

# Impact of Welfare Measures on Job Satisfaction of Employees in the Industrial Sector of Northern India<sup>1</sup>

SAPNA\*  
KHEM CHAND\*\*  
RAJESH TIWARI\*\*\*  
KOMAL BHARDWAJ\*\*\*\*

---

---

## Abstract

This study explores the dynamics between job satisfaction and welfare measures in industrial sector. Northern region of India is selected for the study. Delhi National Capital Region, Punjab and Haryana states were considered. Data was collected through questionnaire. Response of 750 middle level of employees was subjected to confirmatory factor analysis which extracted four constructs [Minimum Wages Act (1948), Industrial Disputes Act (1947), Payment of Wages Act (1936) and Factories Act (1948)] of study are defined by 21 items while the five constructs of Job satisfaction i.e. Pay & Promotion, Benefits & Recognition, General Working Conditions, Work Relationships, Skills & Work Abilities included 19 items. Data was analysed using structural equation modeling (SEM). The study found welfare measures significantly impacts job satisfaction.

---

---

**JEL Code :** M10, M10, M12,, M54, M52

**Keywords :** Welfare; Employees; Job Satisfaction; Industry; Human Resource; India

## I. Introduction

HUMAN RESOURCE IS an important asset for the industries whose combined efforts are used to accomplish the objectives effectively and efficiently. Employees require some welfare facilities and proper amenities in an effective manner in the organization by which overall profitability and productivity can be improved. The word “welfare” comes from the

1 Presented at IIF International Research Conference & Award Summit (November-December, 2021)

\* Assistant Professor, Maharshi Dayanand University, Institute of Management Studies and Research, Rohtak, Haryana 124001, INDIA.

\*\* Associate Professor, Raffles University, Alabbar School of Management, Japanese Zone, NH8, Neemrana, Rajasthan, INDIA.

\*\*\* Professor, Graphic Era (Deemed to be University), Department of Management Studies, Bell Road, Clement Town, Dehradun, Uttarakhand 248002, INDIA.

\*\*\*\* Assistant Professor, Maharshi Markandeshwar (Deemed-to-be University), Maharshi Markandeshwar Institute of Management, Ambala-Yamuna Nagar Highway, Mullana-Ambala, Haryana 133207, INDIA.

*Submitted November 2021; Accepted November 2022*

### 5.2. Suggestions

Welfare measures contribute a major part in job satisfaction. Welfare initiatives can enhance the job satisfaction. Minimum contribution is done by Industrial Disputes Act in the employee welfare measures. Hence, the facilities come under Industrial Disputes Act should be implemented in an effective manner. Pay and Promotion has minimum contribution in the workers. If provisions under Industrial Disputes Act are improved, then employee welfare measures will also be improved which leads an improvement in job satisfaction of workers. If salary of the employees is increased in a fair manner, then job satisfaction of workers can also be improved. Hence, organization should provide all the facilities whichever needed by the workers so that they will be satisfied to the provisions in the industry. Satisfied employee contributes in increasing the financial outcomes of the organization.

### 5.3. Limitations and direction for future

A few restrictions on the study should be taken into consideration while analysing the findings. All of the information was gathered from middle management staff. The results may not be generalized for lower level and top-level employees. It is suggested to include employees of different levels in future studies to compare the welfare measures and the impact on satisfaction across hierarchy. The study was focused on manufacturing units of Delhi National Capital Region (NCR). It represents north part of India. The cultural diversity may restrict the generalizability of findings for other parts of India which are culturally different from north India. It is recommended to conduct a study to compare welfare measures of manufacturing firms from different regions of India to evaluate the impact of regional culture on the welfare measure. The research design for the study is cross-sectional. It limits the inter-cause-and-effect relationships between the variables. In the future, it is advised to investigate the causality of variables using a longitudinal research approach.

## References

- Abad-Jorge, A. and M. F. Butcher, (2016), "Job Satisfaction and Professional Characteristics of Registered Dietitians", *Topics in Clinical Nutrition*, Vol. 31, No. 2, pp. 134-46.
- Anand, J., E. Gopi and J. V. V. Shankar, (2011), "The Effective Provisions of Welfare Measures for Employees in IT Sector and their impact on Higher Productivity and QWL", *International Journal of Research in IT, Management and Engineering*, Vol. 1, No. 4, pp. 122-131.
- Basu, C. K., (1966), "Incentives and Job Satisfaction", *Indian Journal of Industrial Relations*, Vol. 1, No. 3, pp. 289-305.
- Bhatt, D. J. (1998), "A study of Socio-personal Variables and Job Satisfaction of LIC employees", *Journal of the Indian Academy of Applied Psychology*, Vol. 24, No. 1-2, pp. 73-77.
- Bollen, K. A. and J. S. Long, (1993), "Testing Structural Equation Model", Sage Publications, California, USA

Darrough, M., H. Kim and E. Zur, (2019), "The Impact of Corporate Welfare Policy on Firm-Level Productivity: Evidence from Unemployment Insurance", *Journal of Business Ethics*, Vol. 159, No. 3, pp. 795-815.

Dokadia, A. and S. Palo, (2022), "Exploring Key HR Challenges in Managing a Multigenerational Indian Workforce", *NHRD Network Journal*, Vol. 15, No. 2, pp. 143-155.

Elsahoryi, N. A., A. Alathamneh, I. Mahmoud, and F. Hammad, (2021), "Association of salary and intention to Stay with the Job Satisfaction of the Dietitians in Jordan: A Cross-Sectional Study", *Health Policy OPEN*, Vol. 3, pp. 1-8.

Flammer, C. and J. Luo, (2017), "Corporate Social Responsibility as an Employee Governance Tool: Evidence from a Quasi-Experiment", *Strategic Management Journal*, Vol. 38, No. 2, pp. 163-183.

Hemalatha, K., M. S. Benita and D. Nageswara Rao, (2017), "A Study on Impact of Employee Welfare Facilities on Job Satisfaction", *International Journal of Advance Research and Innovative Ideas in Education*, Vol. 3, No. 5, pp. 822-826.

Ho, R., (2006), "*Handbook of Univariate and Multivariate Data Analysis and Interpretation with SPSS*", Chapman and Hall/CRC, New York, USA

Hoppock, R., (1935), "*Job Satisfaction*", Harper, New York, USA

Hu, L. T. and P. M. Bentler, (1999), "Cutoff Criteria for Fit Indexes in Covariance Structure Analysis: Conventional Criteria Versus New Alternatives", *Structural Equation Modeling*, Vol. 6, pp. 1-55.

Keerthi, S. A. and P. M. Krishna, (2014), "Status of Provisions of Factories Act, 1948- A study at Penna Cement Industries Limited (PCIL), Tadipatri", *Journal of Business and Management*, Vol. 16, No. 3, pp. 14-26.

Malhotra, S., Shruti and S. Sachdeva, (2001), "Work Behaviour and Job Satisfaction: A Study in Banking Industry", *Prestige Journal of Management and Research*, Vol. 5, No. 1, pp. 43-47.

Martin J. and M. Zaragoza, (2018), "*Job Satisfaction among Registered Dietitians in Various Settings in the United States*", Research Reports. 13, Loma Linda University

Maslow, A. H, (2019), "*A Theory of Human Motivation*", General Press, Delhi

Mayo, E., (1933), "*The Human Problems of an Industrial Civilization*", Routledge, London

Rajendran, R. and K. R. Kumar, (2012), "Labour Welfare Measures of Chemical Companies in Tamil Nadu-An Empirical Study", *Radix International Journal of Research in Social Science*, Vol. 1, No. 6, pp. 28-50.

Regi, S. B., R. G. S. Anthony and C. E. Franco, (2013), "A Study on the Satisfaction Level of various Employees towards Welfare Measure with references to Indian Overseas Bank", *International Journal of Advance Research in Computer Science and Management Studies*, Vol. 1, No. 7, pp. 136-141.

Shivalingappa, B. P., B. S. Sachin and C. Rajashekar, (2020), "Impact of Welfare Measures on Level of Job Satisfaction among Employees", *Jai Maa Saraswati Gyandayini*, Vol. 3, No. 4, pp. 218-222.

Satyanarayana, M. R. and R. J. Reddy, (2012), "Labour Welfare Measures in Cement Industries in India", *International Journal of Physical and Social Sciences*, Vol. 2, No. 7. pp. 257-264.

Singh, S., (2015), "Effectiveness of Employee Welfare in Maruti Suzuki in Varanasi Region", *Journal of Management Research and Analysis*, Vol. 2, No. 2, pp. 150-161.

Srivastava, S. K., (2004), "Impact of Labour Welfare on Employee Attitudes and Job Satisfaction", *Management and Labour Studies*, Vol. 29, No. 1, pp. 31-40.

Sudhamsetti, N. and K. Madhavi, (2017), "An impact of Welfare Measures on Level of Satisfaction of Employees", *International Journal for Research in Applied Science and Engineering Technology*, Vol. 5, No. 8, pp. 1486-1491.

Taylor, F., (2017), "The principles of Scientific Management" Productivity Press, New York, USA.

Veeramani, C. and P. Banerjee, (2022), "Exchange rate fluctuations, labour laws, and gender differences in job flows: Analysis of manufacturing industries across Indian states", *World Development*, Vol. 152.

### Annexure I

#### Study measures and loadings of measurement items and SEM (n=750)

| Study Measures   | Measurement Items  | CFA   | SEM   |
|--|--|---|-------|
| Factories Act (FA)                                       | Health provisions (q3_1).  | 0.837                                       | 0.826 |
|  | Safety provisions (q3_2).  | 0.505                                       | 0.513 |
|  | Welfare provisions (q3_3).   | 0.625                                       | 0.63  |
| Industrial Disputes Act (IDA)                            | Implementation of conciliation provision (q3_4).                                 | 0.482                                       | 0.504 |
|  | Implementation of arbitration provision (q3_5).                                  | 0.396                                       | 0.399 |
|  | Implementation of adjudication provision (q3_6).                                 | 0.377                                       | 0.387 |
|  | Implementation of works committee provision (q3_7).                              | 0.491                                       | 0.484 |
|  | Implementation of strikes & lockouts (q3_8)                                      | 0.411                                       | 0.42  |
|  | Implementation of layoffs & retrenchment provision (q3_9).                       | 0.502                                       | 0.489 |
|  | Prohibition of unfair Labour practices (q3_10).                                  | 0.458                                       | 0.444 |
|  | Worker compensation in the event of a transfer or closure of a business (q3_11). | 0.52  | 0.512 |
|  | Implementation of offences & penalties for employers (q3_12).                    | 0.459                                       | 0.453 |
|  | Minimum Wages Act (MWA)  | Fixation of minimum statutory wages (q3_13) | 0.611 |
| Fixation of wage rates of different classes (q3_14).     |  | 0.402                                       | 0.395 |
| Provision of methods of wage fixation (q3_15).           |  | 0.643                                       | 0.655 |
| Implementation of employment covered provisions (q3_16). |  | 0.452                                       | 0.502 |
| Payment of Wages Act (PWA)                               | Minimum wage rates are adjusted on a regular basis (q3_17).                      | 0.498                                       | 0.448 |
|  | Fixation of wage payment period (q3_18).   | 0.492                                       | 0.491 |
|  | Deduction from wages for fines (q3_19).  | 0.557                                       | 0.551 |
|  | Deduction of wages for absence from duty (q3_20).                                | 0.536                                       | 0.548 |
|  | Deduction of wages for damage/loss (q3_21)                                       | 0.588                                       | 0.583 |

(Contd....)

**Annexure I (Continued)**

|   |   |       |       |
|---|---|-------|-------|
| General Working Conditions (GWC)  | I am satisfied with the hours worked each week (q5_1).                      | 0.785 | 0.788 |
|   | The work location is satisfactory to me (q5_2)                              | 0.736 | 0.73  |
| Pay and Promotion (P&P)   | The amount of paid vacation/sick leave offered is sufficient for me (q5_3). | 0.493 | 0.5   |
|   | My salary is satisfactory in relation to what I do (q5_4).                  | 0.628 | 0.623 |
|   | Salary increments are decided on a fair manner (q5_5).                      | 0.66  | 0.662 |
|   | Proper opportunities are provided regarding promotion (q5_6).               | 0.612 | 0.609 |
|   | Staff is promoted in a fair and honest way (q5_7).                          | 0.691 | 0.694 |
|   | Benefits and Recognition (Ben and Rec)                                      |       |       |
|   | I receive recognition for work accomplished (q5_8).                         | 0.629 | 0.624 |
|   | All benefits provided to me are satisfactorily (q5_9).                      | 0.674 | 0.68  |
|   | I am satisfied with the job security (q5_10).                               | 0.598 | 0.596 |
|   | Work Relationships (W R/ships)  |       |       |
|   | I am satisfied with relationships to my co-workers (q5_11).                 | 0.764 | 0.765 |
|   | I am satisfied with relationships to my supervisor (q5_12).                 | 0.652 | 0.649 |
|   | I am satisfied with relationships to my sub-ordinates (q5_13).              | 0.764 | 0.766 |
| Skills and Work Abilities (S and WA)  |   |       |       |
| Proper opportunities are given to utilize skills and talents (q5_14).       | 0.662   | 0.662 |       |
| Proper opportunities to learn new skills (q5_15).                           | 0.68  | 0.679 |       |
| Additional training and education are provided to me (q5_16).               | 0.685   | 0.682 |       |
| I am satisfied with the variety of job responsibilities (q5_17).            | 0.633   | 0.633 |       |
| Degree of independence associated with my work roles (q5_18).               | 0.612   | 0.614 |       |
| Adequate opportunities are provided for periodic changes in duties (q5_19). | 0.665   | 0.668 |       |

Source : Self Computed