

Chapter 57

Employee Welfare Measures: The Impact on Employees' Efficacy and Organizations Productivity

Chandra Sekhar Patro

 <https://orcid.org/0000-0002-8950-9289>

Department of Management Studies, Gayatri Vidya Parishad College of Engineering (A), India

K. Madhu Kishore Raghunath

National Institute of Technology Warangal, India

ABSTRACT

The welfare measures for employees in an organization have always and will keep playing a pivotal role in enhancing the morale of the employees. These schemes facilitate thrust for both the employee and employer relations. An employee's welfare is inherent core component, as they act as life blood for achieving the objectives of an organization. The main intention behind implementing the welfare measures is to secure the employee force by providing proper human condition of work and minimizing its hazardous effect on the life of the employees and their family members. This chapter determines the various welfare measures implemented with its impact on the employees' work efficacy in different public and private sector manufacturing organizations. This chapter also articulates the importance of welfare, symptoms of frustration, standards set by the employees, implications of welfare measures and its effectiveness on employees' and the organizational productivity.

INTRODUCTION

Welfare is the ultimate goal for which every being in this world strives for and when humans seek welfare wishes from God why should an employer be spared when it comes to welfare of employees. The term welfare refers to an act of seeking physical, mental, moral and emotional well-being of an individual. According to Hopkins (1955), Welfare is fundamentally an attitude of mind on the part of management, influencing the method in which management activities are undertaken. Employers concerned with

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introducing or extending welfare programs now or in the future must be concerned, not only with the past and current experience, but with developing trends (Nanda & Panda, 2013). Labour is any physical or intellectual activity applied in industrial production and one who performs it is a worker (Patro & Raghunath, 2016). According to the traditional economic theory, labour is referred as a factor of production which consists of manual and mental exertion and receives some return in form of wages, salaries or professional fees (Railkar, 1990).

The concept of 'Labour welfare' is flexible, elastic and of course is interchangeably used with changes in time, region, industry, country, social values and customs, the degree of industrialization, the general social economic development of people and political ideologies prevailing at particular moments (Srinivasa, 2013). In general, the term labour, worker, workman or employees are all used to refer to the wage earning human agents in various industries and organizations.

Patro (2017) assert that staff welfare includes providing social club and sports facilities as appropriate, supervising staff and works' canteens, running sick clubs and savings schemes; dealing with superannuation, pension funds and leave grants, making loans on hardship cases; arranging legal aid and giving advice on personal problems; making long service grants; providing assistance to staff transferred to another area and providing fringe benefits (Ramesh, 2012). However, the Committee on Labour Welfare (GOI, 1969) referred as such facilities and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities arrangements for travel to and from and for accommodation of workers employed at a distance from their homes, and such other services, amenities and facilities including social security measures as contribute to conditions under which workers are employed.

Employee welfare has two aspects i.e. negative aspect and positive aspect. On the negative side, employee welfare is concerned with counteracting the baneful effects of the large scale industrial system of production especially capitalistic, and so far as India is concerned on the personal or family, and social life of the employee (Satyanarayana, 2015). On its positive side, welfare deals with the provision of opportunities for the worker and their family for a good life as understood in its most comprehensive sense (Moorthy, 1968). Thus, improving the quality of working life by providing the employee welfare facilities would go a long way in achieving the goals of the organization.

Employee Welfare in Public and Private Sector

Employee welfare implies the setting up of minimum desirable standards and the provision of facilities like health, food, clothing, housing, medical assistance, education, insurance, job security, recreation etc., (Nanda and Panda, 2013). Such facilities enable a worker and his family to lead a good work life, family life and social life (Sarma, 1996). A proper organization and administration of welfare facilities can play a vital role in promoting better working conditions and living standards for industrial workers, and also increase their productivity (Kohli and Sharma, 1997). Welfare measures should be provided by the organizations, whether public or private sector as it raises the morale of employees, reduce risk and insecurity, eliminate turnover and absenteeism, and increase the production and productivity ((Patro, 2017). In general, the public sector consists of governments and its controlled or funded enterprises. This includes federal, provincial, state, or municipal governments, depending on where the people live. Privacy legislation usually calls organizations in the public sector a public body or a public authority. The private sector is usually composed of organizations that are privately owned and not a part of the government. These usually include corporations, enterprises, companies or business, regardless of size, ownership and structure. It may cover all sectors of the food, agriculture, forestry and fisheries systems

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