

# Employee Welfare Measures In Auto Sector: Evidence From Select Districts Of Madhya Pradesh

Thakur Roopal Singh<sup>1</sup>, Dr. Neetu Vjypai<sup>2</sup>

<sup>1</sup>Research Scholar, Management, Barkatullah University, Bhopal

<sup>2</sup>Principal, Sam Girls College, Bhopal.

---

## ABSTRACT

The goal of employee welfare is to make workplaces better for workers. "Everything done for an employee's comfort and betterment, whether intellectual or social, over and above the pay supplied and not required by industry" is the definition of employee welfare. Businesses provide wellness amenities to sustain high levels of employee motivation. Employee welfare programmes come in two varieties: statutory and non-statutory welfare programmes. The mandatory programmes are those that a business must provide in order to adhere to the rules governing the health and safety of its employees. Organizations and industries have different non-statutory programmes from one another. Employee welfare's primary goal is to improve employees' lives and keep them content and happy. Employers' generosity, wisdom, and altruistic sentiments lead to non-statutory benefits. It is one of several means by which individuals might feel cared for, informed, and involved. Making sure that leaders and workers at all organisational levels are in line with and exemplify the company's culture is equally crucial.

**Keywords:** Auto sector, Welfare measures, non – statutory, Employee's satisfaction, Statutory

---

Date of Submission: 06-05-2023

Date of Acceptance: 16-05-2023

---

## I. INTRODUCTION

Every industry is working hard to reclaim first place in the country in the current global industrial environment. It is crucial to instill in every employee of a business an awareness of welfare activities both inside and outside the workplace, as well as effective welfare provision procedures. Many businesses have consistently worked to improve the welfare systems in the organization in a positive & effective manner. This has been identified as a primary focus area from the outset. Numerous government organizations have acknowledged and praised these initiatives.

India's vast and plentiful human resources are its biggest asset. A nation or organization's prosperity depends on how well its human resources are developed and used because a motivated workforce can produce all other resources. Human resources' actions are ultimately what determine an organization's success, growth, and transformation.

A firm's productivity, level of service, reputation, and the survival of its human resources are all significantly influenced by the quality of its human resources, as well as by their enthusiasm, commitment, and level of job satisfaction. Another important factor is how satisfied they are with how they are treated. Personnel management comes before human resource management, and traditional management of labor relations is insufficient to tap into the enormous untapped human potential within the firm (Carvel,1973). The expansion of industry and recent improvements in management have created a fresh possibility for employees to be considered as assets. It is evident that companies continuously work to meet their needs and anticipate their performance in order to increase the productivity of the workforce and achieve the predetermined organizational objectives.

One of the major engines of employment and industrial growth in India is the automobile industry, which will continue to expand in significance over the next few years. The provision and upkeep of people's living circumstances by the community is known as welfare. Employee wellbeing is flexible and elastic and varies significantly with time and space, as well as with area, industry, societal values and practices, the degree of industrialization, the general social-economic growth of the populace, and the political ideology in effect at a given moment. The age groups, sociocultural backgrounds, and educational levels of workers in different businesses are also taken into consideration when shaping it. Industrial success depends on a happy workforce; thus, it has long been understood how important labor welfare measures are. The Royal Commission on Labor emphasized the need for labor welfare back in 1931, partly due to the harsh treatment that employees were receiving at the time. The 1950 Constitution of Independent India, which establishes the following clauses in this regard (Article 42: "The state shall make provision for securing just and humane conditions of work.....") served to further underline this requirement.

Article 43: The state shall work to provide employment, a living wage, working conditions that ensure decent standards of living and full employment of leisure time as well as social and cultural opportunities to all workers, whether they are employed in the agricultural, industrial, or other sectors of the economy. In particular, the state shall work to promote cottage industries on an individual or cooperative basis in rural areas. It is crucial for the organization's healthy development.

Article 43 A: The state must take action by passing appropriate legislation or in any other means to ensure that workers are involved in the growth of businesses, institutions, or other organizations that are active in the industrial sector.

The goal of closing the gap between the "haves" and the "have nots" is a key component of the labor welfare ideology. The dehumanizing conditions that are pervasive in contemporary cultures constitute a serious danger to all spheres of life, particularly the working class (Vijay,1994).

The idea of "Labor Welfare" is elastic and adaptable, and it varies greatly depending on the age, area, industry, nation, social values, and customs, level of industrialization, overall social and economic growth of the populace, and political ideologies that are in vogue at a given time. The phrase was defined as "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 that contribute to conditions under which workers are employed," by the Committee on Labor Welfare in 1969.

In order to alleviate the suffering of the working class, the idea of labor welfare first emerged. Later, it evolved into a utilitarian ideology that served to encourage labor and interest in it (Vijay,1994). The improvement of the standard of living for the concerned workers has been the overarching goal of the various welfare programmes since their inception. The main focus of such programmes was to assist the concerned workers in improving their quality of life through public health, sanitation, disease prevention, access to medical facilities, provision and improvement of water supply and washing facilities, access to utilize educational facilities such other facilities (Mehta,1985).

All initiatives taken by companies on behalf of their workers that go above and beyond the minimal requirements for working conditions set by the Factories Act and the social security laws protecting employees from accidents, old age, unemployment, and illness (Joshi, 1927). Housing, health care, education, nutrition, including the availability of canteen facilities for rest and recreation, cooperative societies, daycare centers, provision of sanitary housing, sickness and maternity benefit programmes, provident funds, gratuities, and pensions, among other things, are all considered to be part of labor welfare. As a result, the term "welfare" is both very encompassing and flexible (Labor Investigation Committee, 1946). The welfare installation in a particular industry or plant is, in general, some form of profit-sharing, pension, sickness benefits, paid vacations, lunch rooms, baths, wash rooms, gymnasias, club rooms, rest rooms, day nurseries, kindergartens, nursing, dental, and dispensary service, play grounds, gardens, camps, libraries, dancing, music, educational classes, and dramatic performances. Local circumstances, including managerial idiosyncrasy and fashion, influence this installation to a certain extent (Labor Investigation Committee, 1946).

#### **AUTO SECTOR:**

Poonam Salariya, Sumit Salariya,2013, quote that the head of New Holland Fiat India operations, New Holland Fiat India Pvt Ltd, a division of CNH Global NV, stated, "We have reached an important milestone. This accomplishment will motivate us to keep searching for ways to get better and move us forward in our quest to properly and safely meet our growth goals. A true industry leader, in our opinion, is one who prioritizes employee safety. The excellent safety record of New Holland Fiat India is evidence of the rigorous standards that have been established. All of our employees' engagement and the business' dedication to upholding the strictest international standards for quality and safety have made this possible. The entire organization's involvement, sound leadership, efficient coordination among all of the facility's divisions, and the commitment of the safety team who implemented a comprehensive safety programme all contributed to the achievement of the record-breaking milestone of five million hours. The plant's participation in CNH's World Class Manufacturing initiative is a key contributor to the high level of safety that is maintained there. It was introduced in 2009 and actively involves all staff members in reducing risks at work through the use of well-defined KPIs, frequent audits,

Honda thinks that everyone who interacts with, or works for, our company—directly or through our products—should feel joy from the experience. The "Three Joys," as we refer to them, are an expression of this sensation. Our mission is to spread happiness through our business. The Pleasure of Purchasing: For Customers of Our Products the Joy of Selling: Promote our goods and services for sale. The Pleasure of Making: Participating in the Business of Making Our Products.

The Yamaha Motor group continues to provide Kando and a fulfilling life and we believe that practicing the safety and lives of the employees that support our business activities represent the very foundation of our corporate operation based on this fundamental belief we continue to promote the creation of an environment that

enable to work in safety and health. Supporting the emotional and physical health of employees. Creating a workplace where people respect each other.

#### **WELFARE FACILITIES AVAILABLE IN AUTO SECTORS:**

Welfare services can be broadly divided into two categories: intramural activities that are provided inside the establishment, such as restrooms, urinals, crèches, rest areas, canteens, uniforms, libraries, medical aid, subsidized food, shift allowances, etc.; and extramural activities that are provided outside the establishment, such as family planning, child welfare, cooperative stores, credit societies, vacation houses, leave travel facilities, transportation to and from the place of employment, etc. Extracurricular activities are those that take place outside of the establishment.

Labor welfare work may also be divided into two categories: statutory and non-statutory. Voluntary welfare work includes those activities which are undertaken by employers for their workers voluntarily. Many employers, nowadays, offer the following amenities voluntarily: Providing health maintenance services, emergency care, on the job treatment care for minor complaints, health counseling, and medical supervision in rehabilitation, accidents and sickness prevention, health education programmers, medical benefits are extended to employee family members. They provide the facility of reimbursement of medical expenses borne by the employees.

#### **WELFARE AND RECREATIONAL FACILITIES**

The following are examples of welfare and recreational benefits: canteens; loans; employee counselling; vacation houses; transportation; parties and picnics; and other. Canteens: Some organizations are required by law to provide these facilities. For example, section 46 of the 1948 Factory Act requires employers of factories with more than 250 employees to furnish canteens. Such amenities have been offered voluntarily by others. In these canteens, food is provided at discounted rates.

**Loans:** Some businesses offer loans to their staff directly.

**Employee counselling:** Businesses offer their staff members' professional counselling services for their personal issues. Counseling for employees lowers absenteeism, turnover, tardiness, etc.

**Holiday homes:** With affordable lodging costs, huge organizations-built holiday homes in a number of hill stations, health resorts, and other locations.

Due to the fact that most factories are located outside of towns and not all employees may have access to residential facilities, many large organizations or corporations offer **transportation services** to employees to bring them from their place of residence to the site of work and back.

Companies provide employees the opportunity to attend parties and picnics in an effort to foster a sense of community, belonging, openness, and independence. Employees can better comprehend others thanks to these activities.

Other: Organizations offer additional perks including planning competitions, sports with prizes, establishing clubs, Diwali, Holi, and presents. Gifts for birthdays and anniversaries. Awards for performance or productivity, etc.

#### **NEED OF THE STUDY**

During author's study and dissertation period of Ph.D. some needs were recognized, e.g. welfare schemes for employee satisfaction was realized to measure. Moreover, it was felt necessary to find whether employee's welfare helps in providing good industrial relations along with finding out the facilities entitled by auto sector companies.

#### **OBJECTIVES OF THE STUDY**

**Primary objectives:** To study the employees welfare measures for auto sector companies in Bhopal.

#### **Secondary objectives**

To identify the various welfare measures provided to the employees.

To know their satisfaction towards the welfare measures.

To know awareness about the concept of "employee welfare".

## II. RESEARCH METHODOLOGY

The manipulation of things, concepts or symbols for the purpose of generalizing to extend, correct or verify knowledge, whether that knowledge aids in construction of theory or in the practice of an art.

**Population.** Auto companies in Bhopal, Indore, Pithampur.

**Sampling.** The study is based on random sampling. I have selected four auto companies randomly i.e. Piaggio Vehicles Pvt Ltd. (Indore); Force Motors, Dhar (Pithampur); Chetak auto Engineering Products Co Pvt. Ltd., Indore, Hero Motor Corp Ltd. (Bhopal). 40 employees from each company have been interrogated. Therefore, 160 is the sample for study. (30% are supposed to belong the managerial category). During my study, I interacted with select technical employees in different capacities, e.g. Manager-Service (after sales), Manager (Body & Paint), Engineers/Floor supervisor & controller, Repair Technicians, Service advisor, Part Managers as sample frame.

**Research Design -:** A research design is the arrangement of conditions for collection and analysis of data. Regarding this study, descriptive research design concern with describing the perception of each individual or narrating factors on welfare measures. The major purpose of descriptive research is description of the state of affairs as it exists at present.

### Data collection

Primary data – The primary data was collected from the respondents i.e. employees

Secondary data- The secondary data was collected from the past records and websites.

**Research instrument:** Questionnaire based on Likert Scale (5- point)

**Types of questions** Close ended question is of two types they are as follows.

Dichotomous questions – This type has only two answers in the form of “yes” or “no”.

Multiple-choice question- in this case the respondents are offered two or more choice

**Statistical tools** applied: Percentage analysis, Mean Score, Chi Square Test

### Hypothesis:

H<sub>0</sub>: There is no discernible difference between employees’ perception and performance-based satisfaction on welfare programmes in Auto sector in MP.

H<sub>a</sub>: Welfare measures in Auto sector in MP are very significant for Employees’ perception and performance-based satisfaction.

## DATA ANALYSIS AND INTERPRETATION

Scale of satisfaction has been assumed as:

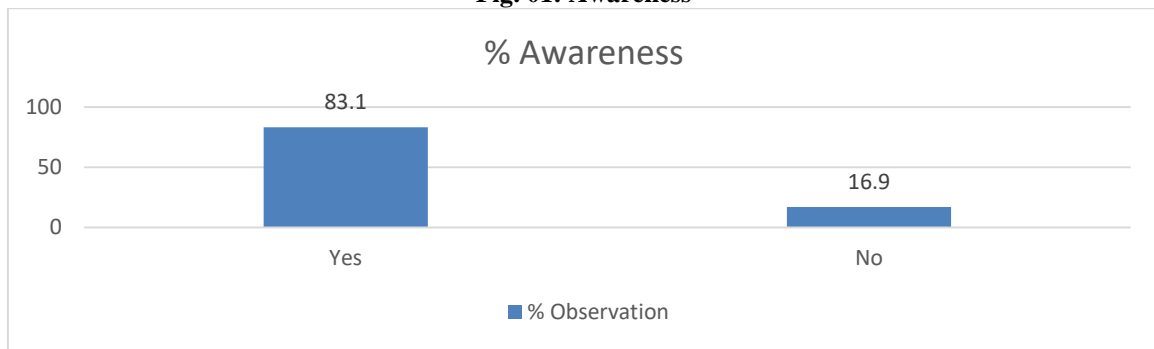
Respondent’s opinion & Range %age				
V.M. Satisfied	Satisfied	Average	Dissatisfied	Can not say
80 & above	70 & above	60 & above	50 & above	Less than 50

**Table 01: Did you know about the employee welfare measure?**

Opinions	Yes (1)	No (2)	Total	Mean Score (MS)	Median	SD
Observations	133	27	160	80	80	74.95
%	83.1	16.9	100			

Source: Excel 16, Researcher’s field calculation

Fig. 01: Awareness



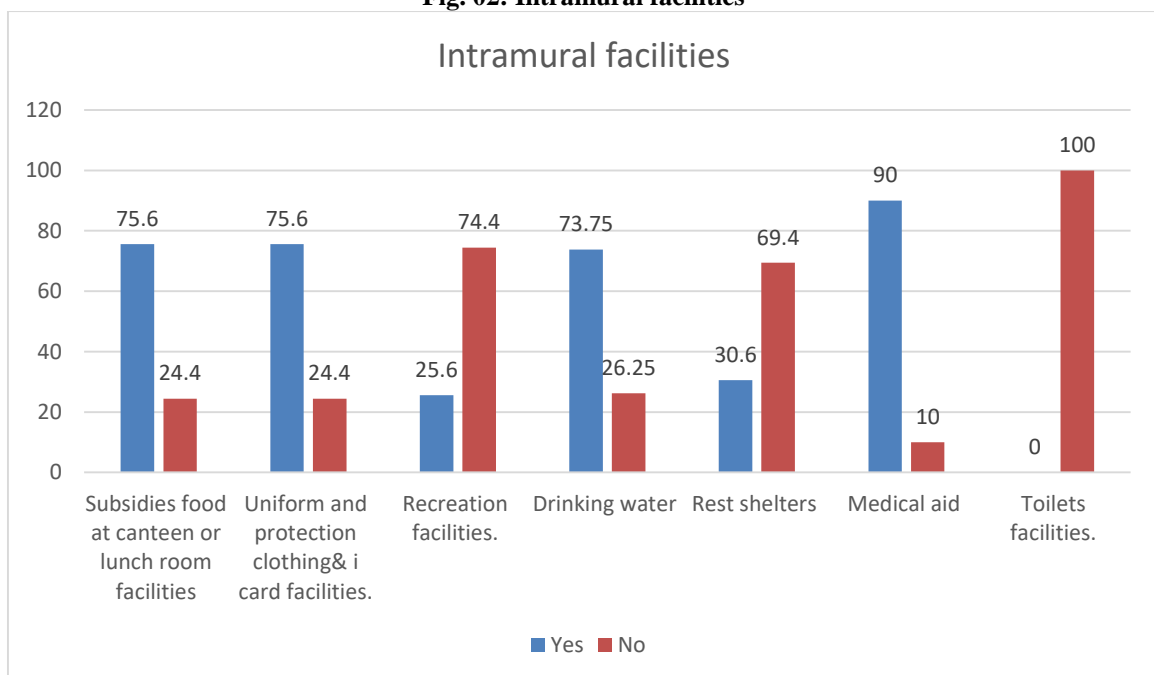
**Discussion:** The above chart gives very clear picture of the awareness level of the employees in the auto sector. 83.1% employees are known about the welfare facilities and 16.9% employees are unknown about the employee welfare facilities.

Table 02: Which are the intramural welfare facilities are you getting?

SN	Options	No. of Respondents.	%	No. of Respondents	%	Total
		YES		NO		
1	Subsidies food at canteen or lunch room facilities	121	75.6	39	24.4	160
2	Uniform and protection clothing& I- card facilities.	121	75.6	39	24.4	160
3	Recreation facilities.	41	25.6	119	74.4	160
4	Drinking water	118	73.75	42	26.25	160
5	Rest shelters	49	30.6	111	69.4	160
6	Medical aid	144	90.0	16	10.0	160
7	Toilets facilities.	0	0.0	160	100.0	160

Source: Excel 16, Researcher's field calculation

Fig. 02: Intramural facilities



**Discussion:** The uniform, protective equipment, and I card facilities are provided to the 75.6% of employees who receive subsidies for eating at canteen or lunchroom facilities. In the auto industry, 24.4% of workers do not have access to subsidized meals at canteen or lunchroom facilities, as well as uniform, protective gear, and I card facilities. Recreational facilities are provided to only 25.6% of employees, while the other 74.4% are not. 73.75%

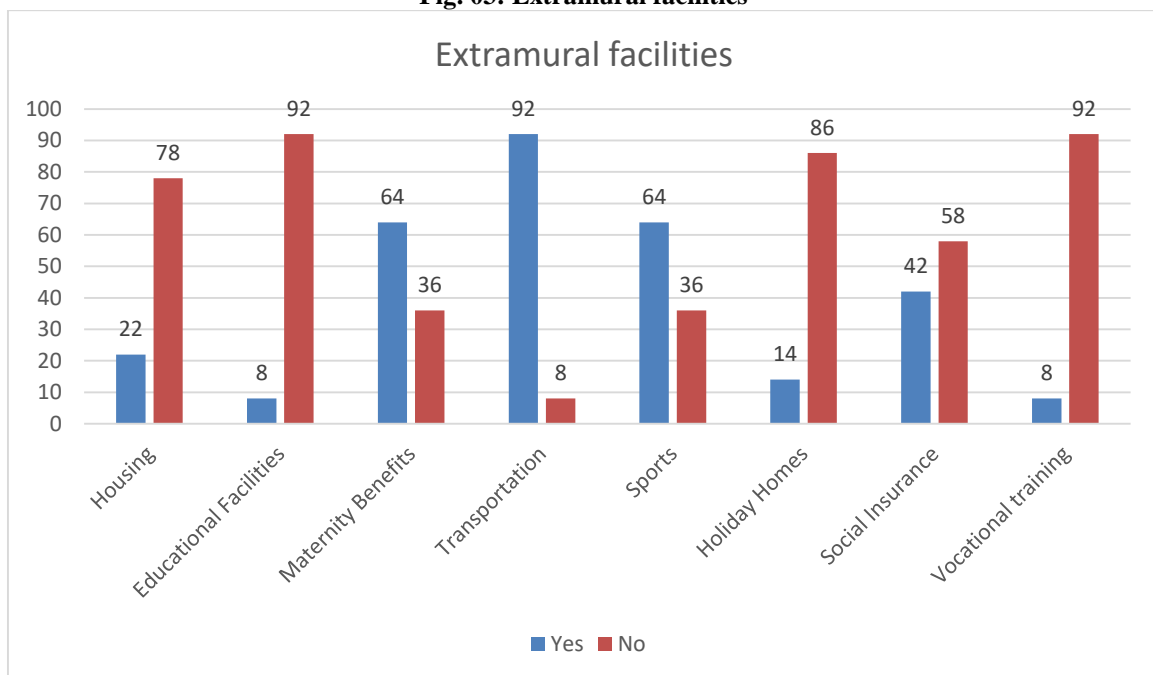
of employees have access to restrooms and drinking water, while 26.25% do not. 30.6% of employees have access to rest areas. 69.4% of workers do not get. 90% of employees receive medical assistance, whereas 8% do not.

**Table 03: Which are the Extramural welfare facilities are you getting?**

SN	Options	No. of Respondents.		%	No. of Respondents		Total
		YES			NO		
1	Housing	35	22	125	78	160	
2	Educational Facilities	13	8	147	92	160	
3	Maternity Benefits	102	64	58	36	160	
4	Transportation	147	92	13	8	160	
5	Sports	102	64	58	36	160	
6	Holiday Homes	22	14	138	86	160	
7	Social Insurance	67	42	93	58	160	
8	Vocational training	13	8	147	92	160	

Source: Excel 16, Researcher's field calculation

**Fig. 03: Extramural facilities**



**Discussion:** 78% of employees do not have access to housing, compared to 22% who do. 8% of employees have access to educational resources 92% do not receive. 64% have access to sports facilities and maternity benefits. 36% of employees do not have access to these amenities. Transportation facilities are provided to 92% of employees, while only 8% are not provided. 86% of employees do not receive vacation homes, compared to 14% of employees who do. 52% of auto industry employees do not receive social insurance, compared to 42% who do. 8% of employees receive vocational training, whereas 92% do not.

**Table.04: Position (employee grade) wise demographic analysis on affecting work condition & safety measures causing satisfaction with welfare schemes**

(Question were administered on 48 Managers and 112 rest others)

Welfare Facilities & Cultural Gestures at select Automobile Companies											
SN	Employee Grade	Opinion of Respondents (Intra-/Extra Mural Welfare Scheme Activities)									
		Very Much Satisfied	Satisfied	Average	Dissatisfied	Can not Say	Total	Mean score	% Score	(Impact) Ref: T.1.6.9.	CHI SQUARE value
		(VMS)	(SAT)	(AVG)	(DS)	(CNS)					
		(5)	(4)	(3)	(2)	(1)					
1	Manager-Service (after sales)	4	9	2	2	0	17	3.82	70.59	Sat	
2	Manager (Body & Paint)	7	11	9	4	0	31	3.65	66.13	Avg	
3	Engineers/Floor supervisor & controller	6	13	7	3	0	29	3.72	68.10	Avg	
4	Repair Technician	4	9	9	4	0	26	3.10	52.59	DS	
5	Service advisor	8	9	9	4	0	30	3.67	66.67	Avg	
6	Part Managers	8	7	8	4	0	27	3.67	66.67	Avg	
	<b>Total</b>	37	58	44	21	0	160	3.69	67.19		
Average								4.22	76.32	<b>SAT</b>	0.071

Source: Excel 16, Researcher's field calculation

**Discussion:** (A) Mean score of the total sample is 76.32, i.e. satisfactory. Categorically, project managers are better satisfied than software developers. Their average satisfaction level is 68.36, i.e. average level of satisfaction on welfare measures. Non-managerial employees have 63.51, i.e. average satisfaction level.

(B) **Hypothesis Test: Chi square applied** on the responses: Ref. Table. 04

df:20; p-value: 0.99644564 ( $p > 0.05$ )

Chi square: 0.071

Here, p-value that is higher than significance level, indicates there is sufficient evidence to conclude that the observed distribution is same as the expected distribution. I can conclude that a relationship exists between the categorical variables.

Since p-value is less than  $\alpha$ ,  $H_0$  is rejected. The statistical model does not fit the observations.

**Table 05: Are you satisfied with the working condition provided by the company?**

S N	Options	Satisfied	%	Average	%	Dissatisfied	%	Can't Say	%	Chi Square
1	working condition	102	64	35	22	23	14	0	0	143.95
2	work timings	90	56	57	36	13	8	0	0	127.95
3	Canteen facility	137	86	13	8	10	6	0	0	315.95
4	Transport facility	80	50	48	30	10	6	22	14	72.2
5	Medical facility	64	40	90	56	6	4	0	0	145.8
6	Adequate importance safety measure at the work place	122	76	32	20	6	4	0	0	238.6
7	Perception on the total welfare amenities	64	40	90	56	6	4	0	0	145.8

Source: Excel 16, Researcher's field calculation

**Hypothesis Test: Chi square applied**

$H_0$ : There is no discernible difference between employees' perception and performance-based satisfaction on welfare programmes in Auto sector in MP

Ref. Table. 05: Since p-value is less than  $\alpha$ ,  $H_0$  is rejected. The statistical model does not fit the observations.

**Remark:** Perception and performance-based satisfaction w.r.t. working condition in the organizations, is similar among employees irrespective of category of employees.

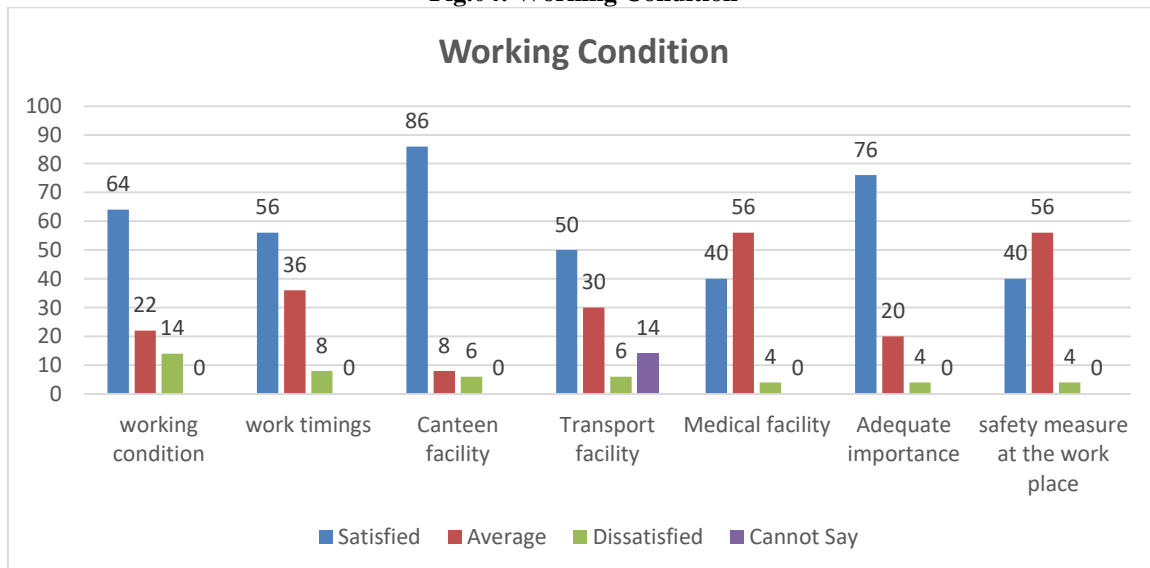
**Table.06: Data Orientation:**

Ref: table 04	Satisfied	Average	Dissatisfied	Cannot Say
Mean	84.28571429	48.85714286	8.285714	3.142857
Standard Error	13.72816758	12.41433229	1.040016	3.142857
Median	80	48	7	0
Mode	64	90	6	0
Standard Deviation	36.32131737	32.84523594	2.751623	8.315218
Sample Variance	1319.238095	1078.809524	7.571429	69.14286
Kurtosis	-0.530222477	-1.580509532	-0.54973	7
Skewness	0.239073202	0.229838964	0.861241	2.645751
Range	106	79	7	22
Minimum	32	11	6	0
Maximum	138	90	13	22
Sum	590	342	58	22
Count	7	7	7	7

Source: Excel 16

**Discussion:** The standard deviation shows whether a data point is above or below the mean. Except for one observation that clearly reveals non-normality, data is extremely skewed (between -1 and +1). Positive values in EXCEL represent a leptokurtic distribution, while zero represents perfect tailedness. Any given mean is more likely to be an inaccurate depiction of the genuine population mean as the standard error rises, or as the means grow more dispersed.

**Fig.04: Working Condition**



### III. FINDINGS AND CONCLUSION

The above discussion has been yielding the following information about intra-/extra mural benefits in all select automobile companies:

**Table.04:** Employee grade wise demographic analysis on affecting work condition & safety measures causing satisfaction with welfare schemes: Welfare measures in Auto sector in MP are very significant for Employees' perception and performance-based satisfaction

**Table 05:** Satisfaction with the working condition provided by the company: Perception and performance-based satisfaction w.r.t. working condition in the organizations, is similar among employees irrespective of category of employees.



In order to maintain high levels of employee motivation, the auto industry provides its workers with welfare amenities. The two broad categories of welfare services are (1) intramural activities and (2) extramural activities. Most businesses today offer voluntary welfare and recreational benefits to their employees. The welfare measures offered to the employees, as well as employee satisfaction and welfare awareness, have all been evaluated in this study. The intramural welfare measures are very well-liked by car industry workers, while the extramural welfare measures are disliked by just a small number of them. Fewer employees are dissatisfied with their perception of the overall welfare measures (there is a difference of opinion among employees on welfare measures). In short, it is understood that welfare measures in Auto sector in MP are very significant for Employees' perception and performance-based satisfaction.

**LIMITATION of study.** The information is collected by 160 employees only. The study is limited only Madhya Pradesh. A small size of population has delivered a result, may not be the similar, if the population and so the sample is too large.

**SCOPE of the study.** Employee's welfare is an essential part of social welfare. Employee's welfare is to improve the working class. The similar study can be done with the ancillary units of automobile companies too. The results may develop insight for further study and draw a roadmap to structure HR welfare strategy for similar size companies. The varieties of variables may be attempted to establish correlation and cause-n-effect amongst factors to understand the effect of welfare schemes in the companies.

### REFERENCE

- [1]. Rao V S P. 2007. Human Resource Management Text and Cases. Excel Books.
- [2]. Kothari C.R. 2005. Research Methodology, Methods and Techniques. New age international publisher.
- [3]. <http://www.newhollandindia.co.in/pressroom.aspx>.
- [4]. <http://www.hondacarindia.com/about/vision.aspx>
- [5]. <http://www.yamaha-motor.co>
- [6]. <http://www.buisness-beacon.com>
- [7]. <http://www.fundoodata.com/companies-detail/JCB-India-Ltd/47375.html>