

Recognition of Employee Welfare Activities in Insurance and Banking Sector

Nayanpreet Kaur

Assistant Professor, Chandigarh Group of Colleges, Landran, Mohali

Abstract: The concept of employee welfare activities is very old but its value is still new. Every employee needs something extra than its salary to survive in society. Welfare activities are need of the hour. The objective of this study is to identify various activities involved in employee welfare in insurance and banking sector in Punjab. The sample size is of 500 employees. The data analysis tools applied in this study are Descriptive statistics and T-test. The findings indicate that Insurance companies should lay stress on their welfare activities so that their employees also feel satisfied.

Keywords: Employee, employee welfare, welfare activities, satisfaction.

Introduction

The Concept of employee Welfare in India came into existence by a resolution on Fundamental Rights and Economic Programme which was passed by the Indian National Congress in its Karachi session in 1931. The resolution explained that the economic life of people of nation should be in line without any sort of injustice. It must confirm and ensure proper standard of living of employees. It also stated that the government must protect the interest of individual employee and should ensure sense of security among them, by suitable policies and laws, a standard living wage rate, healthy and safe conditions of work, specified reasonable hours of labour, proper instruments, process and organisations for the settlement of disputes between employers and employee, protection against the economic consequences of sickness, old age and unemployment as social security measures. (Bhardwaj, 2012)

Employee Welfare is a broad concept that implies a state of living of an individual or a group as workman within and outside of workplace, in an acceptable interaction with the total environment-ecological, economic and social harmony. Employee Welfare is an all-inclusive term and consists of various factors such as physical, mental, moral and emotional wellbeing of an employee. The National Commission on Labour had stated that the process of employee

welfare is dynamic, works differently from country to country in various phases of time, and even in the economic development and general level of socio-economic empowerment and development of employees. It can be said that employee welfare consists of provisions for the improvement of safety, health and industrial productivity of the employees. (Budhwar and Khatri, 2001)

Features of Employee Welfare Activities

Employee welfare is a **dynamic** process. It is an ever changing and flexible concept and it differs from industry to industry and country to country. Employee welfare is a **comprehensive** term which consists of services, and amenities imparted to employees for improving their standard of living. (Ramakrishnan, 2014) Employee welfare activities may be **voluntary or statutory**. Voluntary activities are those which are given by employers and statutory activities are those which are provided by government or social agencies. Employee welfare measures are also called as **fringe benefits** and services. Welfare activities are in addition to salary or wages and other economic benefits available to employees due to legal provisions and collective bargaining. (Kulkarni, 2013)

Statutory and Non-Statutory Employee Welfare Schemes

The employee welfare schemes can be divided into two categories viz. statutory and non-statutory welfare schemes. Table 1.1 below depicts various statutory and non-statutory activities. The schemes which are mandatory to provide by an organization as per the laws governing employee health and safety such as factories act 1948, mines act, 1962 etc., are called statutory Schemes. The schemes which differs from organization to organization, from industry to industry and from company to company are called non- statutory schemes.

Table 1.1 Various Statutory and Non-Statutory Activities

Statutory Activities	Non-Statutory Activities
Drinking Water	Personal Health Care
Canteen	Flexi-Time
Washroom	Employee Assisstance Programs
Good Working Conditions	Harassment Policy
First Aid Appliances	Medi-Claim Insurance Scheme
Shelter/Rest Rooms	Employee Referral Scheme
Lockers	Recreational Activities
Lighting	Career Counselling to Employee Children
Sitting Facility	Maternity and Adoption Leave

Source: (Sindhu, 2012)

Review of Literature

Kumar & Kusugal (2019) examined the employee perception regarding existing statutory employee welfare activities followed in KSRTC. They also studied about regulatory employee welfare activities and their effect on productivity was measured. Primary data was collected from a sample of 100 employees which was selected by nonprobability convenience sampling technique through interview schedule method. Data analysis was done with tools like descriptive statistics, t-test, Analysis of Variance (ANOVA). This study inferred that this organization was lacking in canteen facilities, medical aid facilities, and cleanliness facilities. Organization should take actions to make improvement in those welfare activities so as to make employees more efficient and productive.

Kumari & Kannan (2018) examined the overall welfare activities provided to employees and satisfaction level of employees regarding employee welfare activities in garment industry. They also analysed the employee-employer relationship in the industry. Descriptive research design was used in the study. Convenience sampling method was used to collect data from 100 employees. Primary data was collected by questionnaire method. Data was analysed by simple percentage and Chi square method. It was stated in the study that management should improve welfare activities and cooperate with employees to make employees satisfied and happy at workplace.

Nawaz (2019) assessed the effectiveness of employee welfare activities and analysed the satisfaction level of employees regarding employee welfare activities. Primary data was collected from 100 employees through questionnaire and questionpro. Data analysis was done by percentage, coefficient correlation and rank correlation method. After the analysis, the study inferred that employee at the company were happy and satisfied with the employee welfare activities. The correlation also represented the significant values. Therefore, employees believe that there was effectiveness in welfare activities.

Sethuram & Sankari (2018) described the various employee welfare activities and their influence on job performance of employees. They also studied the perception of employees regarding employee welfare activities. Descriptive research design was used in this study. A sample of 200 employees was selected by using simple random sampling method. Primary data was collected by survey method through questionnaire and informal discussions with employees. Data analysis was done with the help of descriptive analysis and chi-Squared test. It was found that majority of employees were satisfied with existing welfare activities. This study also infers that there is a positive impact of welfare activities on performance of employees.

Objective of the study

To recognize varied activities involved in employee welfare in insurance and banking sector in Punjab.

Research Methodology

Research design: Descriptive research design Sampling technique: Multistage sampling technique Sample size: 500 employees

Scope: Insurance and Banking Sector

Sources of data collection: Primary data collected through questionnaire Analytical tool: T-test

H0: There is no significant difference in employee welfare activities according to the insurance and banking sector.

Table 1.2 Descriptive Statistics and T-test

Statistics	Sector	N	Mean	Standard Deviation	t- value	Sig. (2-tailed)
Housing Loan Facility	Bank	250	3.796	1.01909	2.877	0.004
	Insurance	250	3.52	1.12368		
Conveyance Allowance Facility	Bank	250	3.72	1.02959	1.868	0.062
	Insurance	250	3.55	1.02934		
Recreation Activities	Bank	250	4.248	0.85641	0.207	0.836
	Insurance	250	4.232	0.87018		
Financial rewards and bonuses	Bank	250	3.724	0.97345	2.169	0.031
	Insurance	250	3.528	1.04575		
Seminars & Trainings	Bank	250	4.376	0.64208	-2.763	0.006
	Insurance	250	4.52	0.5164		
Working environment	Bank	250	4.336	0.63301	-3.056	0.002
	Insurance	250	4.492	0.50094		
Overtime allowance	Bank	250	3.372	0.86522	-2.03	0.043
	Insurance	250	3.52	0.76152		
Leave policy	Bank	250	3.436	1.05182	1.466	0.143
	Insurance	250	3.296	1.08309		
Regular increment policy	Bank	250	3.564	1.00096	1.084	0.279
	Insurance	250	3.464	1.06076		
Job security	Bank	250	3.572	0.82434	0.66	0.51
	Insurance	250	3.524	0.8025		
Drinking water facility	Bank	250	4.472	0.53136	-1.463	0.144
	Insurance	250	4.54	0.50738		
First-aid service	Bank	250	3.716	1.0352	1.931	0.05
	Insurance	250	3.532	1.09443		
Toilet facility	Bank	250	4.248	0.77776	0.669	0.504
	Insurance	250	4.2	0.82628		
Canteen Facility	Bank	250	3.604	1.02145	1.715	0.087
	Insurance	250	3.444	1.06367		
Maternity leave facility	Bank	250	3.056	1.18765	0.492	0.623
	Insurance	250	3.004	1.17367		
Medi-claim insurance scheme	Bank	250	3.436	1.19146	2.567	0.011
	Insurance	250	3.156	1.24655		
Sexual harassment policy	Bank	250	4.384	0.5345	-0.776	0.438
	Insurance	250	4.42	0.5026		
Working hours	Bank	250	3.364	0.98966	-0.677	0.499
	Insurance	250	3.424	0.99205		
Retirement benefits	Bank	250	4.028	0.87995	-1.778	0.076
	Insurance	250	4.168	0.88027		
Education loans for childrens	Bank	250	2.584	1.09166	-0.6	0.549
	Insurance	250	2.644	1.14302		

Source: SPSS Application on Primary Data

Findings

1. Housing Loan Facility

Table 1.2 shows that the mean value of banking sector is 3.7960 and the mean value of insurance sector is 3.5200, so it can be said that respondents agree that housing loan facility is better in banking sector than insurance sector. This difference is significant where $t=2.877$, $p(0.004) < 0.05$, so null hypothesis is rejected.

2. Conveyance Allowance Facility

Table 1.2 shows that the mean value of banking sector is 3.7240 and the mean value of insurance sector is 3.5520, so it can be said that respondents agree that conveyance allowance facility is better in banking sector than insurance sector. This difference is significant where $t=1.868$, $p(0.062) > 0.05$, so null hypothesis is accepted.

3. Recreation Activities

Table 1.2 shows that the mean value of banking sector is 4.2480 and the mean value of insurance sector is 4.2320, so it can be said that respondents agree that recreation activities are better in banking sector than insurance sector. This difference is significant where $t=0.207$, $p(0.836) > 0.05$, so null hypothesis is accepted.

4. Financial rewards and bonus

Table 1.2 shows that the mean value of banking sector is 3.7240 and the mean value of insurance sector is 3.5280, so it can be said that respondents agree that financial rewards and bonus is better in banking sector than insurance sector. This difference is significant where $t=2.169$, $p(0.31) < 0.05$, so null hypothesis is rejected.

5. Seminars and trainings

Table 1.2 shows that the mean value of banking sector is 4.3760 and the mean value of insurance sector is 4.5200, so it can be said that respondents agree that seminar and training is better in insurance sector than banking sector. This difference is significant where $t=-2.763$, $p(0.006) > 0.05$, so null hypothesis is rejected.

6. Working environment

Table 1.2 shows that the mean value of banking sector is 4.3360 and the mean value of insurance sector is 4.4920, so it can be said that respondents agree that working environment is better in insurance sector than banking sector. This difference is significant where $t=-3.056$, $p(0.002) < 0.05$, so null hypothesis is rejected.

7. Overtime allowance

Table 1.2 shows that the mean value of banking sector is 3.3720 and the mean value of insurance sector is 3.5200, so it can be said that respondents agree that overtime allowance is better in insurance sector than banking sector. This difference is significant where $t=-2.030$, $p(0.043) < 0.05$, so null hypothesis is rejected.

8. Leave Policy

Table 1.2 shows that the mean value of banking sector is 3.4360 and the mean value of insurance sector is 3.2960, so it can be said that respondents agree that leave policy is better in banking sector than insurance sector. This difference is significant where $t=1.466$, $p(0.143) > 0.05$, so null hypothesis is accepted.

9. Regular Increment Policy

Table 1.2 shows that the mean value of banking sector is 3.5640 and the mean value of insurance sector is 3.4640, so it can be said that respondents agree that regular increment policy is better in banking sector than insurance sector. This difference is significant where $t=1.084$, $p(0.279) > 0.05$, so null hypothesis is accepted.

10. Job Security

Table 1.2 shows that the mean value of banking sector is 3.5720 and the mean value of insurance sector is 3.5240, so it can be said that respondents agree that job security is better in banking sector than insurance sector. This difference is significant where $t=0.660$, $p(0.510) > 0.05$, so null hypothesis is accepted.

11. Drinking Water Facility

Table 1.2 shows that the mean value of banking sector is 4.4720 and the mean value of insurance sector is 4.5400, so it can be said that respondents agree that drinking water facility is better in insurance sector than banking sector. This difference is significant where $t=-1.463$, $p(0.144)$

> 0.05 , so null hypothesis is accepted.

12. First aid service

Table 1.2 shows that the mean value of banking sector is 3.7160 and the mean value of insurance sector is 3.5320, so it can be said that respondents agree that first aid service is better in banking sector than insurance sector. This difference is significant where $t=1.931$, $p(0.050) < 0.05$, so null hypothesis is rejected.

13. Toilet Facility

Table 1.2 shows that the mean value of banking sector is 4.2480 and the mean value of insurance sector is 4.2000, so it can be said that respondents agree that toilet facility is better in banking sector than insurance sector. This difference is significant where $t=0.669$, $p(0.504) > 0.05$, so null hypothesis is accepted.

14. Canteen Facility

Table 1.2 shows that the mean value of banking sector is 3.6040 and the mean value of insurance sector is 3.4440, so it can be said that respondents agree that canteen facility is better in banking sector than insurance sector. This difference is significant where $t=1.715$, $p(0.087) > 0.05$, so null hypothesis is accepted.

15. Maternity Leave Facility

Table 1.2 shows that the mean value of banking sector is 3.0560 and the mean value of insurance sector is 3.0040, so it can be said that respondents agree that maternity leave facility is better in banking sector than insurance sector. This difference is significant where $t=0.492$, $p(0.623) > 0.05$, so null hypothesis is accepted.

16. Medi Claim Insurance

Table 1.2 shows that the mean value of banking sector is 3.4360 and the mean value of insurance sector is 3.1560, so it can be said that respondents agree that medi-claim insurance is better in banking sector than insurance sector. This difference is significant where $t=2.567$, $p(0.011) < 0.05$, so null hypothesis is rejected.

17. Sexual Harassment Policy

Table 1.2 shows that the mean value of banking sector is 4.3840 and the mean value of insurance sector is 4.4200, so it can be said that respondents agree that sexual harassment policy is better in insurance sector than banking sector. This difference is significant where $t=-0.776$, $p(0.438) > 0.05$, so null hypothesis is accepted.

18. Working Hours

Table 1.2 shows that the mean value of banking sector is 3.3640 and the mean value of insurance sector is 3.4240, so it can be said that respondents agree that working hours are better in insurance sector than banking sector. This difference is significant where $t=-0.677$, $p(0.499) > 0.05$, so null hypothesis is accepted.

19. Retirement Benefits

Table 1.2 shows that the mean value of banking sector is 4.0280 and the mean value of insurance sector is 4.1680, so it can be said that respondents agree that retirement benefits are better in insurance sector than banking sector. This difference is significant where $t = -1.778$, $p(0.076) > 0.05$, so null hypothesis is accepted.

20. Education Loans for Children

Table 1.2 shows that the mean value of banking sector is 2.5840 and the mean value of insurance sector is 2.6440, so it can be said that respondents agree that education loans for children are better in insurance sector than banking sector. This difference is significant where $t = -0.600$, $p(0.549) > 0.05$, so null hypothesis is accepted.

Conclusion

Every employee needs something extra than its salary to survive in society. In this study, we focused our thought on employee welfare activities in both banking and insurance sector. We found that banking sector employees are more satisfied regarding employee welfare activities than insurance sector employees. However, banking sector should focus its efforts on seminars & trainings, working environment, overtime allowance, drinking water facility, sexual harassment policy, working hours, retirement benefits and education loan for childrens. Insurance companies should lay stress on their welfare activities so that their employees also feel satisfied.

Further Scope

This study aims to focus on employee welfare activities in insurance and banking sector in Punjab. Study can be conducted in other sectors also. Sample size of the study can be increased. This study is limited to Punjab only, further it can be done in other states also. This study is analysed on the basis of sector but it can be done district wise also. This study is conducted in five banks and five insurance companies, but in further study its scope can be increased. This study is done only on private sector but it can be done on government sector also.

References

1. Bhardwaj, K. R. (2012). Labour Welfare in India: An Overview. *Asia Pacific Journal of Research in Business Management*, 3(9), 96-110.
2. Budhwar, P. S., & Khatri, N. (2001). A Comparative Study *International Journal of Human Resource Management*, 12(5), 800-826(27).of HR Practices in Britain and India.
3. Kulkarni, S. (2013). Labour Welfare. Retrieved from <https://www.slideshare.net/SanK6/la-bour-welfare-28434005-on-11-February-2020>.
4. Kumar, S. T. N., & Kusugal, S. P. (2019). A Study on Statutory labor welfare measures in KSRTC With reference to Kolar division. *Journal of the Gujarat Research Society*, 21(8), 439- 448.
5. Kumari, K. P., & Kannan, R. (2018). A Study on Statutory Labour Welfare Measures in Garment Industry. *International Journal for Research Trends and Innovation*, 3(2), 45-48.
6. Nawaz, N. (2019). Effectiveness of Employee Welfare Facilities in Adugodi Based Manufacture Industry. *International Journal of Scientific & Technology Research*, 8(11), 408-412.
7. Ramakrishnan, S. (2014). Labour Welfare. Retrieved from <https://www.slideshare.net/srinathSrinath/labour-welfare-40987450-on-11-february-2020>.
8. Sethuram, S., & Sankari, S. S. (2018). Perception of Employees on Labour Welfare Measures and its Impact on Job Performance at Christy Friedgram Industry, Tiruchengode. *International Journal of Science and Research*, 7(6), 1047-1050.
9. Sindhu, S. (2012). Role of Organisation in Welfare Measures for Employees. *International Journal of Research in IT & Management*, 2(9).