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A Study on Labour Welfare Scheme in Organization

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ABSTRACT: Labour welfare schemes play a vital role in enhancing employee well-being and building a positive organizational culture. These schemes are broadly divided into statutory (legally mandated) benefits such as health care, maternity leave, safety measures, and provident funds and non-statutory (voluntary) facilities like canteens, transportation, recreational activities, housing, and educational support for employees' families. The main objective is to create a satisfied and healthy workforce, which contributes to increased productivity, reduced absenteeism, and better employee retention. In conclusion, labour welfare schemes are vital for creating a balanced and ethical workplace. A strong commitment to employee welfare not only upholds social responsibility but also drives organizational growth, resilience, and long-term sustainability.

KEYWORDS: Productivity, Labour welfare, Statutory benefits, Organizational goals.

I. INTRODUCTION

Labour welfare programs originated through the efforts of humanitarian leaders, religious reformers, and social workers, especially post-industrial revolution when large-scale industries emerged. Welfare, being a key part of social welfare, includes both economic and social aspects aiming to improve living standards through enhanced health, education, and productivity. Welfare ensures physical, mental, and emotional well-being, contributing to overall human development. Labour is a critical asset in the global economy, which is increasingly competitive and uncertain. Globalization and structural inequalities have marginalized many workers, especially the disabled, despite efforts through legislation. Today, employee satisfaction through welfare measures is essential to uphold workers' social rights and strengthen employer-employee relationships. These schemes are classified into statutory (legally required, e.g., canteens, safety, sanitation) and non-statutory (voluntary, e.g., flexible hours, medical insurance, employee support programs). The extent of welfare benefits varies across sectors and companies. The government plays a key role in ensuring that such welfare systems enhance socio-economic development. Properly organized welfare programs can improve workers' health, morale, and productivity. According to the International Labour Organization (ILO), welfare services create a supportive, safe, and healthy work environment, which is essential for high employee morale and efficiency.

OBJECTIVES OF THE STUDY

1. To assess the effectiveness of existing labour welfare schemes in enhancing employee satisfaction, motivation, and productivity.
2. To identify gaps and areas for improvement in the current welfare measures provided by the organization.
3. To analyze the impact of welfare schemes on employee retention, workplace morale, and overall organizational performance.

SCOPE OF THE STUDY

Labour welfare has a broad scope that varies across countries based on economic development, political systems, and social philosophies. In some nations, welfare is limited to industrial workers, while in others, workers' families also benefit. These facilities include all services and amenities provided by employers to ensure employees work in safe, healthy, and supportive environments.

- Intra-mural welfare refers to services within the workplace (e.g., sanitation, drinking water, restrooms).

- Extra-mural welfare refers to benefits outside the workplace (e.g., housing, education, transport).
- Together, these measures aim to improve employee well-being and morale, contributing to higher productivity and job satisfaction.

NEED OF THE STUDY

Labour welfare encompasses various services and facilities provided by employers to enhance employee well-being, improve working conditions, and boost productivity. In a competitive economy, these schemes are increasingly recognized as vital for industrial harmony, employee retention, and motivation. Despite legal mandates, implementation and effectiveness of welfare programs vary across organizations. While some treat them as strategic tools, others see them as mere obligations, leading to uneven employee satisfaction. With rising awareness of employee rights and evolving CSR expectations, organizations are now under pressure to offer better welfare measures to attract and retain talent.

II. REVIEW OF LITERATURE

Mary & Devi (2024) examined statutory and non-statutory welfare schemes in Titan Watch, Hosur, finding a positive correlation between facilities (medical, canteen, insurance, crèche) and job satisfaction, morale, and productivity.

Wahab et al. (Apr 2024) used surveys and interviews to assess welfare initiatives (health, safety, benefits) at Srinivasa Hatcheries. The study highlights their role in employee retention and organizational productivity.

Kumar & Lal (2024) critically evaluated social-security schemes (PMJJBY, PMSBY, PM- SYM, etc.) for informal workers in Kanpur, finding low awareness and poor implementation, urging better outreach and administration.

Vidani (2024) reviewed Indian labour legislation, focusing on schemes like EPF, ESI, and their enforcement challenges in informal sectors, highlighting legislative gaps and rural–urban.

Kaushik (2024) explored welfare schemes in the FMCG sector involving employees and managers. It linked welfare programs directly to improved KPIs—productivity, retention, and satisfaction.

III. RESEARCH METHODOLOGY

Research methodology is a systematic way to solve a problem. It is a science of studying how research is to be carried out. Essentially, the procedures by which researchers go about their work of describing, explaining and predicting phenomena are called research methodology. It is also defined as the study of methods by which knowledge is gained. Its aim is to give the work plan for research.

DESCRIPTIVE RESEARCH

Descriptive research is used to describe characteristics of a population or phenomenon being studied. It does not answer questions about how/when/why the characteristics occurred, rather it addresses the “what” question (what are the characteristics of the population or situation being studied) the characteristics used to describe the situation or populations are usually some kind of categorical scheme also known as descriptive categories.

DATA COLLECTION

PRIMARY SOURCES

Primary sources of data are the data which need the personal efforts of collecting it and which are not readily available. Primary sources of data are the other type of source through which the data was collected. The primary data are collected through structured questionnaire

SAMPLE DESIGN

Sampling is simply the process of learning about population on the basis of a sample drawn from it. Under this method a small group of the universe is taken as the representative of the whole mass and the results are drawn. “A Statistical sample is a miniature picture or cross section of the entire group or aggregate from which the sample is taken”.

SAMPLE SIZE

Sample size refers to the number of items to be selected from the population to constitute a sample, an optimum sample size is one that fulfills the requirements of efficiency representatives, reliability and flexibility. By using simple random

sampling techniques respondents are selected for the purpose of the study. The questionnaire was collected from 120 respondents.

IV. STATISTICAL ANALYSIS

CORRELATION:

To find the correlation between income and provision of welfare schemes.

HYPOTHESIS:

Null Hypothesis (H_0): There is no significant correlation between income and provision of welfare schemes.

Alternative Hypothesis (H_1): There is a significant correlation between income and provision of welfare schemes.

INTERPRETATION:

Since $p < 0.05$, we reject H_0 and conclude that there is a statistically significant (negative) correlation between income and provision of welfare schemes we reject the null hypothesis between the income of employees and the provision of welfare schemes in the organization.

V. SUGGESTIONS

Provide regular health checkups for all employees to monitor their well-being.

Offer medical insurance that covers both employees and their dependents.

Establish an in-house medical center with a qualified doctor and nurse.

Provide emergency medical assistance and ambulance facilities on-site.

Conduct awareness programs on hygiene, mental health, and disease prevention.

Organize stress management workshops and yoga or meditation sessions.

Offer financial assistance or soft loans for personal emergencies

VI. CONCLUSION

Labour welfare schemes are essential for enhancing employee well-being, improving working conditions, and aligning organizational goals with workers' socio-economic needs. These schemes both statutory (health, safety) and non-statutory (recreation, mental health, financial literacy) help boost morale, reduce absenteeism, and strengthen employer branding. Organizations that prioritize welfare enjoy better industrial relations and long-term productivity. However, challenges such as poor implementation, lack of awareness, and inadequate customization especially in informal sectors hinder their effectiveness. With growing focus on CSR, ESG, and employee-centric HR practices, the future of labour welfare looks promising. Integration of digital tools and inclusive strategies can further amplify impact. Governments must support these efforts through enforcement and awareness. In this conclusion, Welfare schemes are strategic investments, not expenses. They contribute to sustainable development, human dignity, and organizational success in a competitive economy.

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