# Impact of Welfare Measures and Employee Loyalty Regarding Elite Contractors Private Limited - An Empirical Study 

Ms. Gulshan Ashika $\mathbf{S}^{\boldsymbol{1}}$, Mr. Siranjeevi M $\mathbf{S}^{\mathbf{2}}$<br>${ }^{1}$ Final Year MBA Student, MEASI Institute of Management, Chennai.<br>${ }^{2}$ Assistant Professor, MEASI Institute of Management, Chennai.<br>DOI: https://doi.org/10.55248/gengpi.5.0524.1312


#### Abstract

Employee welfare is a dynamic concept that adapts to social and economic changes. It encompasses various services, benefits, and facilities offered by employers to maintain employee motivation. A study on Elite Contractors Private Limited aimed to examine the impact of welfare measures on employees' performance in the construction industry. Data was collected through a questionnaire, with a sample size of 119 . Data analysis techniques included sample t-test, one-way ANOVA, correlation, and multiple regression. The study found no significant difference in employees' experiences about welfare measures at Elite Contractors Private Ltd. The independent sample T-Test showed no significant difference between married and unmarried employees. A 0.532 correlation coefficient indicated a positive association between social welfare policies and work satisfaction. It also shows that an increase in occupational welfare, statutory welfare, and non-statutory welfare can significantly increase employee loyalty.


## INTRODUCTION

Welfare refers to actions taken by employers to improve workers' well-being and standard of living. In India, $90 \%$ of workers in unorganized or informal industries, such as agriculture and construction, are denied their rights, while only $10 \%$ of workers in the official sector receive social benefits. The government aims to provide social security, salaries, and employment opportunities to all workers, including those in the unorganized sector. Welfare benefits provide comfort and improvements that go beyond pay, preserving staff morale, increasing output, and retaining them for extended periods. The construction sector, which is dangerous and requires manual labor, requires good welfare measures to maintain workers' health and efficiency. Welfare amenities, such as clean drinking water, showers, laundry rooms, restrooms, rest areas, shelters, kitchens, makeshift housing structures, and transportation, are different for construction workers compared to professional laborers. Welfare measures frequently incorporate safeguards for the health and safety of employees.

Examples include offering a secure workplace, easy access to healthcare, wellness initiatives, and ergonomic workspaces. Not only does ensuring the well-being of employees help them individually, but it also lowers absenteeism and healthcare expenses for the company.

## DEFINITIONS

- E.A. Goffman: Goffman views employee welfare as "a comprehensive term covering all activities and services provided to employees for their physical, psychological, and social well-being."
- Dale Yoder: Yoder describes employee welfare as "the concern of management for the well-being of employees in all aspects of their lives, both on and off the job."
- Michael J. Jucius: Jucius describes employee welfare as "a composite of benefits which employers provide to employees for their betterment."


## INDUSTRY PROFILE

India's construction industry, accounting for $8.2 \%$ of the GDP, contributes $\$ 131$ billion to the national GDP. With over 500 companies, it employs 49.5 million people and enhances productivity and quality of life. Governments implement financial and economic policies to achieve price stability, high employment, and sustainable growth, including trade, tax, and financial industry restrictions.

## OBJECTIVE OF THE STUDY

- Evaluate demographic profile and rank welfare measures.
- Study the difference between married and unmarried employees in welfare measures.
- Investigates the relationship between social welfare programs and job satisfaction.
- Understands significant differences in welfare facilities scores.
- Analyses perception differences in talent identification and retention dimensions.


## REVIEW OF LITERATURE

Girimurugan, Deepika, and Uma (2016) conducted a study on employee welfare at SAKTHI SUGARS LIMITED in Appak UDal. The study aimed to assess the utilization of welfare facilities by 50 employees. The results showed that welfare facilities are properly provided, but suggestions for improvement include improving medical and canteen facilities. The researchers believe Sakthi Sugars is one of the best organizations in providing welfare facilities, and they hope this study will be useful for future research and industry improvements.

A study by Chisum and Sampan (2017) highlights Zambia's construction industry's lack of adequate welfare facilities for workers, recommending contractors provide these facilities and regular site inspections to ensure compliance with safety and welfare legislation. Mayank Gupta, Abid Hasan, et al (2018) Low productivity in construction projects is a chronic issue, with factors related to site amenities and labor welfare measures not receiving enough attention. A study analyzing 151 responses found eight factors affecting productivity: health and medical provisions, site services, labor camp facilities, hygiene, leave and benefits, social welfare policies, remuneration, and accommodation facilities. Improper letters of intent and delays in land acquisition contribute to poor conditions. The study suggests further research and organizational efforts in developing countries like India.

The study by Kumar and Selvavinayagam (2019) investigates the impact of welfare, health, and safety initiatives on workers' loyalty in Chennai's construction sector. With 160 workers, the research found safety measures significantly influence commitment, and employees' perceptions of these measures varied. The study offers recommendations for management.

Alam, M. N., Hassan, Et al (2020) Bangladesh's garment workers have the lowest productivity compared to its rivals, including China, India, Pakistan, and Sri Lanka. This study examines the connections between welfare facilities, pay and benefits, employee motivation, and staff productivity. The research used a quantitative technique, explanatory research design, and a deductive approach. The findings suggest that improving staff productivity could help the Ready-Made Garment business compete internationally. Bindusha, H. C., \& Mani, M. (2021) The study aimed to analyze a company's health, safety, and welfare policies, focusing on employee satisfaction and well-being. With 152 participants, percentage and chi-square analysis were used to assess data, and recommendations were made based on the results.

Bhatia (2022) highlights the importance of employee well-being in organizational productivity. A study involving 200 workers from two Ujjain City banks, ICICI and HDFC, aimed to understand the advantages and disadvantages of welfare programs offered by these banks, including intramural social programs.

The study by Lee and Khor (2023) aimed to assess workers' satisfaction with welfare provision in construction sites in Klang Valley, Penang, and Kedah. A questionnaire was distributed to 120 respondents, with $53.33 \%$ responding. The results showed an overall satisfaction of $68.13 \%$, with occupational safety, health, and welfare being the most satisfied. The study recommends regular inspections and assessments by authorities to ensure welfare and amenities are up to standard and well-maintained, as providing welfare can increase productivity.

## METHODOLOGY

A descriptive research design was used for this investigation. While main data were obtained using surveys (Google Forms), secondary data were obtained from books, journals, and the Internet. The term "sample size" refers to the total number of objects that need to be chosen from the population in order to form a sample for analysis. The optimal sample size should be reached. After modifications, the data were coded, categorized, and tabulated. The nonprobability sampling strategy was employed by the researcher. A sample size of 119 is employed for the study.

## DATA ANALYSIS AND INTERPRETATION

Pilot study- A pilot study is a preliminary evaluation of feasibility, time, cost, adverse events, and effect size, conducted with 12 respondents to predict sample size and improve design.

## INDEPENDENT SAMPLE T-TEST

Null Hypothesis (H0): There is no significant difference between Married and Unmarried Employees about welfare measures at Elite Contractors Pvt Ltd.

Alternate hypothesis (H1): There is a significant difference between Married and Unmarried Employees about welfare measures at Elite Contractors Pvt Ltd.

| Variables | Mean Rank |  | Std. Devation |  | F | Sig |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Married | Unmarried | Married | Unmarried |  |  |
| Statutory Welfare | 20.02 | 20.56 | 2.438 | 3.281 | 2.006 | 0.159 |
| Non-Statutory Welfare | 19.88 | 20.40 | 2.158 | 2.809 | 1.265 | 0.263 |
| Emotional welfare | 19.64 | 20.19 | 3.018 | 3.136 | 0.322 | 0.571 |
| Financial welfare | 19.89 | 20.52 | 2.410 | 2.799 | 0.035 | 0.853 |
| Occupational welfare | 19.93 | 20.68 | 2.795 | 2.626 | 0.989 | 0.322 |
| Job satisfaction | 19.71 | 20.86 | 2.180 | 2.086 | 0.146 | 0.703 |
| Employee loyalty | 20.16 | 20.57 | 2.139 | 2.638 | 0.241 | 0.625 |
| Social welfare | 19.48 | 20.33 | 1.779 | 2.874 | 3.747 | 0.055 |

## INFERENCE

At a significance level of $5 \%$, the Null Hypothesis is accepted since the p-value is higher than 0.05 . Therefore, when it comes to welfare programs at Elite Contractors Private Ltd., there are no appreciable differences between married and single employees.

## ONE-WAY ANOVA TEST

Null Hypothesis (H0): There is no significant difference among the experience of the employees regarding welfare measures at Elite Contractors Pvt Ltd.
Alternate Hypothesis (H1): There is a significant difference among the experience of the employees about welfare measures at Elite Contractors Pvt Ltd.

| Factors |  | Sum of Squares | df | Mean Square | F | . Sig |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Statutory Welfare | Between Groups | 94.726 | 3 | 31.575 | 3.997 | . 950 |
|  | Within Groups | 908.384 | 115 | 7.899 |  |  |
|  | Total | 1003.109 | 118 |  |  |  |
| Non-Statutory Welfare | Between Groups | 32.870 | 3 | 10.957 | 1.749 | . 161 |
|  | Within Groups | 720.408 | 115 | 6.264 |  |  |
|  | Total | 753.277 | 118 |  |  |  |
| Emotional welfare | Between Groups | 36.259 | 3 | 12.086 | 1.283 | . 284 |
|  | Within Groups | 1083.203 | 115 | 9.419 |  |  |
|  | Total | 1119.462 | 118 |  |  |  |
| Financial welfare | Between Groups | 27.107 | 3 | 9.036 | 1.316 | . 273 |


|  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Within Groups | 789.767 | 115 | 6.868 |  |  |
|  | Total | 816.874 | 118 |  |  |  |
| Social welfare | Between Groups | 85.526 | 3 | 28.509 | 5.271 | . 902 |
|  | Within Groups | 621.936 | 115 | 5.408 |  |  |
|  | Total | 707.462 | 118 |  |  |  |
|  | Between Groups | 38.740 | 3 | 12.913 | 1.777 | . 155 |
| Occupational welfare | Within Groups | 835.479 | 115 | 7.265 |  |  |
|  | Total | 874.218 | 118 |  |  |  |
|  | Between Groups | 142.586 | 3 | 47.529 | 12.792 | . 784 |
| Job satisfaction | Within Groups | 427.280 | 115 | 3.715 |  |  |
|  | Total | 569.866 | 118 |  |  |  |
|  | Between Groups | 88.703 | 3 | 29.568 | 5.674 | . 987 |
| Employee loyalty | Within Groups | 599.280 | 115 | 5.211 |  |  |
|  | Total | 687.983 | 118 | 31.575 |  |  |

## INFERENCE

At the $5 \%$ level of significance, the null hypothesis is accepted since the $P$ value is larger than 0.05 . Thus, it can be said that there are no appreciable differences in the employees' experiences with welfare programs at Elite Contractors Private Ltd.

## CORRELATION ANALYSIS

Null Hypothesis (H0): There is no relationship between social welfare measures and job satisfaction of the employees at Elite Contractors Pvt Ltd.
The alternate hypothesis (H1): There is a relationship between social welfare measures and job satisfaction of the employees at Elite Contractors Pvt Ltd.

|  |  | Statutory <br> Welfare | Non- <br> Statutory <br> Welfare | Emotional welfare | Financial welfare | Social welfare | Occupational welfare | Job satisfaction |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Statutory <br> Welfare | Pearson <br> Correlation | 1 | . 575 | . 525 | . 483 | . 598 | . 553 | . 454 |
|  | Sig. (2-tailed) |  | . 000 | . 000 | . 000 | . 000 | . 000 | . 000 |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Non- <br> Statutory <br> Welfare | Pearson <br> Correlation | . 575 | 1 | . 585 | . 456 | . 656 | . 576 | . 307 |
|  | Sig. (2-tailed) | . 000 |  | . 000 | . 000 | . 000 | . 000 | . 001 |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Emotional welfare | Pearson <br> Correlation | . 525 | . 585 | 1 | . 682 | . 603 | . 518 | . 373 |
|  | Sig. (2-tailed) | . 000 | . 000 |  | . 000 | . 000 | . 000 | . 000 |


|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Financial welfare | Pearson <br> Correlation | . 483 | . 456 | . 682 | 1 | . 665 | . 568 | . 380 |
|  | Sig. (2-tailed) | . 000 | . 000 | . 000 |  | . 000 | . 000 | . 000 |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Social welfare | Pearson <br> Correlation | . 598 | . 656 | . 603 | . 665 | 1 | . 734 | . 532 |
|  | Sig. (2-tailed) | . 000 | . 000 | . 000 | . 000 |  | . 000 | . 000 |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Occupationa <br> 1 welfare | Pearson <br> Correlation | . 553 | . 576 | . 518 | . 568 | . 734 | 1 | . 426 |
|  | Sig. (2-tailed) | . 000 | . 000 | . 000 | . 000 | . 000 |  | . 000 |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |
| Job satisfaction | Pearson <br> Correlation | . 454 | . 307 | . 373 | . 380 | . 532 | . 426 | 1 |
|  | Sig. (2-tailed) | . 000 | . 001 | . 000 | . 000 | . 000 | . 000 |  |
|  | N | 119 | 119 | 119 | 119 | 119 | 119 | 119 |

## INFERENCE

The correlation between social welfare indices and work satisfaction, as measured by the Pearson correlation coefficient, is 0.532 , indicating a 28.30 positive association at the $1 \%$ significant level. Furthermore, at the $5 \%$ level of significance, the null hypothesis is rejected since the critical value is smaller than 0.05 . As a result, it was determined that there was a connection between social welfare programs and employees' job satisfaction at Elite Contractors Private Ltd.

## FINDINGS OF THE STUDY:

- From the Reliability analysis it is used to measure the degree of consistency among multiple measurements of variables. Cronbach's alpha and composite reliability were used to measure the internal reliability of the measurement models. The suggested Cronbach's reliability coefficients of all variables are more than 0.70 The research questionnaire was pre-tested with 12 from the Elite Contractors Private Ltd in Chennai.
- From the one-way ANOVA the P value is greater than 0.05 , The Null hypothesis is accepted at a $5 \%$ level of significance. Therefore, it is concluded that there is no significant difference in the experience of the employees about welfare measures at Elite Contractors Private Ltd.
- From the Independent Sample T-Test the p-value is greater than 0.05 . There is no significant difference between Married and Unmarried Employees about welfare measures at Elite Contractors Private Ltd.
- Social welfare and work satisfaction have a 0.532 correlation coefficient, indicating a 28.30 positive association at the $1 \%$ significant level. Additionally, at a $5 \%$ level of significance, the null hypothesis is rejected since the crucial value is smaller than 0.05 . Consequently, it was determined that there was a connection between social welfare policies and the contentment of workers at Elite Contractors Private Ltd.


## CONCLUSION

An extensive array of facilities, services, and resources provided to employees with the goal of ensuring their sustained well-being is referred to as employee welfare. This study shows that the welfare programmes provided by the construction firm have a direct effect on the work competency of the employees. It is necessary to provide appropriate welfare measures in order to influence employees and increase productivity and competence. Since it is within their legal right to know about the programmes that the company has set in place for them, the corporation must take steps to increase employee knowledge of the welfare programmes given. The research offers valuable insights on the workforce's welfare awareness, satisfaction levels, and demographic composition of Elite Contractor Private Limited. It highlights how crucial it is to deal with a variety of issues, such as employee engagement,
income distribution, welfare programmes, and ethnic diversity, in order to increase overall organisational effectiveness. recognising and resolving the diverse needs of the labour force while accounting for variables such as age, gender, marital status, and level of education. Enhancing statutory and nonstatutory welfare programmes to promote employee well-being and job satisfaction.

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## REFERRED WEBSITES

https://elconchennai.comhttp://www.mordorintelligence.comhttp://www.researchgate.net
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