

Role of Employee Welfare Facilities in Banking and Insurance Sectors: A study of Punjab

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Abstract:

Employee welfare is the concept which is very useful for the employees in every industry which leads to increase the satisfaction, efficiency and motivation of employees. This study focused on two sectors that are insurance and banking sector in Punjab. The objective of the study is to identify problems involved in formulation of welfare activities by two sector in Punjab. The sample size is of 100 employees. The data analysis tool applied in this study is T-test. The findings indicate that management should analyse these problems and take necessary steps to control them.

Keywords: *Employee welfare, welfare activities, satisfaction, motivation.*

Introduction

Employee welfare means any services or benefit given to employees in addition to wages/salaries. Employees are regarded as the backbone of all organisations. So, management should look upon the welfare of the employees to make them more productive. It is a dynamic and competitive era, where employees are aware of their rights. If they are not given proper work environment and welfare facilities they will leave the organization. So, in order to retain the talented labour in the organization, employees should be given proper welfare facilities, good working conditions, healthy industrial relation and health and social security. (Choudhary, 2017)

Employee welfare activities are those activities which helps employees to do their work efficiently and with positive spirit. It includes everything which builds employees morale such as good- working environment, stress management workshops, congenial surroundings, increased productivity. Good welfare activities help to motivate employees and ensure increased productivity. Hence, it can be said that employee welfare is very wide term as it involves various types of activities including all extra-mural, intra-mural activities, statutory and non-statutory welfare measures which are undertaken by the organisations, the government and the trade unions to help workers and their families with regard to their working life. (Donohoe, 2019)

Employee welfare activities is not just costly affair, it brings long term advantages to the company. Employees and employer both get benefitted from welfare measures. Employees morale increases, standard of living increases, motivation and efficiency increases. Welfare activities improves employee-employer relationship and employee feel themselves part of the organization. On the other hand, by imparting welfare activities to employees organization is benefitted in many ways as trade union bargaining ends, tax advantages, company becomes more competitive, less labour turnover, unnecessary avoidance of trade unions, more productive and motivated employees which tends to profitability of organization. (Dulebohn *et al.*, 2009)

Review of Literature

Logasakth & Rajagopal (2013) assessed the effectiveness of employees regarding employee welfare activities provided in chemical industries in Salem region. The research design used in this study was descriptive type. Data was collected from primary as well as secondary sources. The sample size was 100 employees. The analysis was done with simple percentage, ANOVA and Chi-squared method. It was concluded that employees of the chemical industries at this region were happy with the employee welfare facilities given to them. The employers were taking care of health, safety and welfare of employees.

Princitta & Amirtha (2015) assessed the effectiveness of the welfare activities and to know the effect of welfare activities on satisfaction level of employees. The descriptive research design

was used in this study. Data collection was done with the help of a structured questionnaire. This study concludes that college management was following the provisions of the factories act, 1948 regarding welfare activities. The college management should improve some of the welfare activities so as to make their employees satisfied.

Sapna (2016) analysed the satisfaction level of employees with respect to employee welfare measures. The research design used in this study was exploratory cum descriptive. 750 employees were taken for the study. Study was analysed with various methods as mean, standard deviation, percentage (Descriptive statistics) and ANOVA. It was found that some workers are satisfied with the welfare activities provided at the organization. There is necessity to improve their welfare facilities to increase satisfaction level of employees.

Varadaraj & Charumathi (2019) analysed the impact of employee welfare activities on satisfaction level of employees provided at ETA. Descriptive research design was used in the study and primary data was collected with the help of questionnaire. Data was collected from 80 respondents and sample was collected by systematic sampling technique. It was concluded from the study that employee welfare activities has direct impact on performance of employees. The construction company should take effective measures to educate employees for employee welfare activities.

Objective of the study

To identify problems involved in formulation of welfare activities in two sectors in Punjab.

Research Methodology

Research design: Descriptive research design

Sampling technique: Multistage sampling technique

Sample size: 100 employees

Sources of data collection: Primary data collected through questionnaire

Analytical tool: T-test

Analysis and Interpretation

Hypothesis

H₀: There is no significant difference in problems faced by management in formulation of welfare activities in two sectors.

T-Test

Independent Samples Test						
		t-test for Equality of Means				
		T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
There are not sufficient financial resources to provide these employee welfare facilities	Equal variances assumed	.831	98	.008	.18000	.21656
	Equal variances not assumed	.831	96.918	.008	.18000	.21656
There are not appropriate policies to provide these employee welfare activities	Equal variances assumed	-.581	98	.562	-.14000	.24083
	Equal variances not assumed	-.581	97.982	.562	-.14000	.24083
There is not proper implementation system of these welfare measures	Equal variances assumed	-1.565	98	.021	-.20000	.12778
	Equal variances not assumed	-1.565	97.030	.021	-.20000	.12778
There is delay in decision for providing welfare activities	Equal variances assumed	.459	98	.648	.10000	.21806
	Equal variances not assumed	.459	97.854	.648	.10000	.21806
Sometimes, welfare facilities not get approval from top management	Equal variances assumed	1.686	98	.005	.36000	.21354
	Equal variances not assumed	1.686	97.987	.005	.36000	.21354

Welfare activities are sometimes neglecting because of pressure of targets	Equal variances assumed	1.064	98	.000	.28000	.26317
	Equal variances not assumed	1.064	96.947	.000	.28000	.26317
Neglecting of providing these welfare measures produce unhealthy competition	Equal variances assumed	-.396	98	.693	-.08000	.20203
	Equal variances not assumed	-.396	97.620	.693	-.08000	.20203
There is no stress management committee to train employees to cope up with stress	Equal variances assumed	-.329	98	.743	-.06000	.18261
	Equal variances not assumed	-.329	97.960	.743	-.06000	.18261
There is neglection from management as it increases cost	Equal variances assumed	.851	98	.397	.22000	.25849
	Equal variances not assumed	.851	96.607	.397	.22000	.25849
Incompetence of HR professionals in providing these welfare measures	Equal variances assumed	-.439	98	.661	-.06000	.13658
	Equal variances not assumed	-.439	96.680	.661	-.06000	.13658
There is feeling of discrimination among the workers regarding welfare activities	Equal variances assumed	-1.749	98	.003	-.28000	.16010
	Equal variances not assumed	-1.749	91.280	.004	-.28000	.16010
Sometimes, welfare measures are not conveyed by management	Equal variances assumed	.000	98	.000	.00000	.10850
	Equal variances not assumed	.000	96.150	.000	.00000	.10850
Welfare activities are neglected because of high competition	Equal variances assumed	-.555	98	.580	-.12000	.21628
	Equal variances not assumed	-.555	97.224	.580	-.12000	.21628

Welfare activities are not provided because of incompetence of employees	Equal variances assumed	-1.207	98	.230	-.26000	.21543
	Equal variances not assumed	-1.207	96.337	.230	-.26000	.21543
Sometimes, time constraint comes across in giving these welfare activities	Equal variances assumed	.402	98	.008	.10000	.24870
	Equal variances not assumed	.402	97.584	.008	.10000	.24870
Welfare measures are not reviewed periodically by management	Equal variances assumed	-.207	98	.837	-.04000	.19370
	Equal variances not assumed	-.207	97.807	.837	-.04000	.19370
Rules and regulations of organisation prevents management in taking decision regarding welfare activities	Equal variances assumed	-1.308	98	.004	-.22000	.16818
	Equal variances not assumed	-1.308	97.996	.004	-.22000	.16818
Welfare benefits are not given to workers as they are fail to achieve their respective targets	Equal variances assumed	1.410	98	.162	.34000	.24117
	Equal variances not assumed	1.410	97.247	.162	.34000	.24117
Lack of strategic focus regarding welfare measures	Equal variances assumed	1.384	98	.009	.26000	.18781
	Equal variances not assumed	1.384	95.345	.009	.26000	.18781
Lack of timely and meaningful feedback from employees regarding welfare measures provided	Equal variances assumed	-.468	98	.641	-.12000	.25619
	Equal variances not assumed	-.468	97.795	.641	-.12000	.25619

Findings

1. There are not sufficient financial resources to provide these employee welfare facilities

The mean value of banking sector is 2.36 and the mean value of insurance sector is 2.18 so, it can be said that banking sector agrees more that there are not sufficient financial resources to provide for employee welfare activities in comparison to insurance sector. This difference is significant where $t=0.831$, $p(0.008) < 0.05$, so null hypothesis is rejected.

2. There are not appropriate policies to provide these employee welfare activities

The mean value of banking sector is 2.72 and the mean value of insurance sector is 2.86 so, it can be said that insurance sector agrees more that there are not appropriate policies to provide these employee welfare activities in comparison to banking sector. This difference is significant where $t=-0.581$, $p(0.562) > 0.05$, so null hypothesis is accepted.

3. There is not proper implementation system of these welfare measures

The mean value of banking sector is 2.10 and the mean value of insurance sector is 1.80 so, it can be said that banking sector agrees more that there is not proper implementation system of these welfare activities in comparison to insurance sector. This difference is significant where $t=-1.565$, $p(0.021) < 0.05$, so null hypothesis is rejected.

4. There is delay in decision for providing welfare activities

The mean value of banking sector is 2.30 and the mean value of insurance sector is 2.20 so, it can be said that banking sector agrees more that there is delay in decision for providing welfare activities in comparison to insurance sector. This difference is significant where $t=0.459$, $p(0.648) > 0.05$, so null hypothesis is accepted.

5. Sometimes, welfare facilities not get approval from top management

The mean value of banking sector is 2.66 and the mean value of insurance sector is 2.30 so, it can be said that banking sector agrees more that welfare activities don't get approval from top management in comparison to insurance sector. This difference is significant where $t=1.686$, $p(0.005) < 0.05$, so null hypothesis is rejected.

6. Welfare activities are sometimes neglecting because of pressure of targets

The mean value of banking sector is 3.08 and the mean value of insurance sector is 2.80 so, it can be said that banking sector agrees more that welfare activities are sometimes neglecting because of target pressures in comparison to insurance sector. This difference is significant where $t=1.064$, $p(0.000) < 0.05$, so null hypothesis is rejected.

7. Neglection of providing these welfare measures produce unhealthy competition

The mean value of banking sector is 2.24 and the mean value of insurance sector is 2.32 so, it can be said that insurance sector agrees more that neglection of providing these welfare measures produce unhealthy competition in comparison to banking sector. This difference is significant where $t=-0.396$, $p(0.693) > 0.05$, so null hypothesis is accepted.

8. There is no stress management committee to train employees to cope up with stress

The mean value of banking sector is 2.08 and the mean value of insurance sector is 2.14 so, it can be said that banking sector agrees more that there is no stress management committee to train employees to cope up with stress in comparison to insurance sector. This difference is significant where $t=-0.329$, $p(0.743) > 0.05$, so null hypothesis is accepted.

9. There is neglection from management as it increases cost

The mean value of banking sector is 3.08 and the mean value of insurance sector is 2.86 so, it can be said that banking sector agrees more that there is neglection from management as it

increases cost in comparison to insurance sector. This difference is significant where $t=0.851$, $p(0.397) > 0.05$, so null hypothesis is accepted.

10. Incompetence of HR professionals in providing these welfare measures

The mean value of banking sector is 1.58 and the mean value of insurance sector is 1.64 so, it can be said that insurance sector agrees more that there is incompetence of HR professionals in providing these welfare measures in comparison to banking sector. This difference is significant where $t=-0.439$, $p(0.661) > 0.05$, so null hypothesis is accepted.

11. There is feeling of discrimination among the workers regarding welfare activities

The mean value of banking sector is 2.68 and the mean value of insurance sector is 1.96 so, it can be said that banking sector agrees more that there is feeling of discrimination among the workers regarding welfare activities in comparison to insurance sector. This difference is significant where $t=-1.749$, $p(0.003) < 0.05$, so null hypothesis is rejected.

12. Sometimes, welfare measures are not conveyed by management

The mean value of banking sector is 1.64 and the mean value of insurance sector is 1.54 so, it can be said that banking sector agrees more that welfare measures are not conveyed by management in comparison to insurance sector. This difference is significant where $t=0.000$, $p(0.000) < 0.05$, so null hypothesis is rejected.

13. Welfare activities are neglected because of high competition

The mean value of banking sector is 2.42 and the mean value of insurance sector is 2.54 so, it can be said that insurance sector agrees more that welfare activities are neglected because of high competition in comparison to banking sector. This difference is significant where $t=-0.555$, $p(0.580) > 0.05$, so null hypothesis is accepted.

14. Welfare activities are not provided because of incompetence of employees

The mean value of banking sector is 2.56 and the mean value of insurance sector is 2.82 so, it can be said that insurance sector agrees more that welfare activities are not provided because of incompetence of employees in comparison to banking sector. This difference is significant where $t=-1.207$, $p(0.230) > 0.05$, so null hypothesis is accepted.

15. Sometimes, time constraint comes across in giving these welfare activities

The mean value of banking sector is 3.16 and the mean value of insurance sector is 3.06 so, it can be said that banking sector agrees more that time constraint comes across in giving these welfare activities in comparison to insurance sector. This difference is significant where $t=0.402$, $p(0.008) < 0.05$, so null hypothesis is rejected.

16. Welfare measures are not reviewed periodically by management

The mean value of banking sector is 2.00 and the mean value of insurance sector is 2.04 so, it can be said that insurance sector agrees more that welfare measures are not reviewed periodically by management in comparison to banking sector. This difference is significant where $t=-0.207$, $p(0.837) > 0.05$, so null hypothesis is accepted.

17. Rules and regulations of organisation prevents management in taking decision regarding welfare activities

The mean value of banking sector is 2.82 and the mean value of insurance sector is 2.54 so, it can be said that banking sector agrees more that rules and regulations of organisation prevents management in taking decision regarding welfare activities in comparison to insurance sector. This difference is significant where $t=-1.308$, $p(0.004) < 0.05$, so null hypothesis is rejected.

18. Welfare benefits are not given to workers as they are fail to achieve their respective targets

The mean value of banking sector is 3.36 and the mean value of insurance sector is 3.02 so, it can be said that banking sector agrees more that welfare benefits are not given to workers as they

are fail to achieve their respective targets in comparison to insurance sector. This difference is significant where $t=1.410$, $p(0.162) > 0.05$, so null hypothesis is accepted.

19. Lack of strategic focus regarding welfare measures

The mean value of banking sector is 2.46 and the mean value of insurance sector is 2.20 so, it can be said that banking sector agrees more that lack of strategic focus regarding welfare measures in comparison to insurance sector. This difference is significant where $t=1.384$, $p(0.009) < 0.05$, so null hypothesis is rejected.

20. Lack of timely and meaningful feedback from employees regarding welfare measures provided

The mean value of banking sector is 2.72 and the mean value of insurance sector is 2.84 so, it can be said that insurance sector agrees more that lack of timely and meaningful feedback from employees regarding welfare measures provided in comparison to banking sector. This difference is significant where $t=-0.468$, $p(0.641) > 0.05$, so null hypothesis is accepted.

Conclusion

In this study, we focused our thought on employee welfare activities in both banking and insurance sector. We found that senior managers identified some problems which are involved in formulation of welfare activities by organisations. Banking and insurance sector both should analyse these problems and take necessary steps to control them. There should be no hindrances between employees and welfare activities as welfare activities helps to keep the employees motivated.

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