

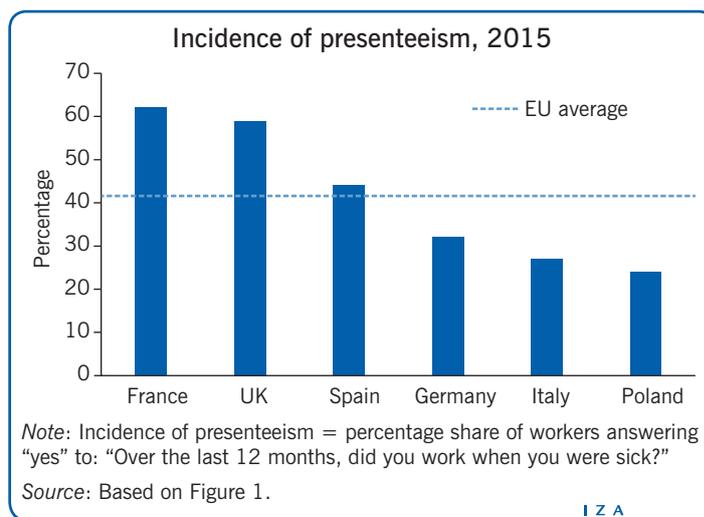
# Presenteeism at the workplace

## Working when sick is a widespread phenomenon with serious consequences for workers, firms, and society

Keywords: presenteeism, sickness, health, productivity

### ELEVATOR PITCH

Many workers admit that at times they show up for work even though they feel sick. This behavior, termed “presenteeism,” is puzzling since most workers do not incur financial losses when staying home sick. The various reasons behind presenteeism are person-related (e.g. individuals’ health or job attitude) or work-related (e.g. job demands and constraints on absence from work). Working when sick can have positive and negative consequences for workers’ performance and health, but it also affects co-workers’ well-being and firms’ productivity. There are various strategies as to how firms can address presenteeism.



### KEY FINDINGS

#### Pros

- + There is substantial variation of presenteeism across workers, firms, and countries.
- + If workers work when sick, firm productivity may be higher than when they stay home.
- + Individuals who work when sick reduce the burden on colleagues.
- + Working when sick may boost the recovery and rehabilitation of individuals.
- + Presenteeism can be addressed, among other things, by health promotion programs, workload reductions, and firms’ absence policies.

#### Cons

- Working when sick can reduce individuals’ performance and firm productivity.
- Sick workers may spread infectious diseases to co-workers.
- Going to work when ill may exacerbate workers’ bad health status.
- Working when sick is associated with a higher risk of future sickness absence.
- Measures that stimulate presenteeism in the short term may increase workers’ sickness absence and disability in the long term.

### AUTHOR’S MAIN MESSAGE

Going to work when sick can have positive and negative effects, not only for individuals but also for co-workers, firms, and society. In addition to productivity effects, presenteeism may have long-term consequences for workers’ health. In addressing presenteeism, firm and government policies must balance the short-term costs of sickness absence and the long-term risks of presenteeism. Employers who want to contain presenteeism should offer healthy working conditions and health promotion programs, and they should reduce excessive workloads, time pressure, and restrictive absence policies.

## MOTIVATION

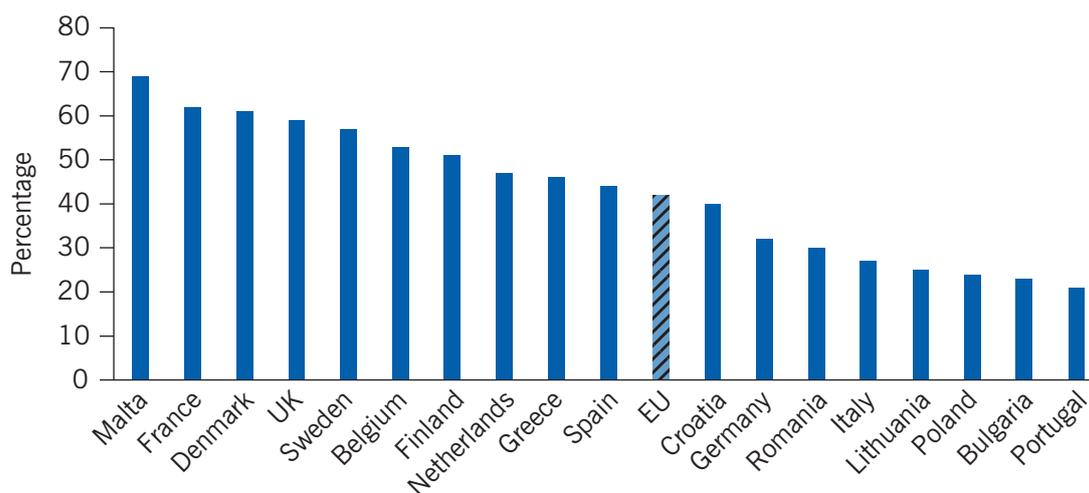
Workers often report that they show up for work even when they feel sick and should stay at home. Such behavior is termed “presenteeism.” It is a fascinating phenomenon as in Western welfare states (excluding the US) people in dependent employment are typically covered by sickness insurance and do not incur financial losses if they stay at home when they are sick. The open question is why and when does presenteeism occur and is it beneficial or detrimental to firms, workers, and society?

The growing literature on this phenomenon is multi-disciplinary, ranging from economics to the social sciences and psychology to occupational medicine. In this literature, there are two strands that need to be distinguished [1], [2], [3]. One strand prevalent among European researchers analyzes the diverse reasons behind workers going to work when ill and its consequences for individuals. The other approach, mainly found among US scholars, defines presenteeism in terms of productivity losses and thus focuses on a major consequence of working through illness. This article mainly follows the first approach and defines presenteeism as coming to work despite being sick, but the consequences of presenteeism, including productivity losses stressed in the second strand, are also discussed.

## DISCUSSION OF PROS AND CONS

Surveys in many countries suggest that a large share of workers exhibit presenteeism. According to the representative European Working Conditions Survey (EWCS) 2015, about 42% of workers in the EU reported that over the last 12 months they had worked at least once when they were sick (Figure 1). In comparison, 46% of workers said that they were absent from work due to health reasons at least once in the same period. The incidence of presenteeism (and absenteeism) at the workplace varies considerably

Figure 1. Incidence of presenteeism in selected European countries, 2015



Note: The incidence of presenteeism refers to the percentage share of workers answering “yes” to the question “Over the last 12 months, did you work when you were sick?”

Source: Author’s own compilation based on data from the European Foundation: European Working Conditions Survey 2015. Online at: <https://www.eurofound.europa.eu/data/european-working-conditions-survey>

across countries. In the EU, it is highest in Malta, France, and Denmark, where more than 60% of workers show up for work despite being sick. In contrast, the share of workers exhibiting presenteeism is below 25% in Portugal, Bulgaria, and Poland. Beyond the EU, presenteeism is a worldwide phenomenon found in a number of countries and regions, including North America and Asia (see the studies listed in [2]).

Empirical studies have not only analyzed the incidence of presenteeism (i.e. at least once per year) but also the absolute and relative number of days individuals go to work when sick. EWCS data for 2010 show that for those individuals reporting presenteeism, the mean was more than seven days over the last 12 months [4]. Other studies record even more days of presenteeism in various countries [5], [6]. An investigation based on EWCS data for 2015 focuses on workers who reported at least one health event (either sickness absenteeism or presenteeism) in the last 12 months and calculates the propensity of presenteeism. It indicates that on average workers went to work 39% of the days they felt sick [7]. In a study on Canada, this propensity for presenteeism exceeded 50% [5]. These calculations reflect that presenteeism is the result of individuals' decision to go to work or stay home when sick, and in many cases the outcome is working despite feeling sick.

Researchers from several disciplines have investigated why individuals may choose to work when sick and which determinants and consequences play a role, but this research is mainly empirical, and theoretical modeling of presenteeism is scarce. A starting point of most theoretical and empirical research is that the individual makes a conscious choice of whether to go to work or not. This choice may depend on certain characteristics of the individual such as health status and sociodemographic factors, but it is also embedded in a social, economic, and institutional context, such as relations with co-workers, firm compensation policies, and the legislative framework.

In the social science, psychology, and occupational medicine literature, various approaches to theory development have been applied [1], [2]. Although some approaches focus on the decision-making process that leads to presenteeism or absenteeism, most approaches concentrate on variables which may explain the occurrence and the consequences of presenteeism. They usually distinguish between person-related factors and context-related factors, and some of these models also take account of both the antecedents and the consequences of presenteeism. For instance, an influential study from occupational medicine conceptualizes a presenteeism theory on the basis of its empirical findings, pointing to illness and capacity loss as major determinants of presenteeism and stressing the role of personality-related and work-related demands for presence [8]. A number of key variables that a theory of presenteeism should take into account are specified in a widely cited review article [1]. These include personal factors like personality, work attitudes, stress, perceived justice, health locus of control, and gender. Relevant context variables are, among other things, job demands, the firm's reward system and absence policy, the existence of an absence/presence culture, teamwork, ease of replacement, and job security.

From the field of economics, there are two early theoretical studies on presenteeism which assume that absent workers receive reduced sick pay so that the firm can design optimal wage-sick pay contracts. Based on an efficiency wage model, one study demonstrates that depending on the eligibility criterion for reduced firm-financed sick pay, employers induce workers to either engage in absenteeism or in presenteeism [9]. Using a principle-agent model with perfect information but incomplete contracting, another study shows

that firms are willing to pay more than the statutory sick pay to prevent ill workers with reduced productivity coming to work [10]. Hence, in equilibrium, employees should not engage in presenteeism. However, neither of these models is consistent with the fact that typically some workers of a firm show presenteeism while at the same time others engage in absenteeism. What is more, both models abstract from institutional constraints, for instance, that firms may not have discretion to alter eligibility criteria for sick pay or that the law may prescribe 100% sick pay for a certain amount of time, as is the case in many Western welfare states.

This limitation is overcome in a more recent study which develops a theoretical model of presenteeism and absenteeism based on full continuation of wage payments to sick workers, where the probability of layoff is assumed to rise with absence from work [6]. In this model, there are two types of workers: with a high or a low disutility from workplace attendance, respectively. Presenteeism arises when employers have imperfect information about the health status of their workers, and thus about workers' disutility from work attendance. In these circumstances, wages above unemployment benefits can provide incentives to show up at work. Under imperfect information firms are shown to set a wage such that sick workers get higher incentives than under perfect information and thus engage in presenteeism (whereas at the same time healthy workers receive lower incentives, resulting in absenteeism). The model implies several hypotheses on potential determinants of presenteeism such as workers' health status, skill level, and tenure, as well as their working environment.

### Determinants of presenteeism

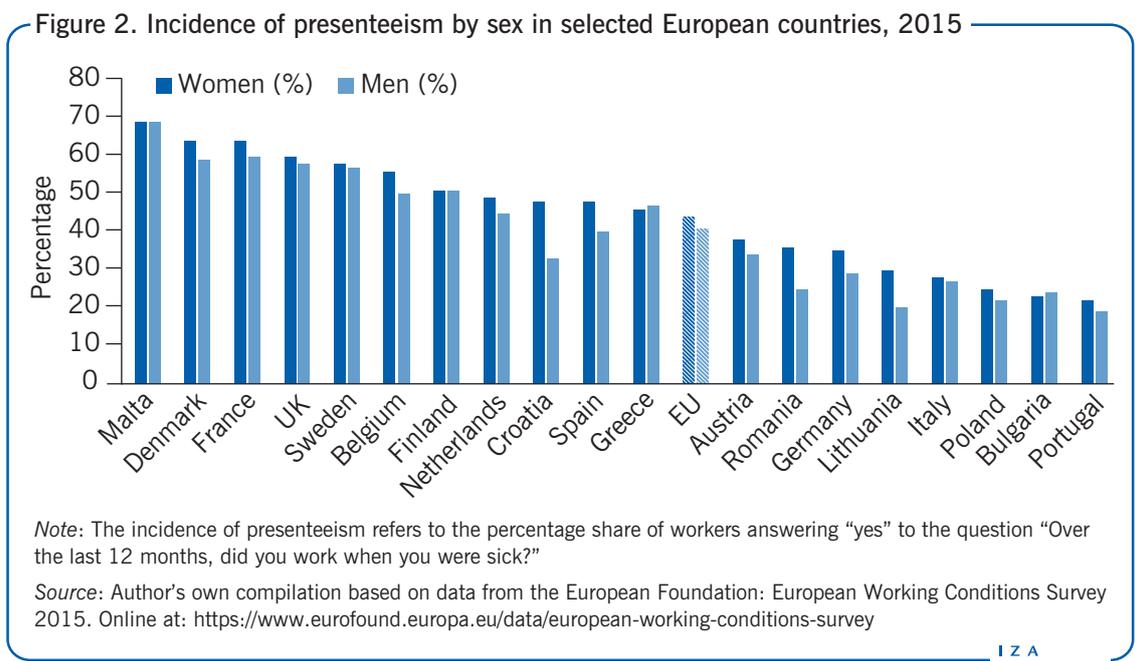
In order to get a basic understanding of the presenteeism phenomenon, some studies have asked workers to explain their decision to work despite being sick. In a study for Canada, workload and deadlines as well as professionalism and guilt were the most frequent reasons given by respondents to explain their presenteeism [5]. Workers stated that their work would accumulate if they were absent, that they could not be replaced by a colleague, or that they felt guilty toward their colleagues and superiors when not coming to work. Other reasons that seem to play a certain role include a sense of commitment toward the organization or to the job *per se* and interest in and pleasure derived from work [11].

When looking at multivariate empirical analyses of the correlates of presenteeism, it is possible to distinguish between two groups of determinants already mentioned above: person-related factors and context- or work-related factors [2]. Starting with person-related factors, individuals' health status has been found to be a prominent correlate of presenteeism in many studies [4], [5], [6], [8]. A meta-analysis of extant research based on more than 100 samples and nearly 176,000 participants shows that presenteeism is negatively correlated with health, that is, people in poorer health are more likely to work when ill or record more presenteeism days [11]. One purely statistical reason for this association could be that being sick is a necessary condition for exhibiting presenteeism. But, the negative relationship identified in cross-sectional studies could also reflect reverse causality, in that going to work when sick exacerbates existing health problems.

Admittedly, presenteeism is not fully determined by individuals' medical condition, but is also associated with further personal characteristics and work features. According to

the meta-analysis mentioned above, individuals’ job attitudes, including organizational commitment, work engagement, and higher levels of job satisfaction, are associated with a greater probability of showing presenteeism [11]. Personal resources like optimism also correlate with presenteeism, whereas there is conflicting evidence on the role that job control (i.e. the ability to influence what happens on the job) and work autonomy play [4], [11]. Presenteeism is further related to some sociodemographic variables like sex, age, education, occupation, and household context [4], [7], [8], [11].

Looking at gender differences, Figure 2 indicates that in most EU countries women report more often than men that they work while being sick. This difference between the sexes also holds in many (but not all) multivariate studies that control for additional correlates of presenteeism besides sex [4], [6]. A compelling explanation for the different presenteeism behavior of men and women is currently lacking.



Context- and work-related factors that were found to correlate with presenteeism in the meta-analysis mentioned above comprise elevated job demands, experienced stress, and constraints on absence from work [11]. Job demands include physical, social, and organizational work features that require mental or physical effort. They include a higher workload and understaffing, which are usually associated with more presenteeism [4], [5], [11]. The same applies for higher levels of time demands reflected by overtime work, long work hours, and time pressure [4], [6], [7], [8], [11]. Elevated job demands elicit presenteeism via two paths: by impairing workers’ health and by affecting their intrinsic motivation and job attitudes [11]. In a similar way, working when sick also relates positively to the emotional exhaustion dimension of burnout and to workers’ felt stress [6], [11].

Individuals are more inclined to come to work when sick if they are supervisors [4], [11], whereas presenteeism is somewhat lower if absent workers are easy to replace [8], [11]. Whether it is workers with permanent or temporary contracts who more often work while sick is an open question—the empirical evidence is inconclusive [4], [7], [11]. Interestingly, the size of the firm or organizational unit does not seem to

make a difference for presenteeism [4], [7], [11], but if firms apply stricter absence policies like monitoring attendance and punishing absence, this is associated with higher presenteeism [11].

The latter result points to the substitution hypothesis, which states that if the absence option in response to sickness is restricted, more workers will come to work despite being ill, in such a way substituting presenteeism for absenteeism [11]. At the level of an individual worker, a mutual influence of presenteeism and absenteeism seems obvious since both are the outcome of a single decision which rules out the alternative, so that they should be negatively correlated [2], [8], [11]. In a between-person sense, however, individuals who are in poorer health can be expected to show both higher absenteeism and presenteeism. Consequently, the meta-analysis mentioned previously reports a positive correlation between both sickness states [11].

Strangely enough, apart from absence policies, the relevance of incentives for presenteeism behavior (which play a major role in theoretical research) remains under-researched in empirical work. Therefore, how to best incentivize people so that presenteeism approaches the optimum requires further research.

### **Effects of presenteeism**

Going to work when sick can have various positive and negative effects and consequences, not only for individuals but also for co-workers, firms, and society. The literature has put a major focus on the negative productivity effects of presenteeism (see [2], [11], and the studies cited therein). Sickness may affect both the quantity and quality of work. Sick people who come to work probably work more slowly than usual, they have to repeat tasks or make more mistakes, and they are more likely to have accidents. The resulting consequences for firms include needing to correct defect products, having to address customer complaints, and experiencing a poor organizational image. According to managers surveyed in the US, the productivity impacts and costs to firms of presenteeism (as well as absenteeism) are particularly high in jobs with a large amount of team production, high requirements for timely delivered output, and substantial difficulties substituting for absent workers [12]. Although these problems suggest that the performance of workers and thus the productivity of the firm will be lower compared to the situation in which workers are healthy, firm productivity may still be higher than if sick workers stay at home. Interestingly, most of these effects have not been examined in rigorous and encompassing studies, and it is still unknown whether presenteeism is really more costly than sickness-related absenteeism, as is assumed by some authors [1].

In addition to the direct productivity effects, there are several undesirable side effects of presenteeism at the workplace [3], [4], [7]. A major problem can be that workers spread infectious diseases to co-workers if they show up at work despite being sick, with further negative consequences for firm productivity. Moreover, going to work when ill may exacerbate individuals' bad health status and can result in long-term health problems. A review of 12 quantitative studies for different countries shows that going to work ill is associated with a higher risk of future sickness absence and decreased self-reported health [13]. If workers' health deteriorates over the long term or they become more likely to draw a disability pension, this entails costs that must be carried by society.

It should not be overlooked, however, that presenteeism can also offer some benefits to people who work through sickness and to their co-workers [2], [3], [11]. For some individuals, such as self-employed workers and those on zero-hour contracts, presenteeism is a means of reducing financial losses that would arise from being absent from work. Working during a case of a (noncontagious) illness also signals workers' commitment and may improve their career prospects. As a result, they can acquire a favorable reputation for being tough and get a boost in their self-esteem. Despite reduced productivity, individuals who work when sick help their firms avoid the costs of replacement workers and reduce the burden on those colleagues who would have to take over their workload when absent. This may boost camaraderie and generate approval from managers and colleagues.

To a certain extent, presenteeism can even be beneficial for workers' health [3]. In some cases, and only if the type of sickness and the demands of the job allow, working when sick may boost the recovery and the rehabilitation of the employee. Since not many health conditions are so debilitating that they bar any engagement with work, keeping engaged with work during sickness can facilitate the return to work after long-term sickness. This rationale is also behind return-to-work programs, where workers gradually take over their work obligations once their illness is largely overcome. Finally, presenteeism may be sensible since work can be meaningful in a number of ways and is good for health and well-being.

### **How to address presenteeism**

As presenteeism can have both detrimental and beneficial effects for workers, firms, and society, the question is not how can this behavior be eradicated or fostered, respectively, but how can an optimal level of presenteeism be reached? In doing so, relevant actors should take a long-term perspective and develop a comprehensive framework for addressing both absenteeism and presenteeism. Here, the short-term costs of sickness absence and the long-term risks of presenteeism should be balanced. Interestingly, some studies imply that presenteeism may be more controllable than absenteeism and also more sensitive to human resources policies [11]. This insight underscores that the mechanisms of presenteeism cannot be simply understood by using results from the literature on sickness absenteeism.

In order to get a better understanding of their workers' health status and their absence and attendance behavior, firms can conduct regular well-being surveys. These surveys and internal health audits help to identify and eliminate risk factors for presenteeism. Management policies to address presenteeism should take account of the variation in this behavior, which implies that different groups of workers may respond differently to various measures. Management also should be aware that presenteeism does not disappear when more and more people work from home (as in the Covid-19 lockdowns), but may transform into a kind of virtual presenteeism that also needs to be addressed. If workers somehow feel invisible and are less inclined to report sick when doing remote work, then the health status of the workforce may be worse than reported.

Employers who want to prevent or contain presenteeism should offer healthy working conditions, a good working environment, and well-defined jobs that optimize the level of demands to which workers are exposed. This includes reducing excessive workloads,

overtime work, and time pressure for individuals to a manageable amount [11]. Line managers have a role in supporting workers with health problems, and—if possible and sensible—they should help them to carry on with their responsibilities [3]. Workers should be offered health promotion programs that include measures for reducing stress as well as information about the negative effects of presenteeism. Finally, firms should review their absence policies, since very restrictive policies are associated with higher presenteeism [11]. In particular, financial incentives such as bonuses for workers who are never absent (or the lack of sick pay in many US firms) are a double-edged sword since by stimulating presenteeism in the short term, they may increase sickness absence and disability in the long term.

## LIMITATIONS AND GAPS

A major shortcoming of the research on presenteeism is that it relies on a subjective and self-reported measure. A clear distinction between being healthy or sick is not possible (not even for medical doctors), and so there exists a “grey zone” in which individuals subjectively assess whether they feel sick or not. This subjectivity carries over to their decision to go to work or not. In addition, since presenteeism (unlike absence from work) is not reported in any information system, the incidence and volume of presenteeism individuals state retrospectively in surveys may suffer from recall and reporting bias.

Another limitation of presenteeism research is that empirical studies do not account for workers’ sorting into specific workplaces, which may bias the estimated effects. Moreover, empirical studies are typically cross-sectional, so that researchers do not know whether the associations found are causal. To overcome this problem, panel data of individuals observed over several years are required. Such data would also allow researchers to include workers’ sickness history as a likely determinant of presenteeism and to control for person-specific effects such as personality traits that are potential determinants of both absenteeism and presenteeism. Future studies could make more use of in-depth qualitative research to clarify the psychological, economic, and social factors influencing the absence–presence decision.

## SUMMARY AND POLICY ADVICE

In many countries, a large share of workers at times shows up for work even though they are feeling sick. This presenteeism behavior is related to personal reasons like workers’ health or job attitude, but it may also result from work characteristics (such as job demands and constraints on absence from work). Working when sick can have positive and negative consequences for workers’ health and performance, but it also affects co-workers’ well-being and firms’ productivity in various ways.

In addressing presenteeism, firm and government policies should try to balance the short-term costs of sickness absence and the long-term risks of presenteeism (such as higher rates of long-duration sickness). Providing workers with paid sick leave might be beneficial for public health, in particular in cases of infectious diseases (like Covid-19). In addition, employers who want to contain presenteeism should offer healthy working conditions and health promotion programs, and they must reduce excessive workloads and time pressure.

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### **Competing interests**

The IZA World of Labor project is committed to the IZA Code of Conduct. The author declares to have observed the principles outlined in the code.

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