

A Study on Employee Satisfaction With Regard To Labour Welfare Schemes (Statutory & Non Statutory)

Amanjeet Kaur

Abstract- Labour welfare is an important aspect of any industry. It acts as social security measures that contribute to improve the conditions under which workers are employed. The present study was carried out to analyse the effectiveness of welfare measures in the organisation. The objective of the study is to find the effectiveness and satisfaction level of employees. The universe of the study was the employees of the organization, 50 employees were drawn through probability sampling from the population of 150 employees. The questionnaire method was adopted by the researcher for data collection from the employees. The main finding was that the employees were highly satisfied on their welfare measures provided in the organisation. The organization is very conscious about the employees working at various levels and take every step to provide opportunities to them.

Key words: Labour Welfare, Effectiveness, Social Security, Satisfaction, Organisation.

I. INTRODUCTION

Labour is the lifeline of a country. The growing attention that is being paid to various labour problems in the present times is an indication of the increasing importance of the working class in the economic and social structure of modern communities. **Labour welfare activities** are also major aspect of national programmes towards bettering the lot of labour and creating a life

work environment of decent comfortable for the workers community.

The worker cannot cope with the pace of modern life with minimum sustenance amenities. He needed an added stimulus to keep body and soul together. Employers have also realized the importance of their role in providing these extra amenities. Today, Labour welfare has been generally accepted by employers. The state only intervenes to “widen the area of applicability”. It is now accepted that it is a social right. The Committee on Labour Welfare (CLW), formed in 1969 to review the labour welfare scheme, described it as social security measures that contribute to improve the conditions under which workers are employed in India.

2. CONCEPT OF LABOUR WELFARE

“The development of harmonious relations will lead to develop healthy relationship between the two groups of industry and paves the way for industrial peace.”

2.1 Labour

The word **labour** means any **productive activity**.

“A contented worker is the backbone of the prosperous industrial society.”

2.2 Welfare

Welfare means faring or doing well. It is a comprehensive term & refers to the *physical, mental, moral & emotional well being of a person.*

2.3 LABOUR WELFARE

“It connotes a state of well-being, happiness, satisfaction, conservation dev. of human resources.”

2.4 DEFINITION

Labour welfare means anything done for the comfort and improvement, intellectual or social, of the employee over and above the wages paid which is not necessity of the industry

- Arthur James Todd

Labour welfare may be understood as including such services facilities and amenities, which may be established in, Orin the vicinity of undertakings to perform their work in healthy and congenial surroundings and to avail of facilities which improve their health and bring high morale

- ILO report

2.5. FEATURES

The basic features of labor welfare measures are as follows:

1. Labour welfare includes various facilities, services and amenities provided to workers for improving their health, efficiency, economic betterment and social status.
2. Welfare measures are in addition to regular wages and other economic

benefits available to workers due to legal provisions and collective bargaining

3. Labour welfare schemes are flexible and ever-changing. New welfare measures are added to the existing ones from time to time.
4. Welfare measures may be introduced by the employers, government, employees or by any social or charitable agency.

2.6 .STATUTORY WELFARE SCHEMES

The statutory welfare schemes include the following provisions:

1. **Drinking Water:** At all the working places safe hygienic drinking water should be provided.
2. **Facilities for sitting:** In every organization, especially factories, suitable seating arrangements are to be provided.
3. **First aid appliances:** First aid appliances are to be provided and should be readily assessable so that in case of any minor accident initial medication can be provided to the needed employee.
4. **Latrines and Urinals:** A sufficient number of latrines and urinals are to be provided in the office and factory premises and are also to be maintained in a neat and clean condition.
5. **Canteen facilities:** Cafeteria or canteens are to be provided by the employer so as to provide hygienic and nutritious food to the employees.
6. **Spittoons:** In every work place, such as ware houses, store places, in the dock area and office premises spittoons are to be provided in

- convenient places and same are to be maintained in a hygienic condition.
7. **Lighting:** Proper and sufficient lights are to be provided for employees so that they can work safely during the night shifts.
 8. **Washing places:** Adequate washing places such as bathrooms, wash basins with tap and tap on the stand pipe are provided in the port area in the vicinity of the work places.
 9. **Rest rooms:** Adequate numbers of restrooms are provided to the workers with provisions of water supply, wash basins, toilets, bathrooms, etc.

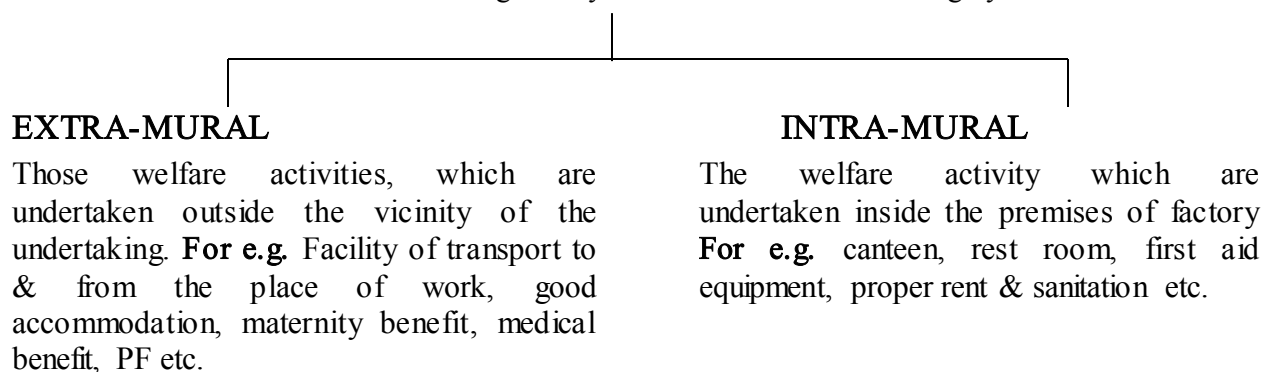
2.7 .NON STATUTORY SCHEMES

Many non statutory welfare schemes may include the following schemes:

1. **Personal Health Care (Regular medical check-ups):** Some of the companies provide the facility for extensive health check-up.
2. **Flexi-time:** The main objective of the flexitime policy is to provide

2.8 .LABOUR WELFARE SCHEME

Labour Welfare scheme are generally divided include to broad category:



3.

REVIEW OF LITERATURE

3. **Employee Assistance Programs:** Various assistant programs are arranged like external counseling service so that employees or members of their immediate family can get counseling on various matters.
4. **Harassment Policy:** To protect an employee from harassments of any kind, guidelines are provided for proper action and also for protecting the aggrieved employee.
5. **Maternity & Adoption Leave:** Employees can avail maternity or adoption leaves. Paternity leave policies have also been introduced by various companies.
6. **Medi-claim Insurance Scheme:** This insurance scheme provides adequate insurance coverage of employees for expenses related to hospitalization due to illness, disease or injury or pregnancy.

Haber and Levinson (1956) designed a study of 'labour relations and productivity in the building trades'. They found that the labour relations pattern in the building trades differs materially from that perfected in

other industries. The only suggestion to improve the labour relations is the progress in assuring steady employment.

Turner et al. (1968) made a study of labour relations in Motor Industry. They found markable rise in the number of strikes in British Car Industry due to failure of institutions. Das in his research makes an intensive study of industrial relations in six textile mills of Indore. He found that industrial relations are more a human problem, depending for its solution on the mutual understanding between the operative and managerial staff.

An exploratory study was conducted by Mr Paul M. Ong and Shannon Mc (2000), the title was “Welfare to work and the Entry level Labour Market”. That study suggested that to provide health insurance even if they did not receive cash aid. And found that the welfare facilities good means it is very easy in the labour market, the labour also give preference to that organization.

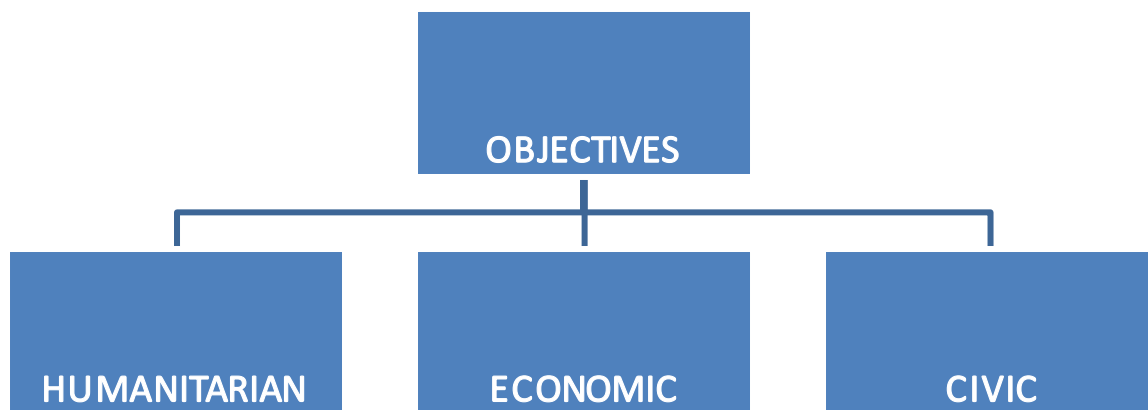
A study on Workers Opinion about Welfare Facilities at Sakthi Suger Ltd., Sakthinagar – Bhavani was conducted by S. Venkadasubhu (2002). In the study his objective was to find out the workers opinion about the existing welfare facilities. In the study, majority of the respondents were having good opinion towards drinking water, leave and holiday facilities, educational facilities provided to their children, housing facilities and satisfactory opinion towards canteen, cleanliness and intervals of rest.

Thus from the literature review it is evident that there is a relationship between employee satisfaction and labour welfare schemes. To examine the relationship, the following hypothesis have been formulated:

H0-: There is no impact of labour welfare facilities on employee satisfaction .

H1-: There is impact of labour welfare facilities on employee satisfaction .

4.OBJECTIVES OF THE STUDY



1. **HUMANITARIAN** : TO ENABLE WORKERS TO ENJOY A FULLER AND RICHER LIFE.
2. **ECONOMIC** : TO IMPROVE THE EFFICIENCY OF THE WORKERS.
3. **CIVIC** : TO DEVELOP AMONG A SENSE OF RESPONSIBILITY AND THUS MAKE THEM CITIZENS OF THE NATION.

THE BASIC OBJECTIVES OF STUDYING *LABOUR WELFARE MEASURES* ARE :

1. To examine the existing labour welfare measures.
2. To know the opinions of workers towards labour welfare measures.
3. To analyse employees motivation towards the enriching asset of the organization.
4. To point out the drawbacks in the existing policies, methods and procedures meant for providing the welfare facilities to workers.
5. Certain steps for the improvement or advancement of these facilities.
6. To enhance image of co. & to create an atmosphere of goodwill bet. labour & mgt..

5. THEORETICAL FRAMEWORK

CONSTRUCT- Employee Satisfaction With Regard To Labour Welfare Schemes

DEPENDENT VARIABLE- Employee Satisfaction

INDEPENDENT VARIABLES-Recreational facilities, canteen facilities, housing facilities, loan facility, medical facility etc.

6. RESEARCH METHODOLOGY

6.1. RESEARCH DESIGN

PURPOSE OF THE STUDY	Descriptive, Exploratory
TYPE OF INVESTIGATION	Correlational
STUDY SETTING	Non contrived
TIME HORIZON	Cross sectional

6.2. SAMPLE DESIGN

Sample design	Probability sampling
Sample size	50
Universe	Employees of The company
Instrument used	Questionnaires & Personal Interviews

The present study adopted the **survey method** of research. The sample size for the study was 50 respondents (employees) who were selected at random. The sample has been selected to include the views of the respondents' at all hierarchical levels. Demographic profile of the respondents: 44% of the respondent's age is above 51 years, 88% of the respondents were male, 33% of the respondents have a qualification of engineering degree, 87% of the respondents have got married, 39% of the respondents were having a monthly income of Rs. 20001-30000, 34% of the respondents have a work experience above 26 years in the organization.

7. TOOLS FOR ANALYSIS

The collected data was analyzed using Correlation analysis ,Anova analysis,Factor Analysis.

7.1. ANOVA TEST ANALYSIS

According to the above stated fact there is following the anova tool which signify the same

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.226	3	1.409	1.431	.246
Within Groups	45.294	46	.985		
Total	49.520	49			

INTERPRETATION:-

The value of F is greater than significant value ,so alternate hypothesis is accepted that there is a significant differences in variances. Here F is refer as the degree of freedom and that is greater

than the table value so we reject the null hypothesis and accept the alternate hypothesis which signify that labour welfare schemes have impact on employee satisfaction.

7.2 FACTOR ANALYSIS:

Communalities

	Initial	Extraction
MED.FACILITY	1.000	.709
Canteen Facility	1.000	.681
Canteen Facility	1.000	.650
Siting	1.000	.735
Washing	1.000	.548
Restroom	1.000	.704
Lunchroom	1.000	.737
Creches	1.000	.683
Recreation	1.000	.640
EconomicService	1.000	.727
WomenCommonRoom	1.000	.766
ChildEducation	1.000	.698
HouseLoan	1.000	.783
EducationLoan	1.000	.646
WelfareOfficer	1.000	.591
EnvironmentTraining	1.000	.725
SafetyTraining	1.000	.683
TechnicalTraining	1.000	.719

Extraction Method: Principal Component Analysis.

TOTAL VARIANCE EXPLAINED

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.173	12.071	12.071	2.173	12.071	12.071	1.706	9.480	9.480
2	2.053	11.408	23.479	2.053	11.408	23.479	1.706	9.478	18.958
3	1.901	10.559	34.038	1.901	10.559	34.038	1.673	9.295	28.253
4	1.670	9.278	43.316	1.670	9.278	43.316	1.628	9.043	37.296
5	1.332	7.402	50.718	1.332	7.402	50.718	1.518	8.435	45.731
6	1.165	6.470	57.188	1.165	6.470	57.188	1.515	8.419	54.150
7	1.087	6.037	63.224	1.087	6.037	63.224	1.375	7.638	61.788
8	1.046	5.808	69.033	1.046	5.808	69.033	1.304	7.244	69.033
9	.905	5.025	74.058						
10	.827	4.596	78.654						
11	.772	4.290	82.944						
12	.671	3.727	86.671						
13	.551	3.058	89.729						
14	.494	2.744	92.474						
15	.408	2.265	94.739						
16	.390	2.167	96.906						
17	.320	1.781	98.687						
18	.236	1.313	100.000						

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Extraction Method: Principal Component Analysis.

COMPONENT TRANSFORMATION MATRIX

Component	1	2	3	4	5	6	7	8
1	.624	.278	-.592	.159	-.015	.189	.347	.029
2	.100	.541	.363	.240	.464	.265	-.263	.391
3	.330	-.437	.196	.338	.424	-.539	.234	.151
4	-.252	-.306	-.206	.784	-.217	.291	-.192	.128
5	-.440	.420	-.093	.137	-.237	-.444	.431	.404
6	-.435	-.073	-.564	-.138	.683	.017	-.034	-.026
7	-.116	.357	.132	.385	.131	-.140	.119	-.802
8	-.177	-.190	.306	-.042	.134	.549	.719	.004

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

INTERPRETATION:-

Earlier I have 18 important variables but after applying factor analysis they reduced to 8 important factors which affect the dependent variable i.e. employee satisfaction. The important factors are Recreation ,washing ,medical facilities etc.

7.3 CORRELATION ANALYSIS

CORRELATIONS

		Employee satisfaction	MED.FACILITY	Canteen Facility	Washing	Recreation
Employee satisfaction	Pearson Correlation	1	-.156	.000	.107	.149
	Sig. (2-tailed)		.280	.998	.461	.301
	N	50	50	50	50	50
MED.FACILITY	Pearson Correlation	-.156	1	-.094	.017	.077
	Sig. (2-tailed)	.280		.517	.909	.596
	N	50	50	50	50	50
Canteen Facility	Pearson Correlation	.000	-.094	1	-.071	-.081
	Sig. (2-tailed)	.998	.517		.623	.577
	N	50	50	50	50	50
Washing	Pearson Correlation	.107	.017	-.071	1	.065
	Sig. (2-tailed)	.461	.909	.623		.654
	N	50	50	50	50	50
Recreation	Pearson Correlation	.149	.077	-.081	.065	1
	Sig. (2-tailed)	.301	.596	.577	.654	
	N	50	50	50	50	50

INTERPRETATION:-

It shows that there is positive correlation between employee satisfaction and washing, recreation facilities.

8. FINDINGS OF THE STUDY

After going through the Labour Welfare facilities I was impressed to see the workers attitude towards such facilities. However, still there is a wide scope for Labour welfare activities. The object of preparing this report is to know various measures adopted by the organization regarding the Labour Welfare facilities. The major conclusion emerging from the study may be summarized as follows :

- The organization is very conscious about the welfare of the employees working at various levels & takes every step to provide more & more facilities to the workers. So, we can say that most of the workers are quite satisfied.
- There is a statutory liability on the part of employer to provide canteen facilities to workers. After analyzing the collected data , we can find from the responses of workers which reveals that canteen facility is working effectively. Various eatables are provided to workers on cheap rates. Canteen is working on no profit no loss.
- It is very common that a person cannot work continuously for long period of time, after a certain period of time he feels need for rest. And it has been found better results can be obtained as it not only removes the fatigue but also eliminate the element of monotony and burden. Therefore, majority of the workers were found to be satisfied with the Shelter and Rest Room Facilities.
- Drinking water facility is a pre-requisite of a organization and after interpreting the data, we can easily find that most of the workers were satisfied and only

little percentage was found to be unsatisfied.

- Workers provide their responses positively because most of the workers were more than satisfied with the storing facilities while nobody is found to be unsatisfied with these facilities, as company has made rules for the provision of suitable places for keeping clothing not worn during working hours and for the drying of wet clothing.
- In the organization, first-aid & medical facilities provided to the workers are excellent. There are well-equipped dispensaries where proper treatment is provided to workers and their family members.
- As for recreational facilities are concerned, there are various types of recreational facilities which are provided to the workers in the organization like worker's club, rest house, sports ground etc.
- Majority of the workers were satisfied with the sanitary conditions facilities provided but some were dissatisfied also as they did not considered the facilities up to the mark.

Thus, we can say that only a contented labour force can prove a right hand to the employee in achieving organizational activities. And this contented labour force can be built only when steps are taken for their welfare in every sphere of life. Now company is aware of this fact and i.e. why it is taking every necessary step which is essential for the welfare of its employees.

9. SUGGESTIONS

Labour welfare activities help employees to achieve a better co-operation with the company & a greater loyalty to it. The mgt. is benefited in the sense that higher standards of quality is achieved as satisfactory organization structure is built-up, thus, following recommendations should be made for the improvement which might be beneficial to organization, to workers and to society.

1. The companies should try to reduce the work-load.
2. Job security to the educated children should be there.
3. Performance linked schemes should be introduced.
4. Delegation of authority and responsibility should be there.
5. The company should provide more facilities to female workers.
6. Motivation or rewards should be given to performers for achieving the target.
7. The rules & regulations regarding taking loans should be further liberalized.
8. Organisation should have a secular image & social needs of the workers should be fulfilled by encouraging team culture.
9. The entertainment programs should be arranged in order to recreate the workers so that they can work with full zeal.
10. The canteen standards should be increased in-terms of quality of snacks, lunch and adequate no. of glasses, furniture and sitting arrangements.

10.CONCLUSION

The necessity of labour welfare work in India can easily be realized if look into the working condition of the labour classes in Indian industries. India, an industrially backward country is in its developing stages. The working conditions in Indian industries are not satisfactory. The workers have to work for long hours under unhealthy surroundings & have no means to remove the drudgery of their lives. A contented, stable & efficient labour force cannot be built up without an improvement in two conditions of their life and works in industrial centers. It is axiomatic that in all pursuits a high standards of efficiency can be expected only from persons who are properly housed, fed & clothed if the labourers are properly treated & certain amenities are supplied, they feel satisfied & find no scope for resentments against employers. **Welfare Activities**, the project has been a valuable experience for me. What I conclude is that labour welfare is an important tool for development of the employees.

Due care is taken that the workers are provided with basic welfare benefits of leave & allowances, canteen, medical facility etc. and the workers feel quite motivated & satisfied by the type of amenities provided to them. *Labour Welfare* is concerned with activities that lead to:

- Improved morale and loyalty of workers.
- Improves the goodwill and public image of the enterprise.
- Reduce the threat of Govt. intervention.
- Improvement in material, intellectual and cultural conditions of workers life.

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