



EFFECTIVENESS OF LABOUR WELFARE MEASURES IN CHEYYAR SUGAR MILLS- AN EMPIRICAL STUDY

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Abstract

Employees play an important role in the industrial production of the country. Hence, organisations have to secure the cooperation of employees in order to increase the production and to earn higher profits. The cooperation of employees is possible only when they are fully satisfied with their employer and the working conditions on the job. The present study aims at studying the effectiveness of various Labour Welfare measures provided at Cheyyar Cooperative Sugar mill. It focuses on employee satisfaction also. Chi Square, correlation, Weighted Average and the findings showed that more than half of the employees were satisfied on the welfare measures provided by the company.

Keywords: *Welfare, Satisfaction, Working Conditions, Measures, Cooperation.*

Introduction

The human resource has immense potential. The role of economic development of any nation depends on the degree of effective mobilization of these resources. When employees cannot perform their work within standard times, performance can suffer. Effective training can increase performance by improving the skills that directly impact the quality of output. Labour is an asset of every company. The needs of the labour must be satisfied in order to meet the goals of the organization.

Labour Welfare

According to proud, welfare work refers to the effort on the part of employee to improve within in the existing Industrial system, the condition of employment in their own factories. A number of drivers contribute to quality, but the effort to improve quality can result in a lowering of labor performance. When making the correlation between the workforce and quality it is important to consider factors such as the training and skills of employees, whether they have access to the right tools to follow procedures, and their understanding of how their roles drive and impact quality. Therefore, labour welfare activities act as motivators. Thus plan of labour welfare is regarded as an important part of scheme for rising efficiency of labour.

The sugar industry in Tamilnadu is an important agro-based industry next to textile industry. It plays a major role in the economic development of rural areas in Tamilnadu. There is a good demand for alcohol in the country, as production and consumption of alcohol are not quite balanced. The target of alcohol demand as projected in the perspective plan for chemical industry prepared by the government of India, Minister of Industry, Department of Chemical and petrochemicals is around 2400 million liters per annum.

Reviews

Joshi (1927)¹¹ in his book, "Trade Union Movement in India" felt that welfare work covers all the efforts which employers make for the benefits of their employees over and above the minimum standard of working conditions fixed by the Factories Act and over and above the provisions of the social legislations providing against accident, old age, unemployment, sickness etc.

Kudchelkar (1979)¹⁶ in his book, "Aspects of Personnel Management and Industrial Relations" felt that the need for labour welfare arises from the very nature of the industrial system. He felt that employers need to provide welfare facilities to employees as the latter are exposed to various risks and at the same time they have to work in an entirely strange atmosphere.



Tyagi (1982)¹⁷ in his book, “Labour Economics and Social Welfare” discussed the labour welfare practices in India such as the provision of intramural and extra-mural welfare facilities. He also discussed the various agencies involved in labour welfare. However, the study is totally theoretical in nature. John M. Ivancevich (2010) in his book, “Human Resource Management” stated that an employer has no choice about offering mandated benefits programs and can not change them in any way without getting involved in the political process to change the existing laws. According to him, the three mandated programmes are unemployment insurance, social security and workers compensation.

Aswathappa (2010)³⁷ in his book, “Human Resource Management” discussed the various types of benefits and services provided to employees in terms of payment for time not worked, insurance benefits, compensation benefits, pension plans etc. He also discussed the ways to administer the benefits and services in a better way. Viswanadh (2008) in his thesis, “A Study on Welfare Facilities and its Impact on the efficiency of employees in APSRTC found that the provision of welfare facilities has a positive impact on the efficiency of employees.

Poongavanam (2011)⁸⁶ in his article, “A Study on Labour Welfare Facility (with reference to AFT, Pondicherry) made an attempt to study the Welfare facilities provided by a large, well-recognised Government enterprise in Pondicherry, namely Anglo French Textiles. The study found that welfare measures will improve the physique, intelligence, morality and standard of living of workers, which in turn will improve their efficiency and productivity. Jeya A. and Kirubakaran Samuel (2010)⁸⁵ in their article, “A Study on Impact of Social Welfare Schemes on Rural women in Cuddalore District” dealt with the impact of social welfare schemes on rural women. It also outlined the extent of benefit availed by the rural women based on field survey. The result is that rural women are greatly benefited by the provision of social welfare schemes.

Need for the Study

Employees play an important role in the industrial production of the country. Hence, organisations have to secure the cooperation of employees in order to increase the production and to earn higher profits. The cooperation of employees is possible only when they are fully satisfied with their employer and the working conditions on the job. In addition to providing monetary benefits, human treatment given to employees plays a very important role in seeking their cooperation. Further, human resource managers realised that the provision of welfare facilities contribute a lot towards the health and efficiency of the workers. All the same, organisations need to provide various social security benefits such as medical care, mortality benefits, pension etc., as specified by law. Against this background, The study is carried out in The cheyyar co-operative Sugar mills Limited which has proposed to setup a green field distillery in Anakkavoor Thenthadalam village, Cheyyar Taluk Thiruvannamalai District.

Scope of the Study

The sample size taken for this study is only 100, and it can be extended to a larger sample in future. As it covers the area of Cheyyar Co-operative Sugar Mills Ltd. alone, it can be extended considering some other factors to measure the employee morale. The study can be used to measure the satisfaction level of employee and can also be extended to the other production centers of the company.

Research Methodology

Objectives of the Study

1. To find out labour welfare measures at Cheyyar Co-op sugar mills.
2. To study whether employees are really Satisfied with the available welfare measures
3. To study the role of welfare measures in Improving productivity of the employees
4. To examine the effectiveness of welfare measures
5. To study expectation of employees about the welfare measures
6. To study about the work environment of employees of the organization

As the study was a Descriptive research, primary data was collected by Simple Random sampling method. Questionnaire was used to collect data from a sample size of 100 employees working in the company. It was a census study as the total number of employees in the company was 100. To analyze and interpret the collected

data the researcher used statistical tools like Percentage method, Weighted average method, Chi-square analysis and Correlation Analysis.

Chi Square Analysis

Analysis of opinion of respondents regarding communication in work place and satisfaction in work conditions.

Null Hypothesis

H₀: There is no significant difference between communication in work place and work condition.

Chi-Square Tests

O	E	(O-E)	(O-E) ²	(O-E) ² /E
11	7.8	3.2	10.4	1.313
10	16.2	-6.2	38.44	2.373
5	4.2	0.8	0.64	0.152
4	4.8	-0.8	0.64	0.133
11	13	-2	4	0.308
29	27	2	4	0.148
6	7	-1	1	0.143
4	8	-4	4	0.500
3	4.16	-1.16	1.346	0.168
4	8.64	-4.64	21.53	2.492
2	2.24	-0.024	0.058	0.026
7	2.56	4.44	19.71	7.701
1	1.04	-0.04	0.001	1.538
1	2.16	-1.16	1.346	0.623
1	0.56	0.44	0.194	0.346
1	0.64	0.36	0.129	0.203
Calculated value [(O-E) ² / E] =				18.167

As the Calculated value = $(O-E)^2 / E = 18.17$, Degrees of Freedom = $(R - 1) (C - 1) = 9$, Tabulated value for 9 degrees of freedom at 5% level of significance is 16.919

Inference

The calculated value is less than the tabulated value. H₀ is accepted. Therefore there is no association between communication in work place and work condition.

Analysis of Opinion of Respondents Regarding Medical Benefit and Injury Benefit

Null hypothesis: H₀. There is no significant difference between medical benefits and employee injury benefits.

O	E	O-E	(O-E) ²	(O-E) ² /E
8	8.1	-0.1	0.01	0.001
4	3.840	0.16	0.025	6.840
46	32.64	13.36	178.49	5.47
2	6.800	-4.8	23.04	3.39
2	6.800	-4.8	23.04	3.39
8	3.200	4.8	23.04	7.2
12	20.400	-8.4	70.56	3.46
18	9.6	8.4	70.56	7.35
Calculated value [(O-E) ² / E] =				37.101

Calculated value = $(O-E)^2 / E = 37.101$, Degrees of Freedom = $(R - 1) (C - 1) = 3$, Tabulated value for 9 degrees of freedom at 5% level of significance is 7.815. As the Calculated value is less than table value, H_0 is accepted.

Interpretation

It was found from, the above calculation that there is no signification difference between medical benefits and employee injury benefits.

Weighted Average Method

Analysis of ranking given by respondents regarding satisfaction of welfare measures

Observe Count

Opinion Factors	Yes	No	Total
	Medical facility	7	93
Infra-structure	56	44	100
Shift System	65	35	100
Working Hours	73	27	100

Weighted Average Table

Rank	Weights	Factors							
		Medical Facility		Infrastructure Facility		Shift System		Working Hours	
X	W	X ₁	WX ₁	X ₂	WX ₂	X ₃	WX ₃	X ₄	WX ₄
1	2	7	14	56	112	65	130	73	146
2	1	93	93	44	44	35	35	27	27
Total		100	107	100	156	100	165	100	173
WX_n / X_n		1.07		1.56		1.65		1.73	
Rank		IV		III		II		I	

$$\text{Calculated Weight} = WX_n / X_n$$

Inference

From the weighted average analysis working hour system provided by organization is ranks first.

II. Analysis using Rank Correlation

Analysis of opinion of respondents regarding satisfaction of grievances handling by the management and overall satisfaction with their condition.

Observed Value

Opinion of the Respondents	Always	Sometimes	Rarely	Never
Grievances handling by the Management (X)	21	49	13	7
Satisfaction with their work condition (Y)	17	54	14	15

Rank Correlation Table

x	xi	y	yi	(xi-yi) ²
21	2	17	2	0
49	1	54	1	0
13	3	14	4	1
7	4	15	3	1
				ddi ² = 2

$$r = 1 - \frac{6ddi^2}{n(n^2-1)}$$

$$r = 1 - \frac{2}{4(4^2-1)} = 1 - 0.35$$

$$r = 0.65$$

Inference

Satisfaction with the grievances handling by the management and overall work Condition are properly correlated.

Findings of the Study

- 97% of the respondents are Male in the factory.
- 38% of the respondents have experienced 5-10yrs in our sugar mills.
- 57% of respondent are dissatisfied with the safety measures given by the organisation.
- 30% of respondent are highly dissatisfied with the medical facility of the organisation.
- Nearly 93% of the respondents are accepting their company wasn't given any periodical checkup to them.
- 41% of the employees agreed that company is always allowing credit facilities.
- About 80% of respondents are having high level of communication with their supervisor.
- From the study we can know 54 % of the respondents are satisfied sometimes only with the grievance handling by the organisation.
- Only 14% of respondents are feels satisfied rarely with their working condition in the organisation.
- Majority of the employees are dissatisfied with the welfare and safety measures. Around 56% of respondents have expressed negative opinion towards the welfare measures.
- 43% of respondents were satisfied with the following safety equipments cap, gloves & eyeglass from the Management.
- Through our study we have found 11% of the respondents only getting EPF benefits.
- Nearly 40% of the respondents are expecting Treatment charges from the management.
- Only 25% respondent was dissatisfied with the shift system.
- 71% of respondents are accepting the organisation provided mineral water.
- Above half percentage of the employees dissatisfied with the organization's infrastructure.
- Only 38 % respondents were just satisfied on the facilities offered by company at the old age benefits.
- Majority of employees are satisfied regarding the injury benefits. Nearly 68% have expressed positive opinion.



19. Majority of respondent really satisfied with preventive and aware programme of welfare measure.
20. Overall nearly half of the respondents are satisfied with welfare measures provided by the management.

Suggestions and Recommendations

1. It would be encouraging if The Cheyyar co-op sugar mills increase the amount of money spent on welfare schemes like medical facility, injury benefit, treatment charges EPF etc.
2. Management must make necessary arrangements for periodic medical check-up, so that occupational diseases can be diagnosed earlier and necessary treatments can be given to the concerned workers.

Conclusion

The welfare measures are more important for every employee, without welfare measure employee cannot work effectively in the organization. Social security measures like injury benefit, old age benefit, medical benefit and family welfare benefit are very important. The organization by providing better social security to employee the satisfaction towards job can be improved. But they are lacking in first aid appliances, worker's education facilities and family welfare facilities. They should take necessary steps to improve in those measures. So that the employee can do his job is more effectively.

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