Chapter 38

Espousal of Welfare Schemes:
A Means for Employees’ Satisfied Work Life with Reference to Pharmaceutical Companies

Chandra Sekhar Patro
Gayatri Vidya Parishad College of Engineering (A), India

ABSTRACT

Employee welfare is a prerequisite and critical factor for growth of any organization. The welfare facilities improve the organizational relations, and also enhance the competence and effectiveness of the employees. The employees’ work life is vital, as they are the pillars of an organization. The main aim of implementing the welfare schemes in any organization is to secure the labour force by providing proper human condition of work and minimizing its hazardous effect on the life of the employees and their family members. The present study is an attempt to determine the various employee welfare schemes adopted by different private pharmaceutical companies, and its impact on the employee’s satisfaction on work life.

INTRODUCTION

Welfare means faring and doing well. It is a comprehensive term and refers to the physical mental, moral and emotional well-being of an individual (Aswathappa, 2003). Employee welfare is an extension of the term welfare and its application to the employees. Labour is any physical or intellectual activity applied in industrial production and one who performs it is a worker. The concept of ‘Employee welfare’ is flexible and elastic and differs widely with times, regions, industry, country, social values and customs, the degree of industrialization, the general social economic development of people and political ideologies prevailing at particular moments. Coventry and 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 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.

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Labour welfare has two aspects i.e., negative and positive. On the negative side, labour 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 with the personal or family, and social life of an employee. On its positive side, it deals with the provision of opportunities to the employees and his/her family for a good life (Moorthy, 1968). Welfare measures should be provided by the organizations, whether public or private sector as it raises the morale of employees, reduce the 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 an organization.

The Committee of experts on welfare facilities for employees constituted by International Labour Organization (1963) has divided the welfare measures as intramural and extramural facilities. The amenities provided within the premises of the establishments such as sanitary facilities, crèches, rest shelters, canteens, drinking water, prevention of fatigue, health services including occupational safety, administrative arrangements, uniforms and protective clothing, shift allowance, etc., are referred as ‘Intramural facilities’ and the amenities provided outside the establishment such as maternity benefit, social insurance measures, sports and cultural activities, library or reading room, leave travel facilities, workers co-operatives including consumers co-operative stores, co-operative credit societies, welfare programs for women, youth and children and transport facilities, etc., are referred as ‘Extramural facilities’. In the current scenario, the welfare schemes are provided to the employees to retain the talented and skilled employees. Thus, employee welfare is very comprehensive and embraces activity provided by employers, State and Central Governments, Trade unions and other agencies to help employees and their families to lead a contented work life.

REVIEW OF LITERATURE

Labour welfare is an important facet of industrial relations, the extra dimension, giving satisfaction to the worker in a way that even a good wage cannot. With the growth of industrialization and mechanization, it has acquired added importance (Monappa, 1995). An employee cannot cope with the pace of modern life with minimum sustenance amenities. He needs added stimulus to keep body and soul together. Employers have also realized the importance of their role in providing these extra amenities to the employees. Employee welfare has been used by many organizations as a strategy of improving productivity of employees especially in the mobile industry since work related problems can lead to poor quality of life for employees and a decline in performance (Manzini & Gwandure, 2011). Welfare services can be used to secure the labour force by providing proper human conditions of work and living through minimizing the hazardous effect on the life of the workers and their family members. Employees are the assets of every organization; therefore, the needs of employee must be satisfied in order to meet the goals of the organization (Patro, 2012). Any organization would be effective only when there is high degree of co-operation between the employees and their management.

The structure of a welfare state rests on its social security fabric. Government, employers and trade unions have done a lot to promote the betterment of worker’s conditions (Joseph, Joseph, and Varghese, 2009). Culpepper (2009) found that, implementing a pay for performance system has been shown to