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A study on analysis of labour welfare measures and its impact on employee's commitment towards textile industrial units sipcot in Chennai

Mr. G. Tamilmozhi

Ph.D Research Scholar, Department of Commerce, VELS University (VISTAS), Chennai-600117

Dr. M. Vetrivel

Associate Professor & Research Guide, Department of Commerce, VELS University (VISTAS), Chennai-600117

Corresponding author email: vetrivel.sms@velsuniv.ac.in

Abstract---During the growing time of technology, the organizations cannot increase their employee's commitment by providing salaries on time. When the organization offer different welfare measures to their employees, there is an opportunity to increase the commitment of the employee. The aim of the study is to analyze labour welfare measure and its relationship with employee's commitment. A sample of 76 respondents (84.2% male and 15.8% female) from Jyothy Laboratories Limited were participated in the study and the census method was adopted in the collection of data from individual respondents. The findings of the research indicated that the labour welfare measure especially health insurance, housing facility, hygienic toilet facility, transport facility, rest and lunch room facility, compensation on death and recreational facilities creates a positive approach on employee's commitment, while the other factors create variables creates a negative approach on employee's commitment. The factors of labour welfare measures namely statutory welfare measure and non-statutory welfare measure are highly influenced by the employee's commitment like affective and normative commitment. But in the case of continuance commitment, social security measure alone creates an impact, the remaining variable are not create any impact on continuance commitment. The study concluded that the organization has to take a necessary action against the labour welfare measure which creates a negative approach among the employees, it will definitely raise the employee's commitment and also increase the organization's revenue in future.

Keywords---Labour Welfare Measure, Statutory Welfare Measure, Non-statutory Welfare Measure, Social Security Measure, Job Commitment, Employee's Commitment, Involvement, Engagement.

Introduction

Employee welfare is the term that is always changing the image of the organization. Employee welfare is a term including various services, benefits and facilities provided by the employers to the employees for their worth living. Employee welfare may increase the expenses of the organization but it helps the organization in many ways. Investing in employees pays dividends in terms of higher productivity and greater loyalty. The basic purpose of employee welfare is to improve the lot of working class and thereby make a worker as a good employee and a happy corporate citizen. Employee welfare helps in keeping the morale and motivation of the employees high so as to retain the employees for longer duration. Employee welfare includes monitoring of working conditions creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. Employee's commitment is a workplace approach resulting in the right conditions for all members of an organization to give of their best each day, committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being.

According to Moorthy (1968) "Labour welfare has two sides, negative and positive, on one side, it is associated with the counteracting of the harmful effect of largescale industrialization on the personal family and social life of the worker, while on the other and positive side, it deals with provision of opportunities for the worker and his family for a socially and personally good life".

Labour welfare measures are required in India because the country is passing through a traditional phase where a rural and agriculture based activity is changing into an urban and industry based activity. When we look at the problem in a broader perspective, it becomes clear that welfare services are the social counterparts of economic development.

Statement of the problem

Several HR aspects controls an organization and where the employees' welfare measures is major factor stabbing the employees' life who are working in the organization. Once the employees are satisfied with the facilities offered by the organization, gradually the output will be increased. This study analyses the various dimensions of labour welfare measures that are perceived by the employees. It highlights the perception of the employees regarding the various welfare measures provided to them. This study suggest suitable recommendations to improve Labour Welfare Measures in Jyothy Laboratories Limited, Chennai.

Objectives of the study

- To identify the relationship between labour welfare measure and employees' commitment.

- To analyse the labour welfare measure and its relationship with employees' commitment in Jyothy Laboratories Limited, Chennai.

Testing hypothesis

- Labour welfare measures have no statistical significant impact on employees' commitment.

Materials and Methods

The study is exploratory in nature, in the sense that an attempt has been made to explore the minds of the employees with respect to various parameters that affect the employees' commitment. Here, both the dimensions of data collection i.e., primary and secondary data collections tools have been applied to collect valuable information and data. The sample size of the study was 76 were selected from the universe utilizing the simple random sampling technique. Data analysis was made based on questionnaire likely percentage analysis, ANOVA and multiple regression analysis has been used to know the employees' commitment towards the labour welfare measures.

Scope of the study

The study considered only the permanent employees those who have more than two years of experience in Jyothy Laboratories Limited because, permanent employees can get many welfare facilities provided by the organization as compared to temporary, contract and casual labours. The researcher did not consider temporary, contract and casual labours as well as the employees working in head office were also not considered for this study.

Result and Discussion

A personal and demographical questionnaire was developed to gather information about the respondents. Information gathered included gender, age, marital status, educational qualification and monthly income of the respondents are presented in the Table – 1.

Table 1
Personal and Demographic Profile of the Respondent

Variables	Frequency	Percentage
Gender		
Male	64	84.2
Female	12	15.8
Age		
Below 25 Years	12	15.8
26-35 Years	21	27.6
36-55 Years	29	38.2
46-55 Years	10	13.2
Above 56 Years	4	5.3
Marital Status		

Single	18	23.7
Married	58	76.3
Educational Qualification		
Diploma	13	17.1
Undergraduate	24	31.6
Postgraduate	16	21.1
Technical	23	30.3
Monthly Income		
Below Rs. 10,000	13	17.1
Rs. 10,001 To Rs.20,000	26	34.2
Rs.20,001 To Rs.30,000	22	28.9
More than Rs. 30,001	15	19.7

Source: *Compiled from the data collected from the field*

Gender

A close look at table – 1 reveals that the male respondents are accounted for a higher percentage (84.2 per cent) when compared to female respondents (15.8 per cent). Because of the hard work, the organizations are preferred to hire male candidates.

Age

With regard to the age wise classification of the respondents, it was found that majority of them belonged to the age group of 36 – 45 years (38.2 per cent). Those belonging to above 56 years of age accounted for 5.3 per cent, while those in the age group of 26 – 35 years are accounted for 27.6 per cent, likely 46 – 55 years of age group are accounted 13.2 per cent and below 25 years accounted for 15.8 per cent of the total respondents.

Marital Status

With respect to marital status of the respondents, there were more number of married than unmarried employees in the organization. About 76.3 per cent of the employees were married, only 23.7 per cent of the employees were unmarried. Thus, three fourth of the respondents were married.

Educational Qualification

A majority (31.6 per cent) of the employees had secured graduation, while 17.1 per cent had completed their diploma degree, followed by 30.3 per cent of them are studied technical course and 21.1 per cent of the respondents are finished their post-graduation.

Monthly Income

The salary of the employees in the case of 34.2 per cent of the respondents ranged from Rs.10,001 to Rs.20,000, while 28.9 per cent of them reported to have received a monthly salary of Rs.20,001 to Rs.30,000, followed by 19.7 per cent of

the respondents are reported that they have received a monthly salary of more than Rs.30,001 and the rest who accounted for 17.1 per cent of the respondents are reported that they have received below Rs.10,000 as a monthly salary.

Analysis of Respondents opinion towards Labour Welfare Measure

Table 2
Respondents opinion towards Labour Welfare Measure

	SA	A	UD	D	SD	Mean Score	SD	Rank
Statutory Welfare Measure (SWM)								
Canteen Facility	11 (14.5)	29 (38.2)	13 (17.1)	15 (19.7)	8 (10.5)	2.74	1.24	IX
Drinking Water Facility	16 (21.1)	24 (31.6)	17 (22.4)	14 (18.4)	5 (6.6)	2.58	1.20	XIII
Proper Ventilation Facility	18 (23.7)	21 (27.6)	16 (21.1)	17 (22.4)	4 (5.3)	2.58	1.23	XI
Rest and Lunch Room Facility	9 (11.8)	19 (25.0)	11 (14.5)	23 (30.3)	14 (18.4)	3.18	1.32	VI
Hygienic Toilet Facility	8 (10.5)	12 (15.8)	14 (18.4)	26 (34.2)	16 (21.1)	3.39	1.28	III
First Aid Appliance Facility	15 (19.7)	28 (36.8)	13 (17.1)	14 (18.4)	6 (7.9)	2.58	1.23	XII
Non-Statutory Welfare Measure (NSWM)								
Transport Facility	7 (9.2)	16 (21.1)	18 (23.7)	21 (27.6)	14 (18.4)	3.25	1.25	V
Loans and Advance Facility	13 (17.1)	29 (38.2)	11 (14.5)	16 (21.1)	7 (9.2)	2.67	1.25	X
Housing Facility	4 (5.3)	12 (15.8)	15 (19.7)	27 (35.5)	18 (23.7)	3.57	1.17	II
Vehicle Parking Facility	19 (25.0)	38 (50.0)	13 (17.1)	5 (6.6)	1 (1.3)	2.09	0.90	XVI
Counselling Facility	6 (7.9)	16 (21.1)	14 (18.4)	23 (30.3)	17 (22.4)	3.38	1.27	IV
Recreational Facility	9 (11.8)	25 (32.9)	18 (23.7)	19 (25.0)	5 (6.6)	2.82	1.14	VIII
Social Security Measure (SSM)								
Employee Provident Fund (EPF)	17 (22.4)	29 (38.2)	16 (21.1)	11 (14.5)	3 (3.9)	2.39	1.11	XV
Employee State Insurance (ESI)	16 (21.1)	26 (34.2)	15 (19.7)	13 (17.1)	6 (7.9)	2.57	1.23	XIV
Health Insurance	2 (2.6)	9 (11.8)	22 (28.9)	29 (38.2)	14 (18.4)	3.58	1.01	I
Compensation on Death	9 (11.8)	18 (23.7)	29 (38.2)	16 (21.1)	4 (5.3)	2.84	1.06	VII

Source: *Primary Data*

The mean score analysis brings forth clearly that the majority of the employees favoured adoption of positive approaches to labour welfare measure. The mean score of all the statements describing positive labour welfare measure is more than 2.8; whereas, the mean score is less than 2.8 for all those statements that

are based on a negative approach. Majority of the employees expressed their views favourably to the labour welfare measures, that is, statutory welfare measure, non-statutory welfare measure and social security measure (the mean score stands less than three in almost all cases). Among those labour welfare measures that are most favoured or popular ones based on the mean score are: (a) health insurance (3.58), (b) housing facility (3.57), (c) hygienic toilet facility (3.39), (d) counselling facility (3.38), (e) transport facility (3.25), (f) rest and lunch room facility (3.18), (g) compensation on death (2.84), and (h) recreational facility (2.82).

Table 3
Respondents opinion towards Employee's Commitment

	SA	A	UD	D	SD	Mean Score	SD	Rank
Affective Commitment (AC)								
I enjoy discussing my organization with people outside	9 (11.8)	19 (25.0)	28 (36.8)	14 (18.4)	6 (7.9)	2.86	1.10	III
I don't feel emotionally attached to this organization	11 (14.5)	24 (31.6)	18 (23.7)	16 (21.1)	7 (9.2)	2.79	1.20	IV
I would be very happy to spend the rest of my career with this organization	5 (6.6)	18 (23.7)	36 (47.4)	14 (18.4)	3 (3.9)	2.89	0.92	II
Normative Commitment (NC)								
I would feel guilty if I left my organization now.	13 (17.1)	17 (22.4)	26 (34.2)	16 (21.1)	4 (5.3)	2.75	1.13	VII
would not leave my organization right now because I have a sense of obligation to the organization.	7 (9.2)	19 (25.0)	36 (47.4)	11 (14.5)	3 (3.9)	2.79	0.94	V
This organization deserve my loyalty.	9 (11.8)	18 (23.7)	33 (43.4)	14 (18.4)	2 (2.6)	2.76	0.98	VI
Continuance Commitment (CC)								
If I got another offer for a better job elsewhere I would not feel, it was right to leave my organization.	13 (17.1)	27 (35.5)	19 (25.0)	12 (15.8)	5 (6.6)	2.59	1.15	VIII
Jumping from organization to organization does not seem at all unethical to me.	17	35 (46.1)	10 (13.2)	11 (14.5)	3 (3.9)	2.32	1.10	IX
I was taught to believe in the value of remaining loyal to one organization.	5 (6.6)	18 (23.7)	37 (48.7)	12 (15.8)	4 (5.3)	2.89	0.93	I

Source: *Primary Data*

It is also clear from the mean score analysis brings forth clearly that the majority of the employees favoured adoption of positive approaches to employee's commitment. The mean score of all the statements describing positive employee's commitment is more than 2.8; whereas, the mean score is less than 2.8 for all those statements that are based on negative approach. The scores range between 2.86 and 2.89. However, a vast majority of the employees expressed their views favourably to the employee's commitment, *i.e.*, affective, normative and continuance. Among those employee's commitment that are most favoured or popular ones based on the mean score are: (a) I was taught to believe in the value of remaining loyal to one organization (2.89), (b) I would be very happy to spend

the rest of my career with this organization (2.89), and (c) I enjoy discussing my organization with people outside (2.86).

Relationship between Variables of Labour Welfare Measure and Employee's Commitment

Relationship between variables of each labour welfare measure and employee's commitment factors are shown below. The relationship between variables shows how much that variables has connected with others. The relationship between them are measures with Pearson Correlation.

Table – 4 shows Pearson product moment correlation between each paid of variables (Labour Welfare Measure and Employee's Commitment). These correlation coefficients range between -1 and +1 and measure the strength of the linear relationship between the variables.

The clean Statutory Welfare Measure (SWM) and Non-statutory Welfare Measure (NWM) are correlated by 99.2 per cent. This is highest among the labour welfare measure variables. At lowest the labour welfare measure variables namely the Social Security Measure (SSM) and Non-statutory Welfare Measure (NWM) is correlated by 98.8 per cent among the labour welfare measure variables.

Table: 4
Correlation between Labour Welfare Measure on Employee's Commitment

	SWM	NWM	SSM	AC	NC	CC
SWM	1					
NWM	0.992**	1				
SSM	0.989**	0.988**	1			
AC	0.977**	0.986**	0.983**	1		
NC	0.956**	0.968**	0.973**	0.978**	1	
CC	0.970**	0.972**	0.982**	0.973**	0.960**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Regarding the correlation between labour welfare measure and employee's commitment variables, at a highest correlation of 98.6 per cent has occurred between the Non-statutory Welfare Measure (NWM) and Affective Commitment (AC). The Statutory Welfare Measure (SWM) and Normative Commitment (NC) has set a relation by 95.6 per cent at the lowest level between labour welfare measure and employee's commitment variables. It is also noted that since all the pair variables has the p-value is below 0.05 indicate statistically significant non-zero correlations at the 95.0 per cent confidence level.

Table 5
Result of Model Summary – Labour Welfare Measure Variables vs. Employee's Commitment

Employee's Commitment	R	R Square	Adjusted R Square	Std. Error of the Estimate
Affective Commitment	0.989a	0.978	0.977	0.47897
Normative Commitment	0.978a	0.957	0.955	0.62965
Continuance Commitment	0.982a	0.964	0.962	0.59513

Predictors: (Constant), Statutory Welfare Measure, Non-statutory Welfare Measure, Social Security Measure.

Table 6
Result of ANOVA – Labour Welfare Measure Variable vs. Employee's Commitment

Employee's Commitment	Model	Sum of Squares	df	Mean Square	F	Sig
Affective Commitment	Regression	718.364	3	239.455	1043.773	0.000a
	Residual	16.518	72	0.229		
	Total	734.882	75			
Normative Commitment	Regression	639.494	3	213.165	537.668	0.000a
	Residual	28.545	72	0.396		
	Total	668.039	75			
Continuance Commitment	Regression	682.538	3	227.513	642.355	0.000a
	Residual	25.501	72	0.354		
	Total	708.039	75			

a. Predictors: (Constant), Statutory Welfare Measure, Non-statutory Welfare Measure, Social Security Measure.

b. Dependent Variables: Affective Commitment, Normative Commitment, Continuance Commitment.

Table 7
Result of Regression Analysis – Labour Welfare Measure vs. Employee's Commitment

Employee's Commitment	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
		B	Std. Error	Beta		
Affective Commitment	(Constant)	-0.061	0.218		-0.278	0.781
	SWM	-0.142	0.066	-0.329	-2.146	0.035
	NWM	0.394	0.071	0.839	5.545	0.000
	SSM	0.354	0.095	0.479	3.738	0.000
Normative Commitment	(Constant)	-0.232	0.286		-0.810	0.421
	SWM	-0.324	0.087	-0.789	-3.729	0.000
	NWM	0.349	0.093	0.782	3.744	0.000

Continuance Commitment	SSM	0.690	0.124	0.981	5.549	0.000
	(Constant)	-0.397	0.270		-1.467	0.147
	SWM	-0.046	0.082	-0.110	-0.565	0.574
	NWM	0.071	0.088	0.154	0.806	0.423
	SSM	0.679	0.118	0.938	5.778	0.0

a. Dependent Variables: *Affective Commitment, Normative Commitment, Continuance Commitment.*

The output shows the results of fitting a multiple linear regression model to describe the relationship between Employee's Commitment over the Labour Welfare Measure and 3 independent labour welfare measure variables. The equation of the fitted model is;

- (a) **Affective Commitment** = $-0.061 - 0.142 \times \text{Statutory Welfare Measure} + 0.394 \times \text{Non-statutory Welfare Measure} + 0.354 \times \text{Social Security Measure}$.
- (b) **Normative Commitment** = $-0.232 - 0.324 \times \text{Statutory Welfare Measure} + 0.349 \times \text{Non-statutory Welfare Measure} + 0.690 \times \text{Social Security Measure}$.
- (c) **Continuance Commitment** = $-0.397 - 0.046 \times \text{Statutory Welfare Measure} + 0.071 \times \text{Non-statutory Welfare Measure} + 0.679 \times \text{Social Security Measure}$.

Since the p-value in the ANOVA table is lesser or equal to 0.000, there is a statistically significant relationship between the variables at the 95.0 per cent or higher confidence level. The R-Squared statistic indicates that the model as fitted explains 97.8 per cent, 95.7 per cent and 96.4 per cent of the variability in employee's commitment. The adjusted R-squared statistic, which is more suitable for comparing models with three different numbers of independent variables is 97.7 per cent, 95.5 per cent and 96.2 per cent respectively.

Among the three labour welfare measures, statutory welfare measure, non-statutory welfare measure and social security measure have a significant impact on affective commitment and normative commitment, while the alone variable namely social security measure have a significant impact on continuance commitment. The remaining variable statutory welfare measure and non-statutory welfare measure have not create any impact on continuance commitment. It is notices that the highest p-value on the independent variable is 0.574, belonging to statutory welfare measure. Since the p-value is greater or equal to 0.05, that the term is not statistically significant at 95.0 per cent or higher confident level. Consequently, it did not give any effect on continuance commitment. It should be removed from the model.

Conclusion

During the growing time of technology, the organizations cannot increase their employee's commitment by providing salaries on time. When the organization offer different welfare measures to their employees, there is an opportunity to increase the commitment of the employee. Based on this perception, the proposed research has been conducted in Jyothy Laboratories Limited in Thirunallar. The findings of the research indicated that the labour welfare measure especially health insurance, housing facility, hygienic toilet facility, transport facility, rest

and lunch room facility, compensation on death and recreational facilities creates a positive approach on employee's commitment, while the other factors create variables creates a negative approach on employee's commitment. The factors of labour welfare measures namely statutory welfare measure and non-statutory welfare measure are highly influenced by the employee's commitment like affective and normative commitment. But in the case of continuance commitment, social security measure alone creates an impact, the remaining variable are not create any impact on continuance commitment. From the study found that majority of the employees are satisfied with the existing welfare facilities offered by the organization, but in such cases, the organization has to take a necessary action against the labour welfare measure which creates a negative approach among the employees, it will definitely raise the employee's commitment and also increase the organization's revenue in future.

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