

A STUDY ON EFFECTIVENESS OF LABOUR WELFARE MEASURES IN LOSS MAKING PUBLIC SECTOR UNDERTAKINGS IN KERALA

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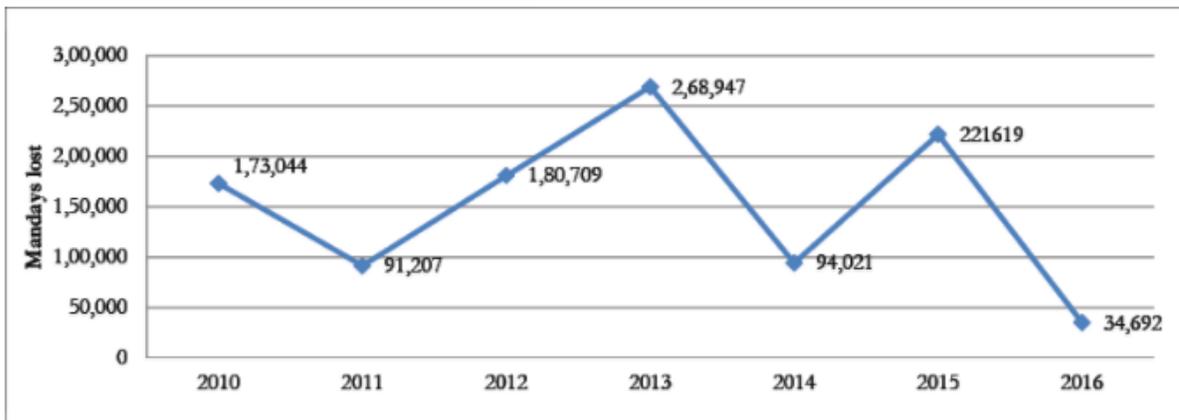
Abstract—The paper examines the perceptions of workers towards labour welfare measures in the Public Sector Undertakings in Kerala. A sample of 250 workers has been taken from the state of Kerala. Chi square test and Proportional test has been used to analyze the data. The analysis reveals that majority of the employees in the Public Sector Companies are not satisfied with the existing labour welfare measures. The analysis has clubbed various issues relating to labour welfare such as: Labour welfare fund related issues, working environment related issues, lack of proper medical care and first aid facilities etc. The organizations should provide these facilities to workers. It has been observed that the workers do not need only monetary benefits but non-monetary also. Satisfaction of the employees regarding the welfare facilities have a big impact to maintain conducive atmosphere for achieving the objectives of better industrial relations, high productivity, industrial growth and prosperity in the state. Keeping in view the perceptions of workers towards labour welfare measures the corporate sector should focus on these measures in an effective manner.

Keywords—Industrial Disputes, Industrial Relations, Labour, Perception, Welfare.

INTRODUCTION

Kerala is often described as a problem State in respect of industrial relations. Industrial disputes are seeming to be one strong reason which often leads to poor industrial performance. It is one of the few states in India where strongly organized labor unions do exist. It seems that there is a correlation between trade union growth and growth of industrial disputes in the State. Man –days lost due to lock out shows an increasing trend over the last two years. During the year 2014, total man day lost due to lock out is 2.91 lakh, which increased to 4.69 lakhs in 2016. Man –days lost due to strikes in the state for the year 2016 was 34 thousand.

Figure 1
Man-days lost due to strikes

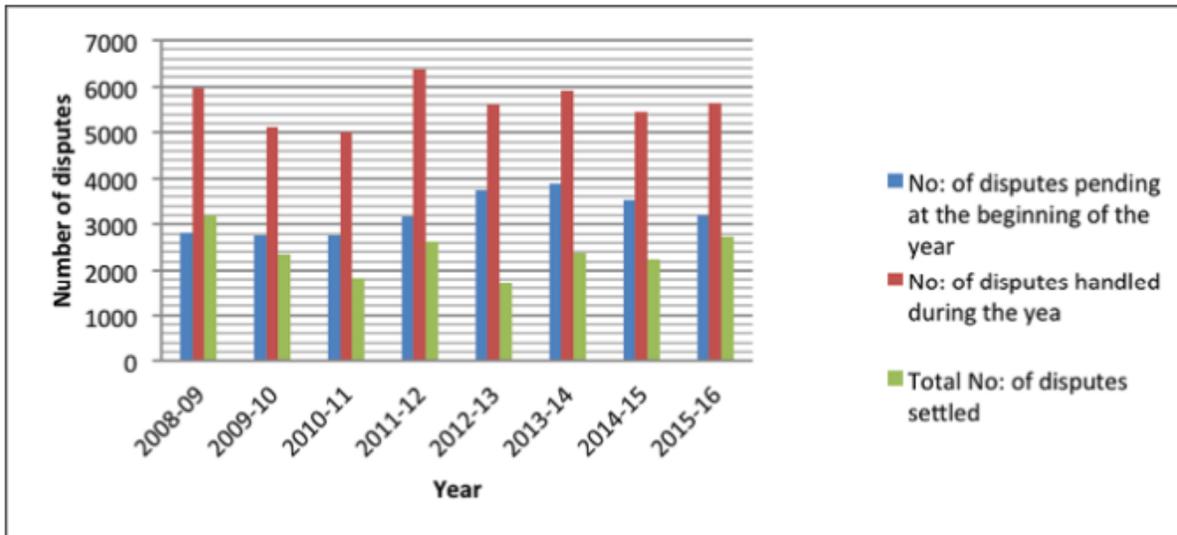


Source : Ministry of Labour and Employment, Government of India

* Upto October 31, 2016

The growing picture of industrial sickness has now become a serious problem and it seems to be a big blow on the face of the economic development of the state. What causes Kerala's industrial backwardness - remains a puzzling question. A close analysis of the causative factors clearly shows that apart from the other causes, mutilated industrial relations and industrial disputes are seems to be one strong reason which often leads to poor industrial performance. Number of disputes pending at the beginning of the year 2015-16 was 2913. Details of number of industrial disputes in Kerala are given in the Figure2.

Figure 2
Industrial Disputes Details, in number



Source: Labour Commissionerate,GoK

Providing a platform for raising grievances and settlement of the issues between employee and employer is an essential requirement for ensuring harmonious labour relations in the state.

LABOUR WELFARE MEASURES AND INDUSTRIAL DISPUTES

The labour welfare measures provided in an organisation affect the attitudes of employees towards work. Labour welfare facilities satisfy the needs of the employees, which can improve their working life, family life and overall welfare. Various studies have explored the labour welfare facilities provided by organizations and determined its influence on job satisfaction.

Venugopal, Bhaskar and Usha (2011) explain that human resources play a very important role in the development of the business. They constitute the organization at all levels and are regarded as a dynamic factor of production. The study was conducted with the main objective of evaluating the effectiveness of welfare measures in industrial sector and to suggest measures to make existing welfare measures much more effective and comprehensive so that the benefits of the employees will be increased. In order to get best results from the employees, management must be aware of what employees expect from their employers. It is for the management to see that whether the workers get economic, social and individual satisfaction and employee welfare activities.

Randhir Kumar Singh (2009) studied the welfare measures and its impact on manpower productivity. He states that there is a difficulty in arriving at the homogeneity concerning labour due to difference in scale, energy, training, environment, incentive, rates of pay etc. The ratio of output to labour is universally acknowledged to have some uniformity. He has found that there is a correlation between the welfare measures and manpower productivity i.e. if the proper welfare measures are taken then the productivity of the employees will increase and ultimately the profit of the organization will increase. The welfare measures increase the productivity of the organization as well as it enhances the morale and motivation of the employees which gives a positive impact on the efficiency level of the organization.

A Study on Effectiveness of Labour Welfare Measures in Loss Making Public Sector Undertakings in Kerala

According to Nagaraju (1981), “mere technical efficiency, modern machinery, good plant layout and dynamic organizations etc. are not enough to make a business profitable and lead to economic growth and social improvements. It is harmonious and constructive labour-management relationship in industry which plays utmost a decisive role in this respect.”

Good industrial Relations are the key to sustained industrial development which is necessary for the economic development of a country. Compared to most of the Indian states, Kerala has a stigma of very poor industrial relations. It is believed that industrial unrest is one of the important reasons why Kerala has been lagging behind in industrial sector. This impression is reinforced by a series of strikes, lockouts and lay-offs, hitting the various industrial units in the State.

OBJECTIVES OF THE STUDY

In this study, an attempt has been made to examine the satisfaction level of the employees regarding the existing labour welfare measures in selected public sector enterprises in Kerala. It intends to examine the factors that help or obstruct the maintenance and development of harmonious relations between employees and management.

On the basis of the above theoretical perspective, the following research objectives have been developed for this study.

- To analyze the effectiveness of the existing labour welfare measures in the loss--making Public Sector Undertakings in Kerala.
- To find out the major causes of grievances of the employees in selected Public Sector Undertakings in Kerala.
- To offer suggestions on the basis of the findings and conclusions of the study, for improving the Industrial Relations in the loss--making Public Sector Undertakings in Kerala

1.3 HYPOTHESIS

The following hypotheses are maintained for the purpose of the study.

Hypotheses 1: In general, the employees of Public Sector Undertaking are not satisfied with their existing labour welfare measures.

1(a) There is no relationship exists between the age of the worker and their perception about the existing labour welfare measures.

1(b) The sex of the workers does not have any relationship with their perception about the existing labour welfare measures.

1(c) There is no relationship exists between the length of service of the worker and their perception about the existing labour welfare measures.

METHODOLOGY

Data Collection

Data has been collected from both primary and secondary sources. Primary data has been collected from the respondents through a field survey in the selected Public Sector Undertakings. A structured interview schedule with a questionnaire was applied for collecting the responses from both workers and executives of the companies.

The secondary data for the study was collected from the published journals and magazines like Economic and political weekly, Human Capital, Indian Management and a number of other periodicals, books published research works etc. Internet services were also used to collect the latest information's through various websites.

Sampling Design

A cluster based random sampling technique has been adopted for this study. Loss making Public Sector Undertakings which are in the manufacturing sector and under the control of Industries Department of Kerala are taken as the population for this study.

There are 63 manufacturing units which are classified under 9 sectors namely chemical, engineering, electrical equipment, textiles, electronics, ceramics, infrastructure, and agro and wood based sectors, these sectors are under the control of

Industries Department of Kerala. Out of these 63 manufacturing units, 43 are continuously running under losses, therefore the population comprised 43 loss making PSUs. Twenty five percent of the population has taken as sample size, hence the sample size, comprises 10 units and these units are selected on convenience sampling method. While selecting the companies, due importance was given to various sectors, profitability, investment, labour strength etc so ten loss making companies belonging to six industrial sectors were selected for the study. The companies selected are Travancore Cochin Chemicals Limited [TCC], and Travancore Cements Limited both from chemicals sector. From electrical equipment's sector Kerala Electrical & Allied Engineering Company Limited and Traco Cable Company Limited are selected. The Metal Industries and Autokast Limited belongs to engineering sector, The Kerala Ceramics Limited representing the ceramics and refractories sector, The Quilon Co-operative Spinning Mills Limited and Sitharam Textiles Limited belongs to textiles sector and finally The Kerala State Coir Corporation Limited representing the traditional and welfare sector.

Primary data has been collected from 250 respondents' i.e. 25 respondents from each unit with the help of structured questionnaire. While selecting a respondent due importance was given to various factors such as age, sex, length of service etc of the respondents.

TECHNIQUES FOR DATA ANALYSIS

In this study, mainly we use the chi square test to test the hypothesis that attributes are associated or not. and the Proportional test to test Whether the proportion (ratio of number of responded in favour to total number of respondent) is greater than 0 *p* (50% *in our case*) or not we use the statistics where *x* is the number respondent in favour and *n* is the total number and *q0* =1- *p*.

FINDINGS

The demographic profile of the sample respondents is given below.

Table 1: Respondent's Profile

SI.No	Variables	Frequency	Percentage
1.	Age		
	Below 25		
	26-35	7	2.8
	36-45	24	9.6
	Above 45	94	37.6
	Total	125	50
		250	100
2.	Sex	216	
	Male	34	86.8
	Female		13.2
	Total	250	100
3.	Length of service		
	Below 5years		
	6-10 years	20	8
	More than 10 years	43	17.2
	Total	187	74.8
		250	100

Source: Field Survey

Perception of the employees regarding their existing Labour welfare measures

The study collected information about the satisfaction and dissatisfaction of the employees with their existing Labour welfare measures.

Table 2: Perception of the employees regarding their existing labour welfare measures

<i>Satisfied/Dissatisfied</i>	<i>Frequency</i>	<i>Percentage</i>
Satisfied	70	28
Dissatisfied	156	62
No comments	24	10
Total	250	100

Source: Field Survey

Table 2 consolidates the responses to the query, whether the employees are satisfied or dissatisfied with the existing labour welfare measures. 28 percent of the respondents are satisfied with the labour welfare measures, 62 percent of the respondents are dissatisfied with the existing labour welfare measures and the remaining 10 percent of the respondents were preferred to make no comments.

Hence in this context the hypothesis constructed and put to test is **H₁**,

In general, the employees of Public Sector Undertaking are not satisfied with their existing labour welfare measures.

To verify this, we conducted the proportional test which gives

Calculated value (Z) = 3.7947

Tabled value = 1.645

Since calculated value is greater than tabled value we reject H₀

i.e. we accept the hypothesis (H₁) that in general, the employees of Public Sector Undertaking are not satisfied with their existing labour welfare measures.

For the purpose of this study the employee's perception regarding the existing labour welfare measures have been separately studied on the basis of their age, sex and length of service

Relation between age of the workers and their perception regarding the existing labour welfare measures.

In order to prove the relationship exists between the age of the workers and their perception regarding the existing labour welfare measures, the following hypothesis is constructed and put to test, such that **H₀, there is no relationship exists between the age of the workers and their perception about the existing labour welfare measures.** Chi-square test for independence is applied to test whether **H₀**, is true or not.

The result of the Chi-square test to prove the relation between age of the worker and their perception regarding the existing labour welfare measures is as follows.

Table 3

Chi-Square Tests				
	<i>Value</i>	<i>df</i>	<i>Tabled value</i>	<i>Sig</i>
Pearson Chi-Square	7.898	4	9.488	0.095
Not Significant				

Source: Field Survey

Since the calculated value is less than table value, the Hypothesis (H_0) is accepted. Hence it is proved that there is no close association between age of the worker and their perception regarding the existing labour welfare measures.

Relation between sex of the workers and their perception regarding the existing labour welfare measures.

In order to prove the relationship exists between the sex of the workers and their perception regarding the existing labour welfare measures, the following hypothesis is constructed and put to test, such that **H_0 , the sex of the workers does not have any relationship with their perception regarding the existing labour welfare measures.**

Chi-square test for independence is applied to test whether **H_0** , is true or not.

The result of the Chi-square test to prove the relation between the sex of the workers and their perception regarding satisfaction with the existing labour welfare measures is as follows.

Table 4

Chi-Square Tests				
	Value	df	Tabled value	Sig
Pearson Chi-Square	0.215	1	3.841	0.643
Not Significant				

Source: Field Survey

Since the calculated value is less than table value, the Hypothesis (H_0) is accepted. Hence it can be concluded that there is no close association between sex of the workers and their perception regarding the existing labour welfare measures.

Relation between length of service of the workers and their perception regarding the existing labour welfare measures

In order to prove the relationship exists between the length of service of the workers and their perception regarding the existing labour welfare measures, the following hypothesis is constructed and put to test, such that **H_0 , There is no relationship exists between the length of service of the worker and their perception regarding the existing labour welfare measures.** Chi-square test for independence is applied to test whether **H_0** , is true or not.

The result of the Chi-square test to prove the relation between length of service of the worker and their perception regarding the existing labour welfare measures is as follows.

Table 5

Chi-Square Tests				
	Value	df	Tabled value	Sig
Pearson Chi-Square	2.458	2	5.991	0.293
Not Significant				

Source: Field Survey

Since the calculated value is less than table value, the Hypothesis (H_0) is accepted. Hence it can be concluded that there is no close association between length of service of the workers and perception regarding the existing labour welfare measures.

Reason for dissatisfaction

The study also enquired about the reason for dissatisfaction with welfare measures.

Table 6
Causes of dissatisfaction of the employees

Reason	Frequency	Percentage
Welfare Funds related issues	43	19.02
Lack of safety measures	38	16.81
Medical Care and First Aid Appliances.	35	15.49
Washing and sanitary facilities	30	13.27
Canteen, Rest Rooms and Lunch Rooms	26	11.50
Maternity Benefit	24	10.61
Political Interference in disciplinary issues	18	7.96
Other reasons	12	5.30
Total	226	100

Source: Field Survey

Out of 226 employees, 19.02 percent expressed the reason for dissatisfaction with welfare Funds related issues. 16.81 percent of the employees have dissatisfaction with lack of safety measures related issues. 15.49 percent pointed out the reason for dissatisfaction as medical care and first aid appliances. These are the major reasons for dissatisfaction for the employees. In short, it can be concluded that in all the Public Sector Undertaking cover under this study, the welfare measures are not much satisfactory.

FINDINGS

1. Majority of the employees of selected public sector undertakings irrespective of their age, sex and length of service are not satisfied with the existing labour welfare measures.
2. Majority of the employees are dissatisfied with the welfare fund related issues.
3. Lack of adequate safety measures are another reason for dissatisfaction.
4. Majority of the employees are dissatisfied with the medical care and first aid facilities in their companies.
5. Basic sanitary facilities are not there in many companies, because of these employees especially woman employees are struggling a lot.
6. Even though clear rules are there regarding maternity leave, leave salary etc, in effect workers are not getting any benefit out of these rules.
7. Negligence of management in labour affairs is a key factor for high industrial disputes and broken industrial relation. Delay in dispute settlement was the second main cause for the same.

SUGGESTIONS

Based on the above findings following suggestions seem feasible for improving the existing labour welfare measures and overall productivity of the public sector undertakings.

8. Companies should have an effective grievance redresses system that will help them to address the issues of the employees on time.
9. Companies should use the welfare fund in such a manner that the employees should get the maximum benefit out of it.
10. Every organization should ensure the safety measures for their employees.

11. There should be proper medical care and first aid facilities in every organization and the service of a doctor within the company should be assured.
12. Political interferences in the disciplinary actions and promotions of the company should not be entertained.
13. Disputes should settle on time. Management should be proactive rather than reactive.
14. Conflicts should be settled through a discussion. This needs the cooperation of both employees and management.
15. Companies should ensure good basic sanitation, canteen facilities to its employees.
16. Companies should ensure that all rules and regulations regarding the maternity are following in the correct manner in favor of employees.
17. Informal counseling helps to address and manage grievances in the workplace.

CONCLUSION

Industrial relations in Kerala are very poor compared to most of the Indian states. The broken relation between employees and management often leads to conflicts and strikes. The study reveals the fact that existing labour welfare measures in the Public Sector Undertaking are not effective and satisfactory. So, the companies should take immediate measures to improve its labour welfare measures. The key factors for a better Industrial relation is creation of mutual trust, identification of conflict in the grass root level, speedy settlement of industrial conflicts. Last but the most important is the inherent worth of the employees should be acknowledged and their dignity upheld, this is the key to improve labour productivity, this is possible only through good labour welfare measures. Healthy relation between employer and employee is the key to sustained industrial development. The responsibility of the labour department is to aid and maintain a harmonious balance between labours and management to maintain conducive atmosphere for achieving the objective of industrial growth and prosperity in the state.

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