to foster the consensus (Delmotte et al., 2011), (Bowen &Ostroff, 2004), (Fiske &Taylor, 1991).

Consistency is unlikely to the other components not correlated to absenteeism, which means that the management can disregard consistency in the case of absenteeism reduction.

Being able to generate policy in order to attack absenteeism problems in a new way, namely with fostering the aspect of distinctiveness and consensus, might give added value for the HR department that needs to attack this problem. This will lead to a reduction of several costs like statutory sick pays, cost of covering nonattendance and loss of the production (Leaker, 2008), which will contribute to the overall performance of a firm.

#### 5.3 Limitations

There are some limitations in this study. The sample of this research is derived from one single company in Mexico City. This could be a limitation in the case of generalization towards other firms because both the organizational culture of the firm and the national culture of Mexico may play a role in the input of the employees, Schuler et al. (1996) argued that the culture of a country is significantly related with the HRM policies and practices.

Although the used questionnaire was validated by calculating the Cronbach's alpha, there are also downsides to survey research. Especially in the case of internal validity: the quality of the claims. Internal validity looks to the extent to which variables in social science research have a causal relationship with each otherand wherein, in general, research findings do not have to be attributed to so-called research artifacts. Within this study, a cross-section design, it is impossible to determine causality, due to the fact that an occurrence could have affected the results (Saunders et al., 2007). This could be problematic in the case of a reserve effect; which means that absenteeism may affect HRM system strength. When the rate of absenteeism is high, there could be a possibility that due to the fact that an employee is less present on the work floor he may be less likely to distinct and experience the HR policy which can affect its perception of the HR system.

There is also the risk of socially desirable answers, although the results will be made anonymous. Another limitation is the low response rate of 25%, this means that a majority of the potential respondents was not interested to participate in this survey. This could be an indication for a biased sample (Saunders et al., 2007).

# **5.4 Conclusions**

This study attempted to examine the following question; "to what extent can the degree of absenteeism within an organization be explained on the basis of HRM strength?"

The main goal of this research was to tackle the question to what extent the degree of absenteeism can be explained with the aid of HRM system strength. The conceptualization of HRM system strength consists of three characteristics, namely distinctiveness, consistency and consensus; these are treated autonomously in order to examine their influence on absenteeism. These variables have been linked to each other in the mind of the social exchange theory; an HRM system that be classified as 'strong' can give a positive signal to its employees by providing them the perception that the organization cares about them. This particular kind of perception of the organization caring about

its employees is likely to be reciprocated by a lower rate of employee absenteeism.

Two of the three characteristics of HRM system strength show a significant negative relation with absenteeism, namely distinctiveness and consensus. In other words, when an employee perceives the HR system as distinctive, the likelihood that his rate of absenteeism will decrease is significant. The same counts for an employee that perceives the HR system as consensual. In the case of employees that perceive the HR system as consistent, no significant relation has been found. According to the results a very strong negative relation between distinctiveness and absenteeism and a strong negative relation between consensus and absenteeism can be found. On the other hand, consistency does not correlate with absenteeism at all which makes it impossible to take the three characteristics as a whole in order to draw conclusions about the extent of HRM system strength in its relation to absenteeism due to the fact that two characteristics do have got a strong influence on absenteeism and one not at all.

According to the quantification of the results (0 = no relation, 1 = perfect relation) one can conclude that distinctiveness has got a very strong negative relation with absenteeism (-,947) and consensus has got a strong negative relation with absenteeism (-,521) with a confidence interval of 95%. Consistency does not correlate with absenteeism at all, so quantification would not be relevant in this particular case.

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