

# Social Security and Welfare Measures-A Means to Employee Motivation: An Empirical Study with respect to MRPL

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Mangalore Refineries and Petrochemicals Ltd., (MRPL) employs professionals and technocrats to undertake refining and to produce petroleum products. To draw and preserve competent hands, attractive compensation package is formulated, consisting of not only salary/wages, but various other components apart from just statutory provident fund. The major components are House Rent Allowance for those who are not residing in Company Township, Conveyance Reimbursement, Uniform Allowance, Education Allowance, Medical Reimbursement, Leave Travel Assistance and the like.

The research on the topic "Social Security and Welfare Measures-A Means to Employee Motivation: An Empirical Study with Respect to MRPL." was conducted in order to find out how MRPL is carrying out the social security & welfare measures to its employees. The information collected for this study through primary source and secondary source. The sampling unit for this study comprises of the employees of MRPL who are working in non-management category. The sampling size for this study would be 100 out of 1000 population in the year 2007-2008. The samples are selected through the stratified sampling technique. Therefore the questionnaire was distributed to 100 employees and their responses were taken into deliberation for the study.

The findings stated that majority of the employees were satisfied with benefits provided by the MRPL. However, some the employees were not satisfied as the benefits provided by the company were based on qualification and position held by the employees, leading to the difference in benefits. Delay and bias in sanctioning the benefits by the top management was also reported in some cases. It goes without saying that the social security and welfare measures are important to every organization to retain skilled and competent employees as they are the means to motivate employees to work proficiently.

## Introduction

With the growth of industrialization and mechanization, social security and labor welfare has acquired added importance. The worker, both in industry and agriculture, cannot cope with the pace of modern life with minimum sustenance amenities. He needs an added stimulus to keep body and soul together. Employers have also realized the importance of their role in providing these extra amenities. And yet, they are not always able to fulfill workers' demands however reasonable they might be. Social security & labor welfare, though it has proved to contribute to efficiency in production, is expensive. Social security and labor welfare is an important facet of industrial relations, the extra dimension, giving satisfaction to the worker in a way, which even a good wage cannot.

Each employer depending on his priorities gives varying degrees of importance to labor welfare (Arun Monappa, 1985). They are primarily

concerned with the viability of the enterprise. However, in order to get the best out of a worker the working condition should be such as to safeguard his health and protect him against occupational hazards. The work place should provide reasonable amenities for his essential needs. The worker should also be equipped with the necessary technical training and a certain level of general education (Mamoria & Mamoria, 2004). The purpose of providing welfare amenities is to bring about the development of the whole personality of the worker his social, psychological, economic, moral, cultural and intellectual development to make him a good worker, a good citizen and a good member of the family. Many state governments have social security pension schemes for the aged, widows and disabled; accident grant schemes for the unorganized labour; hutment insurance schemes, maternity grant & rehabilitation of bonded labourers. In 1995, the

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government of India introduced National Old Age Pension Scheme, National Family Benefit Scheme (in the event of death of the main bread – winner of the family) and national Maternity Benefit Scheme. These social assistant measures combined with special government programmes for fighting rural poverty and unemployment will be conducive to the growth of social security measures in the country on a wider scale (Sinha P.N.R, Sinha Indu Bala, Shekhar Seema Priyadarshini, 2006).

### Review of Literature

The concept social security and welfare measure has been playing a significant role in developed and developing countries economies. The developed countries like U.S., U.S.S.R., U.K, Japan have already implemented various social security & welfare legislations for their industrial workers. Amongst developing countries, India has also enacted different types of social security & welfares for the benefit of the industrial workers. All these studies reveal that the provision of the various social security & welfare legislations & measures taken for industrial workers to improve their working & living conditions at different places.

Choudhuri, Sunil Rai (1962), examined a comparative study of the social security schemes in two countries i.e., India and Britain. He studied two Indian schemes i.e., Workman Compensation Act and Employees State Insurance Act regarding industrial injuries, and their achievements and failures, and also studied present British Industrial injuries scheme, it's working since 1948 and attempted to show that the ideal principles underlying the British scheme would be adopted in India.

Memoria (1965) stated that the basic problems of poverty, ill health, illiteracy and economic inefficiency would have to be tackled through appropriate agency in all India plan, but along with the multifarious programmes of national buildings, a programme of social security would lead the way to a better life for the masses of India. He also presented in three facts (a) social insurance in general (b) social security in India, and (c) social security in some foreign lands.

Bhattacharya, Vivek Ranjan (1970), examined comparative analyses of the different phases of

social security measures in India & other developed countries. They analyzed and dealt with detail the problems of unemployment, health, housing & their solutions, child welfare, care of the old, and weaker classes.

According to Saxena (1974) , social security was a dynamic conception, considered in all advanced countries of the world as an indispensable chapter of the national programme to strict at the root of the poverty , unemployment disease . It was considered most essential for the industrial workers.

Sinha P.K. (1980) studied the historical causation of concept of social security measures in India. He examined its object, scope ,administration , source of finance , benefits with stress on its operational results. He also discussed the structure social security acts i.e., Employees State Insurance Act ,1948 ,Employees Provident Fund Act 1952 , Maternity benefit Act 1961 .

Sharma A.M. (1981) studied the social security scheme in detail and different social security legislations in India including comprehensive selection of recent cases of law bearing on the subject. His studies stated that the Employees State Insurance Scheme neither covered all risks nor was it applicable to all the working population.

Bhogoliwal, T.N. (1983), explained the various hazards & types of insecurity confronting the workers. Firstly, there may be income insecurity and hazards arising out of it; such as inadequate wages, faulty method of wage payment, illegal deductions, faulty calculations, Layoffs, dismissals and retrenchments. Secondly there may be occupational insecurity which occurs due to occupational diseases, improper condition of work and industrial accidents. Thirdly, there may be natural factors such as old age, invalidity, death of bread winner, sickness and maternity. The author also revealed that these hazards and types of insecurity could be eliminated through the legislations such as Minimum Wages Act, Payment of Wages Act; Industrial disputes Act, Workman's Compensation Act, Employees state Insurance Act, Maternity Benefits Act.

Bhatnagar, Deepak, (1984), studied Labour Welfare & social security legislation in India. It is an in-depth study to determine effectiveness of the Employees State Insurance Scheme. The survey stated that

a significant number of respondents had shown a defensive attitude, such an attitude could be explained in terms such facts as the lack of fuller knowledge of the scheme and the low level of the education of the respondents. An inadequate advertisement of the scheme was also partially responsible for the lack of awareness of the scheme; such factor could be held responsible for the limited utilization of the scheme, as the limited utilization of the scheme would directly hit the basic aims & objectives of any social security measures.

Gupta, N.H. (1986) evaluated various schemes of social security measures. The author developed and suggested improvement in need oriented public policy, legislative framework and judicial responses for social security and welfare schemes. The discussion on legislative trends on social security assumes important view of need of uniform standards, certainty and developing social security along systematic or scientific lines and at the same time making it a legally enforceable right. This study examined deficiencies of present programmes and alternative for improvement.

Krishna Kumar Sinha (1987), had the view that social security to the workers would ultimately accelerate the progress and prosperity specially with the breaking down of the joint family system, the need to provide greater social security, particularly in industrial and urban sectors had become all the more urgent.

Sampath Kumar (1988) examined the performance of the Employees State Insurance Corporation during the period 1980-81 to 1987-88. The scope of the scheme in terms of the number of employees and number of beneficiaries covered under this scheme had largely remained stagnant and decreased during the period.

Rawat B. D. (1988) revealed that the social security was one of the dynamic concepts of the modern age which had been influencing social and economic policy. He concluded that social security was a part of labour welfare. Labour welfare secures the workers and his family in the comprehensive sense of the term. Social security covers the various risks and contingencies in the life of the individuals. Labour welfare without social security or vice versa is inconceivable.

Varandani, G. (1989), conducted a detailed and

critical study of the social security legislations in India. This study has made a comparison and contrast of the aspect of social security concept with that of industrially advanced countries of the Asia and Africa. The study also given concrete suggestions, so that the social security benefits might be provided to the industrial workers at least upto the subsistence levels.

Venkatachalam, K.S. (1990) brought out some of the important features of E.S.I. Amendment Act of 1989. The amendments made in the Act and the proposed rules would be bringing lot of hardship to the employees. This article pointed out that the working of the ESI corporation had come up for a lot of criticism, as the medical facilities provided by the corporation were found far from adequate due to poor management of hospitals and dispensaries.

Mandal, P.E.D. Love, A.S. Sohal B. (2000), presented their findings from a study that investigated the propagation of quality management practices among Indian manufacturing companies over a period of sixteen years from 1980 to 1996. They reported the findings of a questionnaire survey conducted on 500 selected companies from fourteen manufacturing sectors. The extent to which quality management practices have been implemented is reported and the obstacles to adoption were identified. The spread of quality initiatives in various functional areas was analyzed and discussed. The paper would be of particular interest to practicing managers as the study identified numbers of policies governments might use to stimulate the adoption of quality management concepts in developing countries.

K.P. Kannan (2002) examined the evolution of the institution of 'Welfare Funds' for informal sector workers in the State of Kerala in India. The paper stated that while the Welfare Fund Model of collective care arrangements for the informal sector workers in Kerala showed considerable innovation in its design and organisation, its functioning is embedded in the bureaucratic system giving rise to a number of problems. Even then the Model offers a minimum of social security to the informal sector workers who are unprotected. Therefore the question of replicating this Model with suitable modifications to other States in India as well as to other countries,

where there are no social security arrangements for informal sector workers, is worth pursuing.

Ranajit Das Gupta (2007) described workers' mutual benefit and welfare arrangements in late colonial India, concentrating on Calcutta and Bombay areas. The meaning and specificities of informal, non-governmental social security and insurance for industrial labour are explained in relation to the prevailing social situation. The efforts by sections of the working classes to organize mutual assistance or benefits and of the more numerous attempts made from time to time by philanthropists and social reformers to provide labour with social security in the virtual absence of formal organizations for mutual benefits, were highlighted. The role of trade unions in relation to labour welfare was considered. A preliminary analysis of the informal mechanisms for the provision of social security, insurance and mutual assistance in the absence of government support and employer provision of formal mutual benefit and friendly societies was followed by concluding comments.

The Forgoing review of research and literature on social security and welfare measures brought out the various social security measures in India and abroad. All the studies focused on the issues relating to social security origin and development, various legislations and its scope, provisions, benefits and other aspects and very few studies were dealt with depth. The detailed analysis of various social security schemes in different public sector organizations and its utility, procedure of sanction of the benefits, adequacy of amount available under the schemes, effectiveness and impact on organizational climate were not explored in several studies. To fill the gap in the review of literature the present study on "Social Security and Welfare Measures-A Means to Employee Motivation: An Empirical Study with Respect to MRPL" was undertaken.

### **Brief Company Profile**

MRPL a grass root project costing around Rs 6000 core was initially set up in June 1991 as a joint venture company by Hindustan Petroleum Corporation Limited (HPCL) a public sector company and Indian Rayon and Industries Ltd (IRIL) and its associate companies (Aditya Birla Group). The MRPL is located in 1800 hectares in Kattipalla in Mangalore. Before acquisition

by ONGC in March 2003, MRPL was a joint venture Oil Refinery promoted by M/s Hindustan Petroleum Corporation Limited (HPCL), a public sector company and M/s IRIL & associates (AV Birla Group). MRPL was set up in 1988 with the initial processing capacity of 3.0 Million Metric tones per annum that was later expanded to the present capacity of 9.69 Million Metric tones per annum. The Refinery was conceived to maximize middle distillates, with capability to process light to heavy and sour to sweet Crude's with 24 to 46 API gravity. On 28th March 2003, ONGC acquired the total shareholding of A.V. Birla Group and further infused equity capital of Rs.600 cores thus making MRPL a majority held subsidiary of ONGC. The lenders also agreed to the Debt Restructuring Package (DRP) proposed by ONGC, which included, interalia, conversion up to Rs 365 core of their loans into equity. Subsequently, ONGC has acquired equity allotted to the lenders pursuant to DRP raising ONGC's holding in MRPL to 71.62 percent. The implementation of DRP in March 2003 within 4 weeks of acquiring equity in MRPL by ONGC has changed the credit profile of the company. ICRA has assigned A1+ rating (indicating highest safety) to the Short-Term Borrowing programme of MRPL on a standalone basis.

The major products produced from the refinery are LPG, Naphtha, Motor Spirit (Petrol), Reformat, kerosene, Aviation, Turbine Fuel, High Speed Diesel, Fuel Oil, Bitumen and Sulphur. The company is planning to have marketing network for its products all over India and it is currently gearing up for competition passed by the competitive markets.

### **Social Security and Welfare Facilities of MRPL**

The effectiveness of the benefit schemes offered to the employees at MRPL was evaluated from two angles. MRPL categorizes its employees in the form of employee grades. They are the management grades above M-8 and the non-management grades below M-8. The evaluation of the effectiveness of the welfare package offered to MRPL employees was studied from the point of view of the grades above M-8 and below M-8. The study covers various aspects of how well the welfare schemes are communicated and understood by the employees, together with an evaluation of the promotion of

work life balance, matching of needs to specific employee needs etc.

The Company hires professionals and technocrats to undertake its activities. To attract and retain competent hands, attractive compensation package is formulated, consisting of not only salary/wages, but various other components apart from statutory provident fund. The major components are House Rent Allowance for those who are not residing in Company Township, Conveyance Reimbursement, Uniform Allowance, Education Allowance, Medical Reimbursement, Leave Travel Assistance, etc. Depending on the merit and experience of the incumbent, they are placed in suitable grades. Perquisites applicable to the grade are provided to the employees. Following are some of the important social security schemes at MRPL.

#### **1. Vehicle Purchase/Loan Scheme:**

The objective of the scheme is to provide a car/ two wheeler loan to all confirmed employees of the company as per the eligibility criteria. As per the scheme, the car/ two wheelers initially be owned by the company and will subsequently be allowed to be purchased by the employee after the specified period at its book value.

#### **2. Housing Loan Scheme:**

The objective of this scheme is to grant housing loans to the employees for construction / purchase of their own house. This financial assistance will be by way of a long term loan. The grant of housing loan is at the discretion of the company and subject to the availability of the overall limits in that behalf. The company reserves the right to totally abrogate or temporarily suspend the scheme and / or modify the rules at any time and without assigning any reason whatsoever.

#### **3. Leave benefits-Casual leave, earned leave and medical leave :**

The leave category such as casual leave, earned leave, medical leave, can be availed by the employees of MRPL like any other organizations. Casual leave will be admissible to permanent employees to the extent of 10 days in a Calendar year. Casual Leave cannot be combined with any other leave. An employee shall be entitled to 'Earned Leave' calculated at the rate of 1 day for every 11 days of service in a calendar year subject to a maximum of

30 days. An employee shall be eligible for Earned Leave only after one year's continuous service or on confirmation of service whichever is earlier. An employee will be entitled for medical leave at the rate of 10 days per year. Entitlement will be on calendar year basis. However, for unauthorized absence and leave without pay proportionate reduction will be affected on pro-rata basis. For this purpose 0.5 and above will be treated as one day and less than 0.5 will be ignored. In the 1st year of service an employee will be entitled for medical leave on proportionate basis depending upon the month of his joining.

#### **4. Gratuity Scheme:**

This Scheme is framed with a view to provide for payment of a gratuity to employees upon cessation of service and also to ensure compliance of the Payment of Gratuity Act, 1972, including the Rules made hereunder, as amended from time to time. The terms and expressions used in this scheme shall bear the same meaning as provided for in the Act. Gratuity shall be payable to a permanent employee on termination of his employment after he has rendered continuous services for not less than 5 years:

- a. on his superannuation, or
- b. on his retirement or resignation, or
- c. on his death or disablement due to accident or disease:

The completion of continuous service of five years shall not be necessary where the termination of the employment is due to death or disablement.

#### **5. Performance Related Incentive Scheme:**

As part of the companies effort to retain talent and also attract talents and to align the benefits scheme of the company inline with other profit making Oil PSUs it is proposed to introduce an incentive scheme, named Performance Related Incentive (PRI). The scheme will be applicable to all the regular employees of the company including associate presidents, presidents, senior presidents based on the number of days worked during the financial year. The scheme will be applicable to probationers only after confirmation.

#### **6. Professional Pursuit Allowance/Skill Upgradation Allowance:**

All management staff in the salary grade M8 and above will be eligible for professional Pursuit

Allowance. This allowance is granted to keep the employees professionally and technically updated and maintain proficiency standards by acquiring update professional/technical knowledge.

#### 7. Skill Up-gradation Allowance:

In respect of non-management staff, the scheme shall be called skill upgradation Allowance. All non-management staff in the salary grade JM1/TS1 and below will be eligible for skill upgradation Allowance. This allowance is granted to keep the employees technically updated and maintain their skill standards by acquiring appropriate technical/trade related knowledge.

#### 8. Leave Travel Assistance Scheme:

This scheme shall apply to all permanent employees. The trainees are not entitled to avail this scheme. The scheme will be applicable to probationers, once they are confirmed, for the period they were on probation. The benefits under this scheme shall not be available to those employees who are governed by any Agreement or award.

#### 9. Medical Insurance:

In MRPL two types of medical facilities are available. They are Personal Accident Policy (PAP) and Group Medical Insurance (GMI). PAP is the compensation in case of temporary total disablement / permanent partial or total loss of earning capacity due to accident. GMI covers the hospitalization expenses. There is a facility of Floater Group Mediclaim Policy and major ailment policy which covers major diseases and pre existing diseases. Maternity benefit of up to Rs. 50000/ per family can be availed of to the extent of delivery of the first two children. Personal Accident Policy and Total Disablement Benefit are also some of the other benefits that can be availed of by the employees.

#### 10. House Rent Allowance – Company Leased and Self-Leased Accommodation:

The following amendments to our House Rent Allowance – Company Leased and Self-Leased Accommodation - Rules are approved by the Management with effect from 1<sup>st</sup> April 2004.

1. Entitlement for House Rent Allowance / Housing facility for management cadre employees outside Mangalore will be as follows:	
<b>Class of City</b>	<b>Rate on basic pay</b>
Metros	30%
A-Class	25%

B-1 Class	22.5%
B-2 Class	17.5%
C & unclassified	15%

Recovery of Income Tax will be made depending on the amount for which the employees submit House Rent payment Receipt.

#### 2. Company Leased Accommodation:

Company leased accommodation may be taken for employees in which case the Company's share of rent will be limited to amounts mentioned below. House Rent recovery will be as mentioned below. Excess rent paid beyond entitlement mentioned here will also be borne by the employee.

#### 11. Allotment of Quarters:

The allotment of house is subject to the terms and conditions as mentioned in the approved allotment letter at Annexure. An allottee is required to sign the duplicate copy of the allotment letter by way of acceptance of the terms and conditions of allotment. Any violation of the terms and conditions of allotment will be considered as misconduct in the Company rules, and will invite disciplinary action, besides cancellation of the allotment. An allottee will use the house only for residential purpose and not for any commercial or other purpose.

#### 12. Provident Fund Scheme:

MRPL has a Provident Fund Trust for the employees drawing more than Rs.6500/- per month and those employees drawing salary less than Rs.6500/- are covered under Regional Provident Fund Commissioners Office. The MANGALORE REFINERY AND PETROCHEMICALS LTD. PROVIDENT FUND is instituted for the purpose of making necessary provisions on retirement for the employees of MRPL.

#### 13. Superannuation:

MRPL has a Superannuation Trust managed through LIC, a non-statutory welfare measure for the employees in the management cadre. Superannuation is also called retirement benefit scheme. This scheme is applicable for all the management cadres grade employee. Superannuation is pension on retirement as per rules. It is administered by MRPL superannuation trust/ LIC of India. Records are kept with the trust. The retention period is permanent.

#### 14. Long Service Emblem:

The company has been in existence for almost fifteen years with the first batch of recruitment being done in the year 1992. The employees who have been with the company for long have shown their loyalty and dedication to the organization in the current scenario of availability of plenty of job opportunity for skilled people. In order to recognize the long service and reward to the concerned employees, a scheme is being proposed to give commemorative memento as per choice of the concerned employees. This scheme also helps the organization to retain the talent.

#### **15. Domestic Business Travel:**

These rules shall be applicable to all employees of the Company including Trainees under the Apprentice Act, 1961. Employees on deputation to MRPL from other companies / organizations for travel on official duties, with in India can avail of the benefits of Domestic Business Travel Benefits.

#### **16. Transfer Entitlements:**

These rules are applicable to employees who are transferred from one working location to another either on promotion or on lateral basis. Employees on transfer with promotion are entitled to transfer benefits as per the revised grades consequent to promotion, including those who are promoted to Management salary grade 'MT' or 'E1'.

#### **17. Travel and Transportation Benefit on Retirement:**

These rules are applicable to all employees who superannuate/ attain normal retirement from the service of the company. The benefits can be availed of within six months of the date of superannuating. The family of a permanent employee in the event of death in service can avail of this benefit.

#### **18. Benevolent Fund:**

Employees of MRPL at all levels are covered by benefits of Provident Fund, Gratuity and the like. Besides, they are also covered by the Medical Insurance. It is felt that in case of death, particularly at a younger age, the family of the deceased needs to be provided certain assistance. Besides, though employees are covered by medical insurance, in case of chronic illness of certain type, the employees need to be assisted to meet a collateral expense which comes in the form of Benevolent Fund.

#### **19. Marriage Gift:**

A sum of Rs 1001 will be presented to the newly

wedded employee as felicitation from the company during his/her marriage. In case the marriage is held at outstation, the cheque will be presented to the newly wedded employee once he/she resumes for duty. The cheque will be presented through the department head of the concerned employee.

#### **20. Cafeteria:**

MRPL has a canteen supplying Tea/Coffee and food items at subsidized rates to the employees round the clock. In addition there are sixteen pantries situated in various locations in the refinery. Four jeeps are engaged for service to the field employees round the clock. The contract of running the canteen is awarded to M/S Rashmi Caterers, Mumbai at present.

#### **21. Occupational Health Centre:**

The occupational health centre (OHC) is manned round the clock by qualified male nurses. In case of emergency in the refinery the patient will be brought to the OHC for first aid and after they will be referred to the hospital for further treatment. Medical officers of MRPL hospitals are also available at OHC at the time specified. OHC is also equipped with an ambulance.

#### **22. Scheme for Grant of Incentives for Adopting Small Family:**

- a) To motivate the employees to adopt small family norms in keeping with the national objectives.
- b) To encourage employees to have an "Ideal family" with a view to improving quality of life & to promote small family norms on voluntary basis.

#### **23. Reimbursement of cost of Spectacles/Contact lenses:**

All confirmed employees of MRPL shall be eligible to the above-mentioned scheme. Besides, their spouses, dependent children and dependent parents are also eligible, within the prescribed overall ceiling. If both employee and spouse are employed in MRPL, only one shall be eligible for the reimbursement under the benefit.

#### **24. Compensation for 42-48 Hour Work Week:**

All confirmed employees, assigned to work stations having 42-48 hours work per week (excluding lunch hours) in a 7 day week cycle, will be eligible for Special Compensatory Day Off (SCDO). Employees

posted at less than 42 hrs. / Week work locations will not be eligible for SCDO. The financial implication of the proposal is Rs. 189.74 lakhs.

The above are some of the important welfare measures for the employees at MRPL.

### Statement of the problem

Management is concerned with attracting and keeping employees, whose performance meets at least minimum level of acceptability. A sound human resource management, based on norms of social welfare, contributes substantially to better employee relations, higher productivity and better profitability to an organization. So, the present study was conducted in order to find out whether the workers are satisfied with the benefits provided at MRPL. Welfare benefits will be act as a base for the development of individual efficiency. Good welfare benefits help to increase the morale of the workers by motivating them to work efficiently and with utmost commitment.

### Objectives of the study

- To know opinion of the employees about the benefits provided by the company.
- To identify how social security and welfare measures lead to the effectiveness of employees.
- To understand whether the employees are satisfied in their quality of work life.
- To suggest the ways and means to enhance the efficiency of social security & welfare measures.

### Research Methodology

The study is confirmed to MRPL Mangalore. The target respondents are the permanent employee's and survey is conducted only for non-management category workers who know the benefits provided at MRPL. The population of MRPL represents all the divisions and all the categories for the year 2007-08. The population of non-management category employees from various divisions such as mechanical, electrical, operations etc were 1000. Out of this the researcher has taken 10 per cent of population i.e. 100 for this study. The structured questionnaire was distributed to 100 employees and their responses were taken into consideration for the study.

**Research Instrument** A questionnaire is a research

instrument consisting of a series of questions and other prompts for the purpose of gathering information from respondents. Questionnaires have advantages over some other types of surveys, that they are cheap, do not require as much effort from the interviewer as verbal or telephone surveys, and often have standardized answers that make it simple to complete data. Questions were framed in such a way that the respondents were able to give free and fair response without any bias. The study has used closed ended questions with likert's 5- point rating scale. And to substantiate the responses and also for the purpose of cross verifications open ended questions were also asked. Face to face interview was conducted to understand the likes and dislikes of the employees subtly.

As the sample size is small, compared to the total population, the outcome cannot be generalized which is one of the limitations of the study.

### Scope of the study

The study on the topic "Social Security and Welfare Measures-A Means to Employee Motivation: An Empirical Study with Respect to MRPL" is conducted in order to find out various things which are already mentioned in the objectives of the study. The study is confirmed to MRPL Mangalore. The target respondents are the permanent employee's and survey is conducted only for non-management category workers who know the benefits provided at MRPL.

### Sources of information

The sources of information for the study are primary & secondary.

#### Primary source:

Primary data are those data originated by the researcher for the specific purpose of addressing the research problem. Generally primary data is collected through various methods such as observation, direct interview and questionnaire.

#### Secondary source:

To have a deep knowledge, not only primary data but data which is already available should also be used. Then only it is possible to have clear-cut study. This is possible through secondary source. The secondary source of data is collected from both internal and external source. The internal sources



include the company's in-flight magazines, journals, pamphlets and annual reports. The external source includes various websites visited, various articles in various magazines and text books.

**Major Findings**

The study has unearthed some of the important findings. They are as follows;

**1. Humanistic nature of welfare benefits:** Respondents (28 per cent) strongly agreed that, the benefits provided by the MRPL were humanistic in nature, and 52 percent agreed to the above point and 20 percent respondents neither agreed nor disagreed, and no respondents disagreed to the point that the welfare benefits at MRPL are not humanistic. The relevant data is shown in Table 1.

<b>Table 1</b> showing the frequency distribution of the opinion of the respondents about benefits provide by the MRPL are humanistic in nature.		
<b>Table 1</b>		
Particulars	Frequency	Percentage (%)
strongly agree	28	28
agree	52	52
neutral	20	20
disagree	0	00
strongly disagree	0	00
Total	100	100

**2. The power of benefits to improve the efficiency:** Respondents (36 per cent) strongly agreed that, the benefits would improve the efficiency of work, and 64 percents agreed to the above point and no respondents were neutral, or disagreed to the above point. By this it is clear that, most of the workers agreed that the benefits provided improve the efficiency of work. The relevant data is shown in Table 2

<b>Table 2</b> showing the frequency distribution of the opinion of the respondents regarding the benefits provide by the MRPL will improve efficiency of work		
<b>Table 2</b>		
Particulars	Frequency	Percentage (%)
strongly agree	36	36
agree	64	64

neutral	0	00
disagree	0	00
strongly disagree	0	00
Total	100	100

**3. Relevance of social security and welfare measures to employment conditions:** The respondents of MRPL felt that the social security and welfare measures at MRPL were highly relevant to the present employment conditions. About 32 per cent of the respondents strongly agreed that the nature of the social security & welfare measures were concerned with the condition of employment and living condition of work. 42 per cent also agreed to the above point and 12 per cent of the respondents were neutral to the above point, and no respondents disagreed to the above point. Because, the benefits such as medical benefits, accidents benefit, skill up gradation benefits and so on are concerned with the employment and living condition of work. The relevant data is shown in Table 3.

<b>Table 3</b> showing the frequency distribution of the opinion of the respondents regarding the social security and welfare measures is concerned with condition of employment & living condition of work.		
<b>Table 3</b>		
Particulars	Frequency	Percentage (%)
strongly agree	32	32
agree	42	42
neutral	12	12
disagree	0	00
strongly disagree	0	00
Total	100	100

**4. Social security and welfare measures as golden hand cuffs:** Majority of the respondents, 68 per cent of them agreed and 12 per cent of the respondents strongly agreed that, the social security & welfare measures at MRPL acts as golden hand / cuffs as it creates the sense of belongingness among the employees. 20 per cent of the respondents were neutral as they felt that certain social security and welfare measures such as performance based incentive schemes, medical benefits, house rent allowances are barely sufficient to motivate the employees. The relevant data is shown in Table 4.

**Table 4** showing the frequency distribution of social security and welfare measures at MRPL, acts as golden hand as it create the sense of belongingness among the employees.

<b>Table 4</b>		
Particulars	Frequency	Percentage (%)
strongly agree	12	12
agree	68	68
neutral	20	20
disagree	0	00
strongly disagree	0	00
Total	100	100

**5. Social security and welfare measures and their relevance in satisfying employees demand:** Even though 40 per cent of the respondents agreed that the social security and welfare measures at MRPL satisfy employee’s demand, the remaining 40 per cent of were neutral to the above point. About 20 per cent respondents disagreed to the above point and no respondents strongly agreed that the measures at MRPL are satisfying the employees’ demands. From this it is clear that social security & welfare measures at MRPL still has not considered worker’s opinon & demand to the present economic condition. Employees’ demands are ever increasing and it is always challenging for the companies to satisfy employees’ demands fully. The relevant data is shown in Table 5.

**Table 5** showing the frequency distribution of the social security and welfare measures at MRPL, satisfy employees demand.

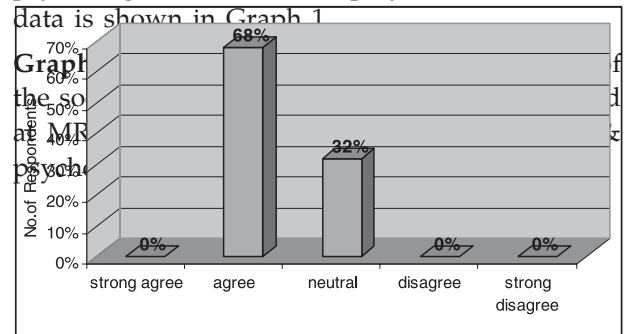
<b>Table 5</b>		
Particulars	Frequency	Percentage (%)
strongly agree	0	00
agree	40	40
neutral	40	40
disagree	20	20
strongly disagree	0	00
Total	100	100

**6. Compliance to legislation:** Only 52 percent of the respondents agreed that, the social security and welfare measures provided here meet the requirements of legislation. Majority of the respondents was neutral about the fact that the benefits provided at MRPL have met the requirements of legislations. The neutrality of some employees could be because of lack of awareness and knowledge of legislation & regulations. The relevant data is shown in Table 6.

**Table 6** showing the frequency distribution of the security and welfare measures provided at MRPL meet the requirements of various legislations.

<b>Table 6</b>		
Particulars	Frequency	Percentage (%)
strongly agree	0	00
agree	52	52
neutral	48	48
disagree	0	00
strongly disagree	0	00
Total	100	100

**7. Ability of social security & welfare measures to promote human relations & industrial relations:** The benefit at MRPL to promote good relations & effective human resource management is undisputed. 68 per cent of the respondents agreed that, the social security and welfare measures promote human relations and industrial relations at MRPL because it satisfies economic, social & psychological needs of employees. The relevant data is shown in Graph 1

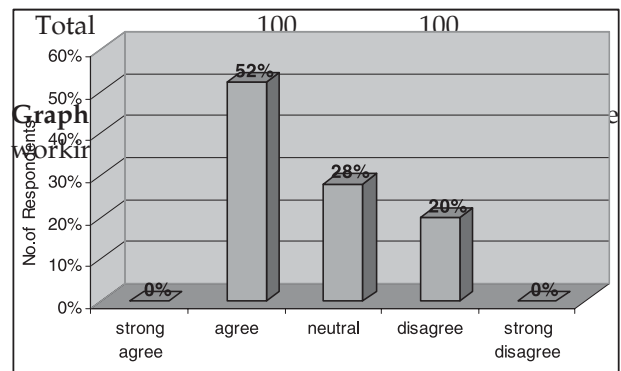


**8. Safe Working conditions:** Majority of the respondents i.e. about 52 percent of them agreed that, the working condition at MRPL is safe and hygienic and 28 percent of them are neutral to the above point and 20 percent of the respondents disagreed to the above point. So, it is clear that, the some employees were dissatisfied with the working conditions at MRPL. As the technical employees have to work with the heavy machines, the chances

of occupational fatigue and accidents are quite there. The relevant data is shown in Table 7 and Graph 2.

Table 7 showing the frequency distribution of the working condition at MRPL is safe and hygienic.

Table 7		
Particulars	Frequency	Percentage (%)
strongly agree	0	00
agree	52	52
neutral	28	28
disagree	20	20
strongly disagree	0	00

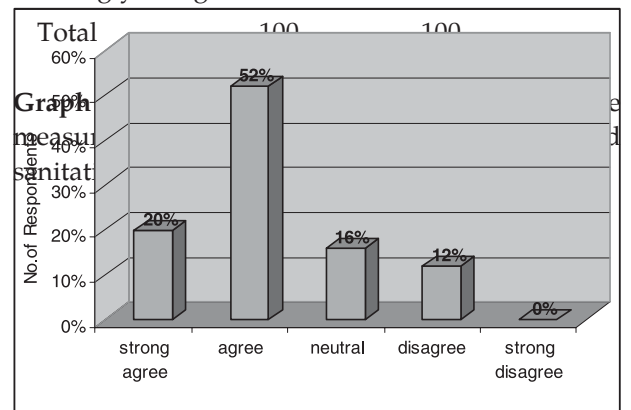


**9. Cleanliness and sanitation:** The expectation of some employees regarding cleanliness and hygiene is more and MRPL has failed to meet that. 20 per cent respondents strongly agreed that, the measures taken by the MRPL for cleanliness & sanitation is

satisfactory, 16 per cent of the respondents were neutral to the above point and 12 per cent of the respondents disagreed to the above point. The study has attempted to understand the view of the respondents towards the measures taken by the MRPL for cleanliness & sanitation is satisfactory which is depicted in table 8 and graph 3.

Table 8 showing the frequency distribution of the measures taken by the MRPL for cleanliness and sanitation is satisfactory.

Table 8		
Particulars	Frequency	Percentage (%)
strongly agree	20	20
agree	52	52
neutral	16	16
disagree	12	12
strongly disagree	0	00



**10. Protection against accidents & occupational diseases:** Respondents strongly felt that they have protection against accidents and occupational diseases, given by the company. About 32 per cent of the respondents strongly agreed that the social security and welfare measures given here provide protection against certain risks like accidents and occupational diseases, 48 per cent of them agreed to the above point. However, 20 per cent of the

respondents were neutral to the above point as they felt that the protection against the accidents and diseases were inadequate. The study has attempted to understand the view of the respondents towards the social security and welfare measures given here provide protection against certain risks like accidents and occupational diseases which is depicted in table 9.

Table 9 showing the frequency distribution of the social security and welfare measures given here provide protection against certain risks like accidents and occupational diseases.

Table 9		
Particulars	Frequency	Percentage (%)
strongly agree	32	32
agree	48	48
neutral	20	20
disagree	0	00
strongly disagree	0	00
Total	100	100

**11. Bias free management of social security & welfare schemes:** Even though 24 percent of the respondents agreed that, the benefits given by the management were without any bias & delay, 44 per cent were neutral to the above point and 32 per cent of the respondents disagreed to the above point. From the discussion with the respondents it was brought to the researcher's notice that the benefits were getting sanctioned to higher level employees without much time lapse and delay, whereas technical level employees had to wait a long time to get the benefits sanctioned. As a result the timely usage of the benefits cannot be availed of by the employees in need.

Some times the benefits provided at MRPL have not satisfied employees, because the benefits were given on the basis of designations and educational qualifications. So, all the employees were not able to get benefits. The study has attempted to understand the view of the respondents towards the benefits are given by the management without any bias and delay which is depicted in Table 10.

Table 10 showing the frequency distribution of the benefits given by the management, without any bias and delay.

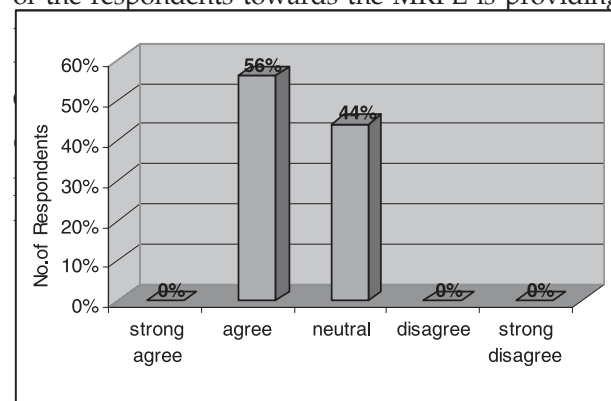
Table 10		
Particulars	Frequency	Percentage (%)

strongly agree	0	00
agree	24	24
neutral	44	44
disagree	32	32
strongly disagree	0	00
Total	100	100

**12. Intention of social security & welfare measures at MRPL:** About 56 percent of the respondents agreed that, MRPL is providing the welfare benefits not only for saving corporate tax but also with an utmost concern for employees. About 44 percent of them were neutral to the above point and no respondent disagreed, to the above point. As they felt that provision of social security and welfare measures act as the corporate social responsibilities of any large scale organisation in the organised manufacturing sector.

To conclude, the employees were satisfied with the benefits given by the MRPL due to following reasons; it helped to manage the employee's standards of living. MRPL was providing better benefits when compared to other industries. The benefits indirectly reduced employee's expenditure. Benefits motivated the employees to work sincerely and efficiently.

The study has attempted to understand the view of the respondents towards the MRPL is providing



### Few Suggestions:

From the above findings and observations the following suggestions help to improve the welfare measures at MRPL.

- Promotion and benefits should be reaching the employees as soon as possible.
- There should not be many formalities in sanctioning the benefits.
- Unless employees have a clear understanding of the benefits and how much their benefits are worth they will not have any appreciation of their actual or potential social security & welfare measures in terms of their value.
- Employees indicated that they have little idea about the eligibility criteria and entitlement of the various schemes. As a result an awareness programme regarding social security & welfare measures has to be conducted by MRPL.
- It is very important for the management to realize that different classes of employees have different kinds of needs and requirements. And providing a standardized welfare package for all classes does not quite serve the purpose.
- One of the alternatives available to MRPL is to provide a variable benefit package where the employee can choose from a menu of benefits. The employee will have to set budget to use and depending on the scheme's rules may be able to switch into or out of benefits. This will help employees to select benefit schemes, which are appropriate to them and precise to their conditions.
- Among the non-management grades, employees have mixed opinions. While some prefer cash to welfare schemes there is also a considerable number who prefer welfare to cash. This condition as indicated by the employees in the non-management grades is because they feel that the welfare package does not quite provide for them value for money. The only way MRPL can deal with this issue is to hold a proper reconnaissance to understand the preferences of the people at various levels and try to modify their welfare benefits & schemes as per the demands and needs.
- Employees feel that when there are rigid rules

regarding welfare packages at each grade, it becomes the responsibility to ensure that nature of work at each grade together with the welfare package should be clearly defined.

### Conclusion

Life is the search for satisfactions. It is necessary to find out what satisfies the individuals and to know something about what makes man to do what he does. Sustained production can be maintained only by a satisfied work force. The companies should always place total job satisfaction as one of its top priorities. The remuneration and benefits package at a company should be at par with the industry standards. Unless employees are told how much their benefits are worth they will not have any appreciation of their actual value or potential social security and welfare measures in terms of their true value.

Employee makes comparison to determine equity and fairness in his work. So the company should always make sure that they are at par with the industry and maintain a motivated work force. Therefore, it is essential for a company to regularly evaluate the effectiveness of its welfare package. Thus an evaluation of the effectiveness of the welfare package provided to an employee is a vital part of the HR department's function and will assist the company in creating a satisfied workforce.

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