

# **THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT**

## **A Study on Various Welfare Facilities Provided and It's Impact on Employee Job Satisfaction with Reference to Koya's Perfumery Works**

**Salah Abdirahman Farah**

Lecturer, Garissa Teachers Training College, Kenya

**Abstract:**

*Employee welfare is an important phenomenon in any organization today. Many organizations do not provide welfare measures that are basic for the day to day well-being of their employees. With this regard employees face challenges in executing their jobs efficiently and effectively.*

*The objectives of the study are to understand the various welfare facilities available at Koyas group of companies. To find out the extent of employee awareness with respect to facilities provided, the perception of employee on the welfare facilities provided and analyzes the impact of the welfare facilities provided on employee satisfaction*

*The research methodology adopted for this study was descriptive research methodology. A sample survey of 100 employees was selected to give their views and opinions on different parameters.*

*The study has found out that provision of basic welfare facilities were satisfactory standards. Relevancy of the facilities rated as good. Majority of the employees were mainly concerned about the quality of welfare facilities provided. Awareness of the employees regarding the availability of the welfare facilities is above average. Majority of the employees were satisfied with their working conditions because of the generally above-average and well-maintained welfare facilities.*

**Keywords:** *Efficiently, employee awareness, descriptive research, impact, perception*

### **1. Introduction**

Employees' welfare is a comprehensive terminology that encompasses services, benefits and facilities provided by the management to their workers. That is why is referred to "efforts to uplift standards of living of workers". It is generally to make sure employees workplace is worth working.

I have chosen this study topic in order to understand the how well are employees welfare taken care of, the facilities provided for the wellbeing of the employees, the general awareness of the workers in relation to the welfare facilities provided and their overall satisfaction level of the employees regarding the welfare facilities provided. I would want also to understand if the basic regulations and provisions are followed in putting up and maintaining the facilities provided for the employees.

The topic '*welfare various welfare facilities provided and its impact on employee satisfaction*' is worth studying as it will help me ventilate various important and pertinent issues related to the welfare of the employees. The study answers the questions among others, 'are welfare facilities available in the organization? are the employees of these facilities? How does it impact on their performances and satisfaction?'

It also important to note that organizations have become very dynamic in their relations with their workers in line with globalization. This will help me understand the effects of the globalization on the workers welfare.

The topic also plays an important role in understanding if the labor welfare activities is management oriented or not. This means if the management are taking clear initiatives at every level to ensure that workers welfare are taken care of. The topic will ventilate if the employees voices on are listened to or if they substitute their welfare with wages or monetary incentives. The welfare activities in the organization should be administratively viable and development based. Proper coordination, integration and harmony should be upheld in all the activities related to the welfare of workers. The topic is very important in understanding if the employers are taking provision of welfare facilities as a matter of social obligation.

The organization is located at M.S Palya main road, Vidyaranyapura post, Bangalore. It is approximately 16km from the central business district. It is owned by Mr. Ahmedkoya and Mr. Aboobacker through a partnership deal agreed in 1999 The Koyas family is very famous within India and outside India. The company does its business within India and abroad.

The company was established in 1970 by Mr. Ahmed Kutty. The company had started with Kerala Gulab and Jai Jawan. The products were of high quality and good aroma and fragrance with good standards. The company easily penetrated into the

market because of the difference it brought in terms of quality, standards, price, approachable employees and good market strategy. It controls over 40% of the market share. 100 respondents were selected out of the 840 employees. Out of these 40% were female and 60% male.

## 2. Literature Review

The following are the literature reviews done to identify the gap that exists.

- Dr. Annad Pawar, Satayanayana & Reddy, Management Prudence Journal, Vol.4 issue 1(2016)

“Effectiveness of employee welfare measures in steel industry - a case study of VSP”

In their study on the “effectiveness of employee welfare measure in steel industry” stated that the rate of comfort of an employee in the organization is determined by the type of welfare facilities provided by the organization. He conducted a survey on the topic VSP organization with 414 respondents carefully selected representing all cadres of the company. Dr. Annad Pawar et al gave very important findings in the study;

1. He observed that the rate of awareness among the employees to be very satisfactory (70%) He stated that this high awareness rate is important for the employees because they are aware of the type and extent of welfare facilities they require.
2. He found out that despite the high rate of awareness, most employees were found to be very unhappy with basic welfare facilities provided. Some of the facilities include sanitary and drinking water, restrooms, and grievances handling mechanisms and exiting work culture at the organization.
3. In the study he also found out that the satisfaction level of employees towards the non-statutory welfare are not handled as per the expectation of the employees

- Dr. Usha Tiwari Abhinav publication ISSN 2320-0073 volume 3 issue 11, 2014

“A study on employee welfare facilities and its impact on employee efficiency”

The study focused on the various welfare facilities at this organization and if the rules of providing the welfare measures were clearly followed or not. It also focused on how the measures provided can affect the general efficiency of the concerned employees.

Dr. Usha Tiwari suggested that the employee welfare measures provided in the organization has a direct impact on the productivity and general performance of the employees. It also promotes healthy industrial relations within the organization. Those organizations that take care the welfare of the employees have experienced higher retention levels while those organization that did not take employees welfare seriously have experienced lower employee retention levels. He viewed that the welfare facilities provided by the organization was good and commendable. However, there is always the room for improvement. This is to make sure there is efficiency and effectiveness can be enhanced and ensured at all times to achieve the set goals.

In addition to the above, he suggested that the company has to improve its recreational facilities to enhance their morale and bring some enjoyment from the continuous work that they do for this long hours. This will reduce stress among the employees. In his analysis he noted that the medical facilities provided are not enough and can't sustain the need of all employees. To this effect he suggested that complete medical facilities should be given in order to reduce the rate of absconding duty are minimized as it was observed it was costing the company a lot of loss that could be easily avoided.

- Prof C. Balaji Volume 2, ISSN 2277-8160 (2013)

“Implications of employee welfare and rewards on job satisfaction and productivity-an insight” Global research analysis journal

Motivation is an important factor which drives employees to their various actions and activities. According to Baron's book (1983, page 123), he noted that motivation is the actual process that accumulates influences to achieve some specific goal. Given that the world has become very dynamic and unpredictable, the highly motivated employees achieve better than their counterparts who are less motivated. Motivating employees is a good strategy to achieve organizational goals. The study by prof. Balaji related the incentives, welfare programs and other rewards provided by the organization and motivation of the employees. The purpose of the research was to explore and bring out the relationship between welfare and job satisfaction and productivity. It dwelled on if employees become less productive and satisfied with less provision and availability of welfare measures. It also researched on if increments, quick and timely compensation and allowances has positive connotations on their motivation Descriptive research was used in this study. He focused on promotional opportunities, satisfaction with security, satisfaction with compensation, growth, incentives and sense of achievement. In analyzing the data he used Pearson's product moment correlation. It clearly showed there is positive correlation between productivity and variables of job satisfaction. This means that if there is a slight change in welfare provision then there will be corresponding change in productivity and satisfaction.

## 3. Methodology

### 3.1. Sampling

Sampling, which is an important aspect of data collection, is a statistical practice concerned with the selection of subset of individual observation from a given universe with the view of drawing conclusions. In this study a sample of 100 employees were selected out of 840 employees in the organization.

### 3.2. Sources of Data Collection

#### 3.2.1. Primary Sources

Primary was collected by administering structured and relevant questionnaire to the sample population selected at Koyas perfumery works

#### 3.2.2. Secondary Sources

Secondary was collected from relevant information available at the company in the form of past records, company website and booklets, newspapers, articles and journals.

### 3.3. Tools and Techniques for Data Collection

The information was obtained through observation, administering of the structured questionnaire and interviews with the selected sample population. Data available in various reports, articles, books, periodicals was also be used.

### 3.4. Plan of Analysis

The data collected was analyzed and interpreted using various statistical tools. It was tabulated against the number of respondents and percentages favoring them. Bar and pie figures was used to present and interpretation was deduced. Wrong inferences like incomplete and dishonest answers were eliminated.

## 4. Findings and Discussion

### 4.1. Has Your Company Provided Welfare Facilities?

Responses	Frequency	Percentage
Yes	84	84.0
No	16	16.0
Total	100	100.0

Table 1: Provision of Welfare

#### 4.1.1. Analysis

Table 1 tested if the employees are provided with welfare facilities. The question posed was has your company provided welfare facilities? 84% of the respondents agreed that there was actually welfare facilities in the company whereas 16 percent disagreed to the fact that there are welfare facilities provided.

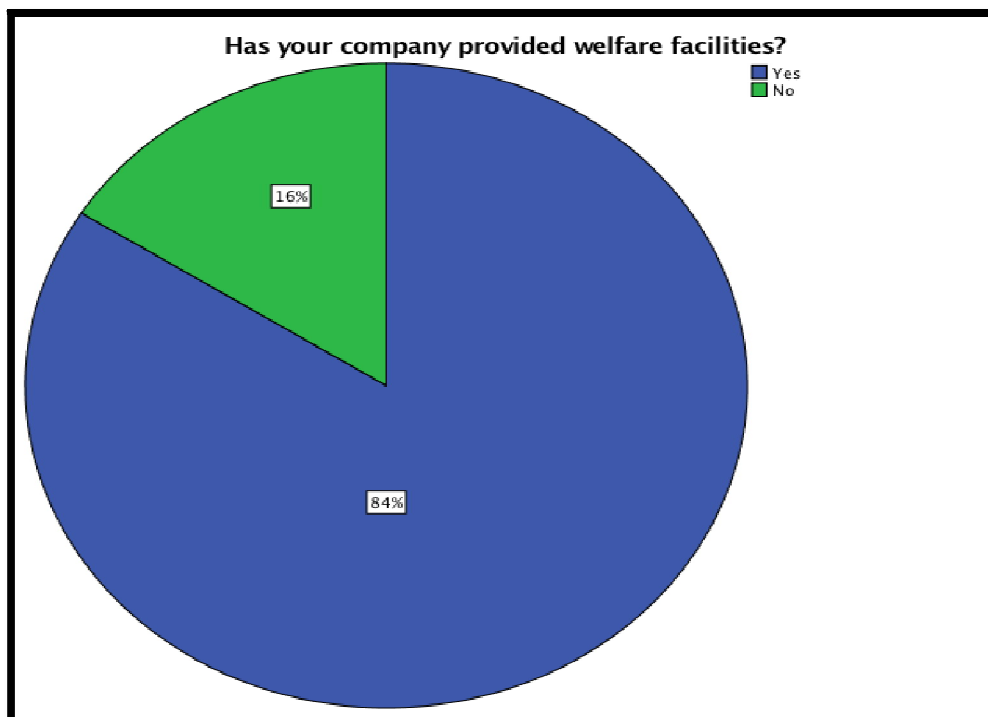


Figure 1

4.2. Interpretation

From the figure above it is clear that 84% of the respondents said that there are welfare services provided. On the other hand 16 percent were for the opinion that welfare services were not provided to the employees. Given that majority of the respondents i.e. more than four-fifth have agreed there was some sort of welfare services provided, we can interpret that welfare services exist in the organization.

4.2.1 Do You Have Recreational Facilities

Responses	Frequency	Percentage
Yes	80	80.0
Not Aware	15	15.0
No	5	5.0
Total	100	100.0

Table 2: Provision of Recreational Facilities

Table 2 above tested the availability of recreational facilities within the organization. "Do you have recreational facilities?" was posed to the respondents. 80% of them were affirmative while 5% said no such facilities were provided by the organization and another 15% are not aware of any existence.

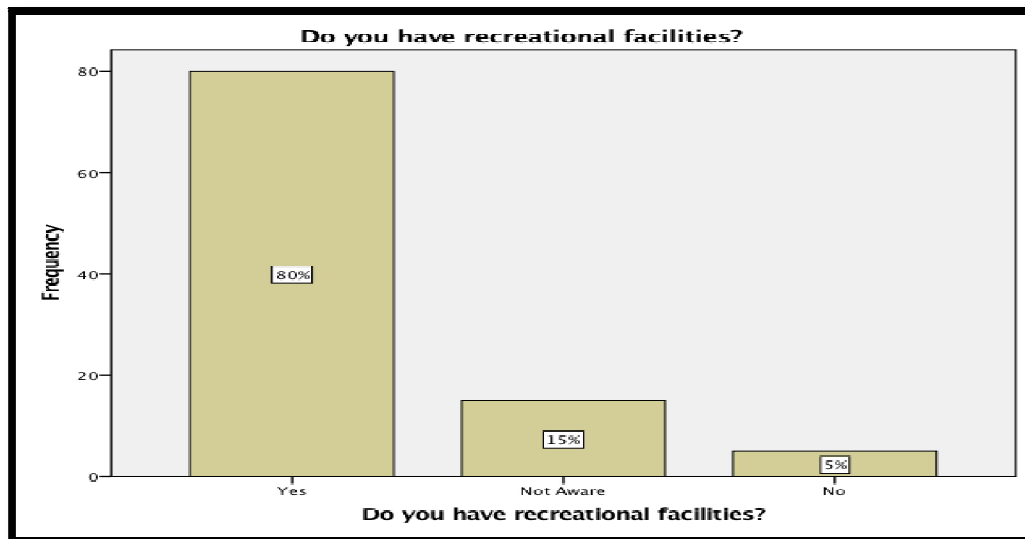


Figure 2

4.3. Interpretation

From the above figure it can be interpreted that the organization has put recreational facilities in place for its workers. This was attested to by the majority of the respondents where 80% have agreed that there are recreational facilities for the employees. Contrary to this about 5 percent said nothing like existed in the organization whereas 15% are not aware of its availability.

4.3.1. Salary Satisfaction Level

Responses	Frequency	Percentage
Highly Satisfied	5	5.0
Satisfied	19	19.0
Neutral	51	51.0
Dissatisfied	21	21.0
Highly Dissatisfied	4	4.0
Total	100	100.0

Table 3: Satisfaction on Salaries

**4.3.2. Analysis**

When the respondents were enquired about their satisfaction level on their salaries, only 5% confirmed they were highly satisfied with their package, 19% said they were satisfied while more than half at 51% said they are neutral about their salary. However, 21% said they are dissatisfied and 4% said they are highly dissatisfied.



Figure 4

**4.4. Interpretation**

It is very clear from the figure above that more than half of all the respondents were not ready to disclose their satisfaction level (51%).they said they are neutral about the question asked. Close to a quarter confirmed that they are satisfied with their package and another quarter said they are dissatisfied with their pay. It looks satisfaction and dissatisfaction on salary on extreme ends are almost equal (24% and 25% for satisfied and dissatisfaction respectively)

**4.4.1 Satisfaction Level on Training Facilities**

Responses	Frequency	Percentage
Very Good	18	18.0
Good	23	23.0
Average	41	41.0
Poor	16	16.0
Very Poor	2	2.0
Total	100	100.0

Table 4: Satisfaction Level on Training Facilities

**4.4.2. Analysis**

According to the data provided on table 4, 18% and 23% have said training provided are very good and good respectively while 41% said they average. 16% and 2% have demonstrated their dissatisfaction by rating it poor and very poor respectively.

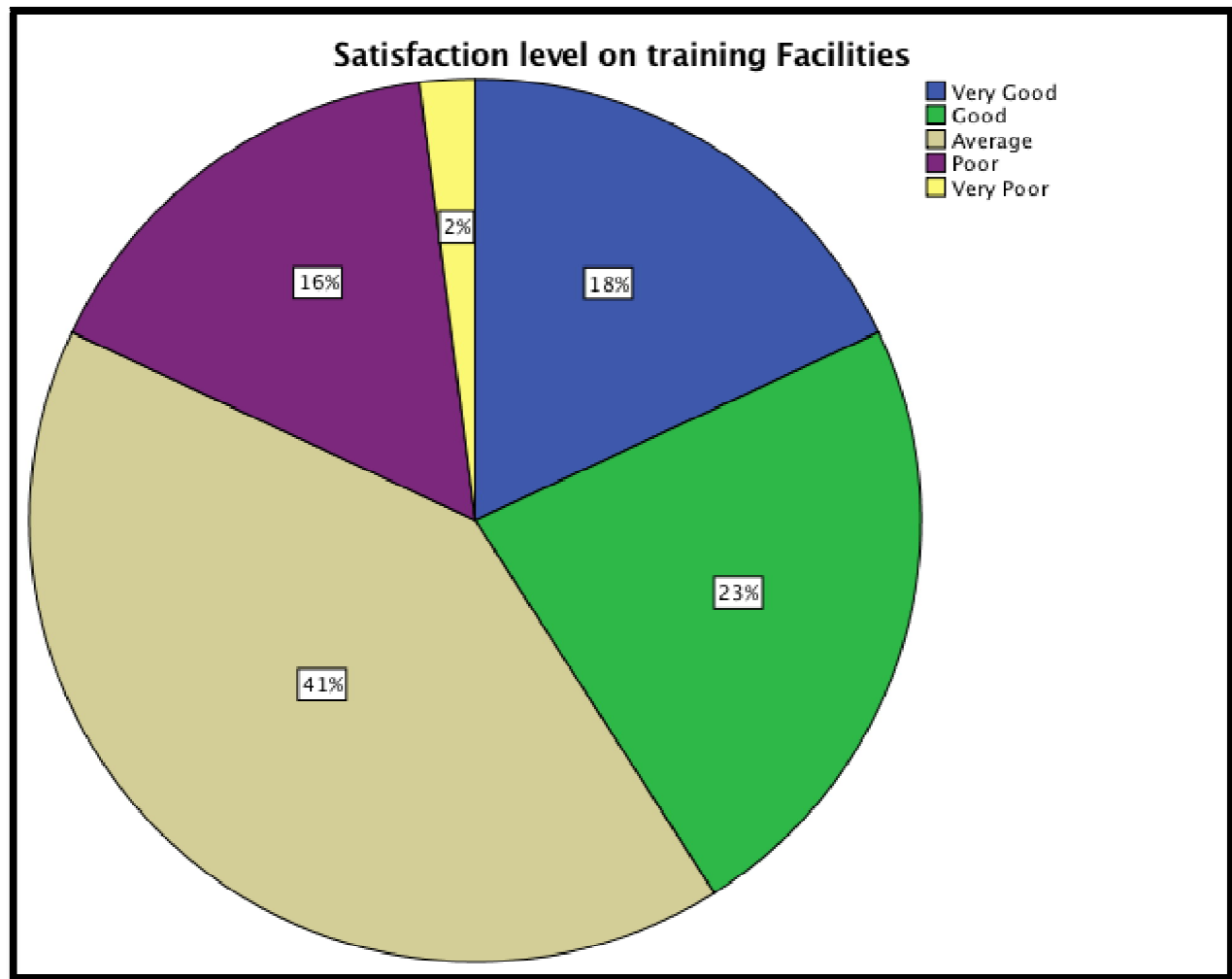


Figure 4

4.5. Interpretation

The organization’s training facilities looks rather above average as most of the respondents answers lie to the left of the graph or at the Centre. That is cumulatively, 82% of the respondents have rated the training facilities to be on average or above average. This can be interpreted as not having any issues with the training programs in the company. Contrary to this are 18% who clearly disapproved their counterparts by saying the facilities are below average and hence showed dissatisfaction.

4.5.1 Satisfaction Level on Provision of Clean Drinking Water Facilities

Responses	Frequency	Percentage
Highly Satisfied	24	12.0
Satisfied	37	38.0
Neutral	30	40.0
Dissatisfied	8	9.0
Highly Dissatisfied	1	1.0
Total	100	100.0

Table 5: Provision of Clean Drinking Water Facilities

4.5.2. Analysis

The satisfaction level of respondents on drinking water provision are 24% who are highly satisfied, 37% satisfied, 30% neutral, 8% dissatisfied and 1% highly dissatisfied.

4.5.3. Satisfaction Level on Provision of Clean Drinking Water Facilities

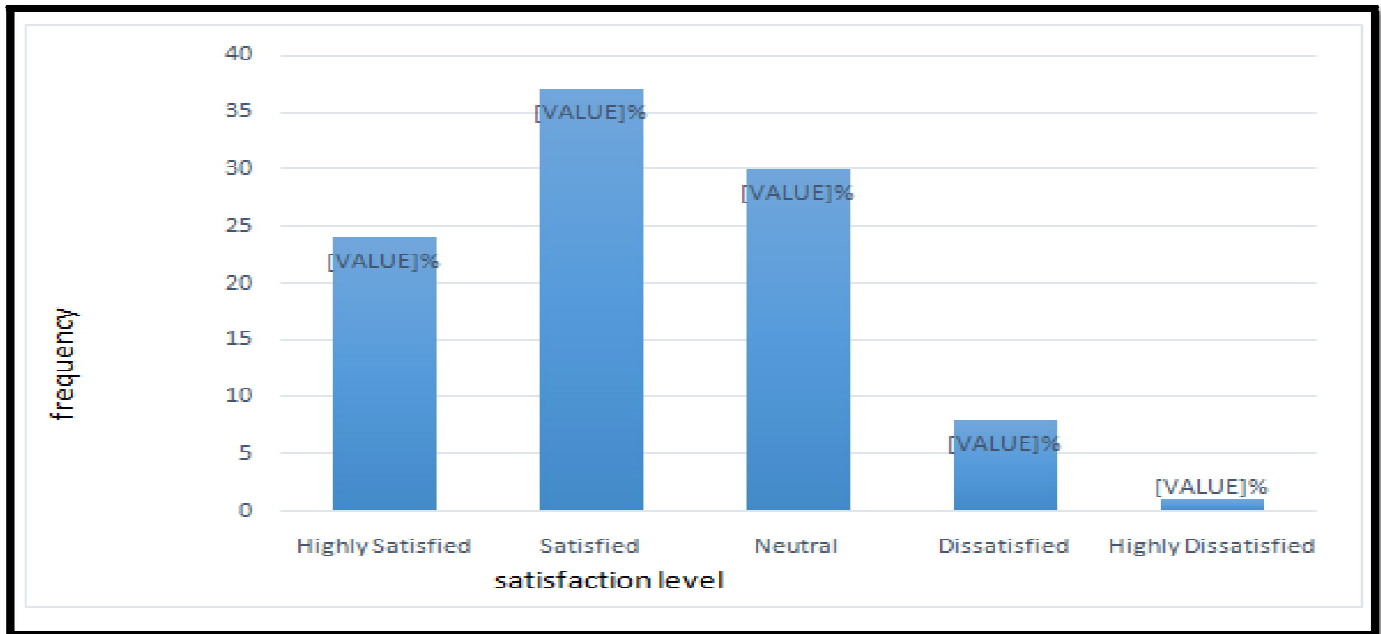


Figure 5

4.6. Interpretation

In general it seems more than a half of all respondents are satisfied with drinking water facilities. This is supported by 61% of the respondents. This means provision of clean drinking is generally satisfactory. However, 9% have refuted this by saying they are dissatisfied.

4.6.1. Satisfaction Level on Sanitary Facilities

Responses	Frequency	Percentage
Highly Satisfied	20	20.0
Satisfied	44	44.0
Neutral	16	16.0
Dissatisfied	14	14.0
Highly Dissatisfied	6	6.0
Total	100	100.0

Table 6: Satisfaction on Sanitary Facilities

4.6.2. Analysis

As per the data given in table 6, respondents were asked to rate their level of satisfaction on sanitary facilities provided in the organization. 20% were highly satisfied, 44% were satisfied and 16% said they are neutral. 14% said they are dissatisfied and 6% noted their high dissatisfaction.

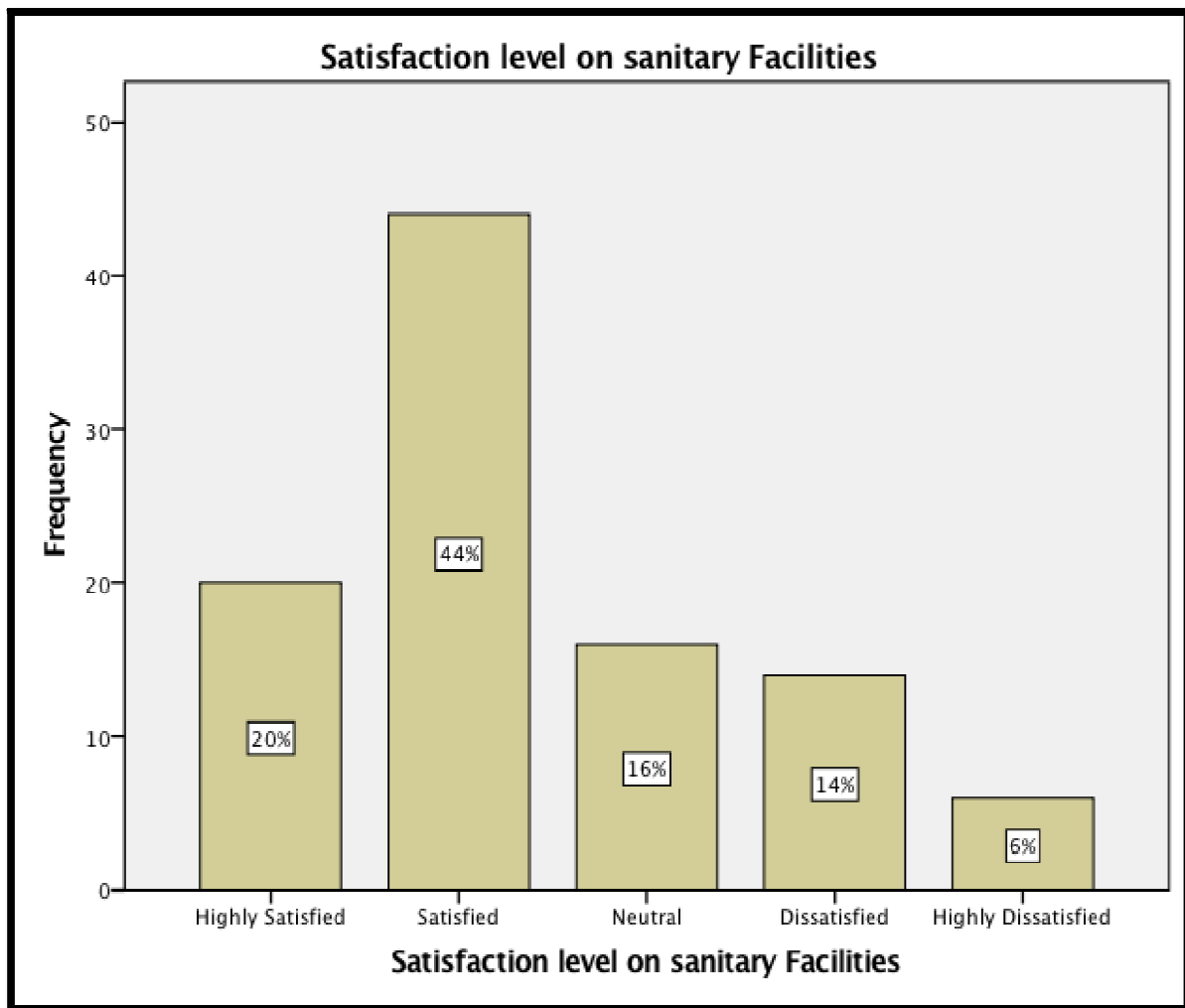


Figure 6

#### 4.7. Interpretation

The above figure shows the satisfaction levels of sanitary facilities provided in the organization. It is important to point out that more than two-thirds of the respondents have clarified that they belong to either highly satisfied or satisfied category with the sanitary facilities. 20% of the respondents are not happy with what is going on in relation to sanitary facilities provision, while 16% have no issues at all given that they said they are neutral. From this information I can deduce that majority of the respondents are happy with sanitary facilities available and how they are managed.

##### 4.7.1. Satisfaction Level on Safety Measures

Responses	Frequency	Percentage
Highly Satisfied	21	21.0
Satisfied	43	43.0
Neutral	28	28.0
Dissatisfied	7	7.0
Highly Dissatisfied	1	1.0
Total	100	100.0

Table 7: Satisfaction on Safety Measures



4.7.2. Analysis

When the respondents were asked about the satisfaction level the safety measures put in place, 21% replied they are highly satisfied while 43% said they are satisfied. On the other hand, a meagre 1% said they are highly dissatisfied and another 7% confirmed their dissatisfaction. 28% of all the respondents clarified that they are neutral on the subject.

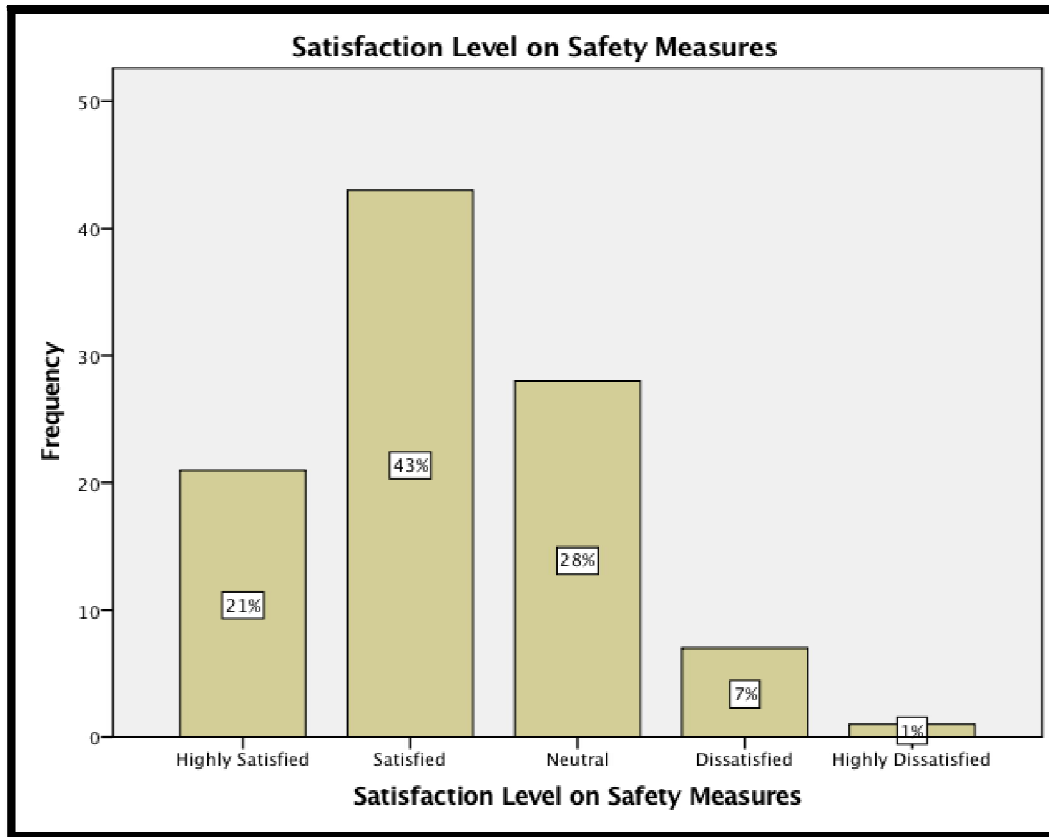


Figure 7

4.8. Interpretation

The diagram shows that close to two-thirds of the respondents are actually satisfied with the safety measures put in place by the organization. This shows the company is trying its best to make sure their workers are safe from any danger. Cumulatively, more than 90% of the employees have no issues relating to the company’s safety measures if the neutral respondents are assumed to have no issues. It is important to point out that few of the respondents (8%) are dissatisfied with safety measures.

4.8.1. I Get Overall High Motivation and Satisfaction Level from the General Welfare Measures Provided

Responses	Frequency	Percentage
Strongly Agree	18	18.0
Agree	61	61.0
Neither agree nor disagree	11	11.0
Disagree	7	7.0
Highly Disagree	3	3.0
Total	100	100.0

Table 8: General Welfare Satisfaction

4.8.2. Analysis

When the statement “my job gives me overall motivation and satisfaction” was posed to the respondents, 18% strongly agreed while 61% agreed. 11% neither agreed nor disagreed, 7% said they disagree and 3% strongly disagreed.

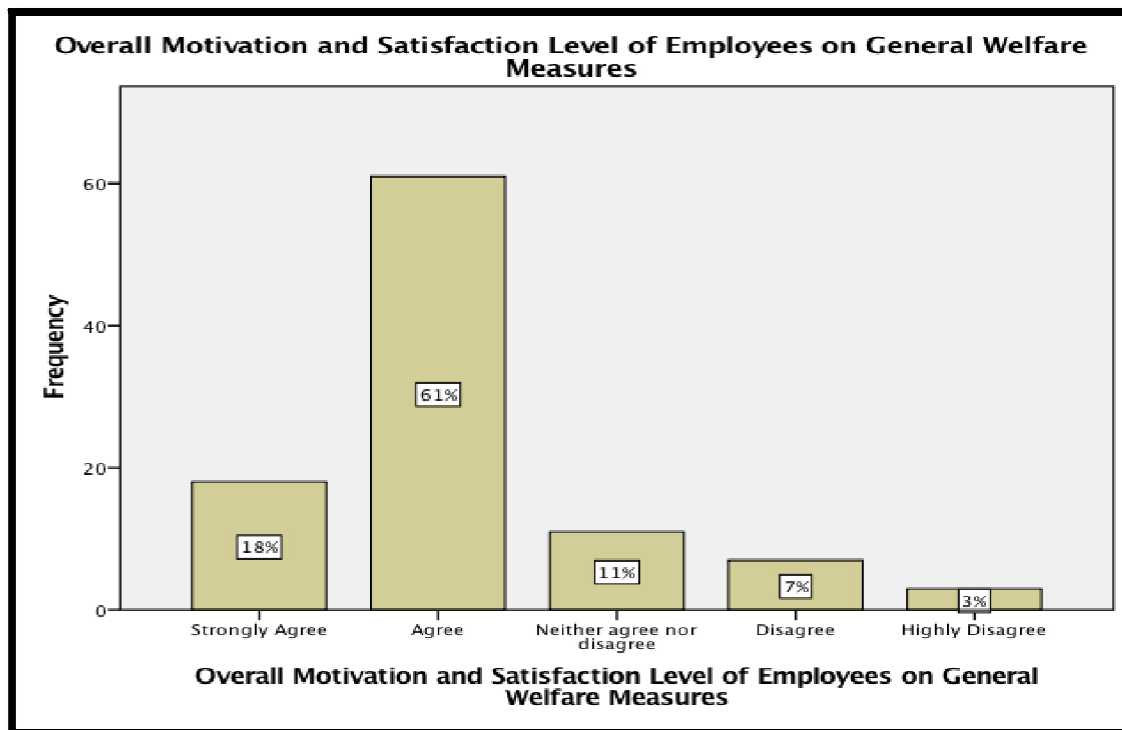


Figure 8

#### 4.9. Interpretation

The graph above shows how respondents are generally satisfied and motivated with the overall welfare measures put in place by the organization. From the graph it is clear that majority of the respondents are satisfied, that is (79%). 11% of them neither agreed nor disagreed. This means employees are generally happy and contented with the welfare facilities provided. This is very commendable for the organization as it will have positive bearing on the overall productivity of the organization. However, 10% said they are not satisfied with the welfare facilities provided. Though this is a small number comparatively, they cannot be ignored as their welfare should be looked into.

### 5. Conclusion and Recommendations

#### 5.1. Conclusion

Employee welfare in any organization is an important factor that should be considered by the top management to make sure employees feel part of the organization. Many organizations have not put much emphasis on the need to provide quality and relevant welfare services to their employees. This has made many of the workers to get demoralized and demotivated. Demotivated workforce will eventually have a direct bearing on the company's production capacity and hence limit its ability to effectively compete in the market. This also increases chances of skilled and knowledgeable employees departing the company for a competitor that emphasis on the employee's welfare. This effectively reduces the competitive advantage which may in the long run leads to collapse of the venture.

In regard of the above, this study was done at Koya's perfumery works and basically dwells on the level of welfare facilities provision, how the employees perceive the provided facilities and the level of satisfaction of these employees that arises from these services. The company has tried its level best to make sure the employees welfare are taken care of. It has functional welfare committee that periodically looks in to the needs and requirements of the workers. As the study indicates, majority of the employees have confirmed that welfare services the company meets the needs and requirements of the workers. This is a commendable effort by the management.

The management led by the CEO was very cooperative and ready to disseminate any information I needed to put together a formidable project report. Likewise, the selected respondents played their part by freely interacting with me and answering to the questions both written and verbal. This has given me the confidence to interact more in order to get more valuable information. In light of this, the content in this project is a true picture of the company with no bias or malicious information whatsoever.

It is my sincere hope and belief that Koya's perfumery works will find the content of this project much helpful and bridge any gap that exists. The information was carefully carried out using primary sources, tabulated, analyzed and inferences made through careful interpretation.

### 5.2. Recommendation

The management of Koya's perfumery works has tried its best to appease its employees with regard to provision of welfare facilities; however, the following suggestions will further reinforce their effort in order to create a better environment for their workers.

- The company should make its feedback mechanisms more effective and efficient in order to reduce the period of getting feedback
- The management should revisit its policies on providing bonus so that it meets the satisfaction level of employees.
- The organization needs to further improve its way of handling training strategies so that it meets the needs and requirements of the employees
- Regarding the policies on employee promotion and pay increment, the organization has to make sure it considers the educational level of the workers in addition to experience to retain more skilled employees.
- Further, the organization needs to be more liberal on its leave policies as it may bring frustrations to the workers.

### 6. References

- i. Subramani and Rajendra (2001) Human Resource Management and Industrial Relations, Mumbai: Himalaya Publishing House Private Limited.
- ii. Ahuja, K.K. (1988) Labour Welfare and Social Security in Personnel Management, New Delhi: Kalyani Publishers.
- iii. Armstrong. (1988). Human Resource and Personnel Management (3rd Ed.). New Delhi: Tata McGraw Hill Publishing Company Limited.
- iv. Rao, M., Rao, K., & Rao, V. (1979). Motivation: Concepts, Models, Theories and Job Satisfaction. Delhi: Discovery Publishing House.
- v. Dr. Usha Tiwari (2012) "A study on employee welfare facilities and its impact on employee efficiency", Abhinav publication, April, vol. 3 issue 11, ISSN 2320-0073
- vi. Dr. Annad Pawar, Satayanayana & Reddy (2012) "Effectiveness of employee welfare measures in steel industry - a case study of VSP", Management Prudence Journal, October, Vol.4 issue No. 1. pp 2-5
- vii. Prof C. Balaji (2009) "Implications of employee welfare and rewards on job satisfaction and productivity-an insight", Global research analysis journal, December, Vol. 2, ISSN 2277-8160.
- viii. Lalitha, PHD and T. Priyanka, PHD (2014) "A study on employee welfare measures with reference to IT industries", International Journal of Engineering Technology, Management and Applied Sciences, Vol. 2 Issue 7, ISSN 2349-4476
- ix. Dr. S ravi (2016) "A Study on Employee Welfare Measures with Reference to Small Scale Industries at Hosur, Tamilnadu" international journal of scientific research Volume: 5 | Issue: 1 | JANUARY 2016 • ISSN No 2277 – 8179
- x. Chandra Sekhar Patro (2012) "Employee Welfare Activities in Private Sector and Their Impact on Quality of Work Life" International Journal of Productivity Management and Assessment Technologies, Volume 1 Issue 2, April 2012, Pages 19-30.
- xi. Trade India-(2016) Indian exporters, manufacturers and suppliers' directory. Accessed at <http://www.tradeindia.com>
- xii. Employees' provident fund & miscellaneous provisions act (1952), [www.epfindia.com](http://www.epfindia.com)
- xiii. Incense of India, viewed on 25/5/2017 at [http://en.wikipedia.org/wiki/incense\\_of\\_india](http://en.wikipedia.org/wiki/incense_of_india)
- xiv. Employees welfare measure on <https://www.scribd.com/document/240344759/Employees-Welfare-Measures>
- xv. Koya's perfumery works website viewed severally: <http://www.koyaincense.com>