A Take on Employee Welfare Facilities and Employees’ Efficiency

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ABSTRACT

Looking back into the history of welfare facilities for employees in an organization, they have always and will keep playing a pivotal role in enhancing employee morale. The welfare schemes in every organization facilitate impetus for employee and employer relations. Employees’ 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 facilities, 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. Welfare facilities are provided in every organization either public or private sector as these would go a long way to cherish their ultimate vision. The present study is an attempt to determine the various welfare facilities implemented with its impact on the work efficiency over different public and private sector organizations. This paper also draws an empirical evidence by studying the influence of welfare facilities on the employee’s efficiency.

KEYWORDS

Efficiency, Employees, Influence, Organization, Welfare Facilities

INTRODUCTION

The word Welfare is 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 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’. Labour is any physical or intellectual activity applied in industrial production and one who performs it is a worker. According to the traditional economic theory labour can be defined 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 ‘Employee welfare’ is flexible, elastic and of course is interchangeable 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. In general, the term labour, worker, workman or employee are all used to refer to the wage earning human agents in various industries and organizations.

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Coventry & Barker (1988) 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 super-annuation, 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. However, the Committee on Labour Welfare (1969) defined the phrase to mean, ‘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: negative and positive. 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. On its positive side, it deals with the provision of opportunities for the worker and his/her family for a good life as understood in its most comprehensive sense (Moorthy, 1968). 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. 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 INDIA

The transference of rural population to the urban areas, as a result of industrialization, brought with it certain sociological problems. Having been uprooted from their rural mornings the new class of industrial workers required welfare services to be provided to them in their new surroundings so as to enable them to adapt themselves to changing situations (Reddy, 2004). The crux of the problem of employee welfare, whether under legislative compulsion or otherwise, is to determine the respective roles to be played by the State, the employers, trade unions and voluntary agencies (Agalgatti, 2008). Apart from social responsibility, the State as an employer has the basic social responsibility of acting as a model employer and to provide all types of welfare amenities to its workers.

However, employee welfare activities started gaining ground after the Second World War, when the British Government revised and introduced many labour laws that aimed at improving employment conditions, including welfare of the working class (Satyanarayana, 2015). It was only after independence that the problem of employee welfare was given due attention when the socialistic pattern of society was adopted for achieving various socio-economic goals of the country. In addition to the above scenario, Wage committee has pointed out that “unless the precise responsibilities of employers in regard to welfare work are defined by law, such employers are not likely to fall in line with their move enlightened and far sighted conferrers” (Rao, 2008).

The Government of India in view of enhancing welfare and wellbeing of workers has laid down provisions for employee welfare under different labour laws. One of the important laws in this regard, is the Factories Act, 1948 which elaborates various provisions in relation to health, safety, and welfare of employees, provisions regarding working hours including weekly hours, daily hours, weekly holidays, regarding employment of young persons, canteen facilities, first aid, shelters, rest rooms and lunchrooms annual leaves with wages and provision regarding employment of women and young persons in every organization (Ghosh and Nandan, 2015). Finally, the Act makes provision for the employment of Welfare Officer in manufacturing organizations and service sector also. Thus, it is
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