

Employee Welfare Measures- A Study on Cement Corporation of India Units, in Thandur and Adilabad

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Abstract : *Employee's welfare refers to "the efforts which are provided by the employer for the good life worth of its employees". Employees welfare means anything done for the comfort and intellectual, improvement or social, of the employees over and more than the wages paid which is not a necessity of the industry."Organizations provide welfare facilities to their employees to keep their motivation levels high enough. The employee welfare schemes can be classified into two categories viz. Intra-mural and Extra-Mural. The Intra-Mural schemes are those schemes that are compulsory to provide by an organization as compliance to the laws governing employee health and safety. The Extra-Mural schemes differ from organization to organization and from industry to industry. The main purpose of employees' welfare is to enrich or develop the quality of life of employees and keep them satisfied and contented. Extra-Mural benefits are the result of employer's generosity, enlightenment and philanthropic feelings. This paper contributes the in-depth of analysis of both Intra-Mural and Extra-Mural and its impact on employee satisfaction in Cement Corporation of India units in Thandur and Adilabad. And also focussed on layoff benefits, welfare measures providing by the organisation to its temporary employees.*

KEYWORDS: *Employee Welfare, Employee Satisfaction, temporary employees, layoffs, cement corporation of India.*

1. Introduction

Employee welfare is a term including various services, benefits and facilities offered to employees by the employers. The welfare measures need not be monetary but in any kind/forms. This includes items such as allowances, housing, transportation, medical insurance and food. Employee welfare also includes monitoring of working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. Through these generous benefits the organisation makes life worth living for employees. Welfare includes the activities that is done for the improvement and comfort of employees and is provided over and more than the wages. Welfare measures helps in maintaining the morale and motivation of the employees high so as to retain the employees for longer periods. This welfare need not be in monetary terms but in any kind/forms. Employee welfare includes monitoring of working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. The following are the features of employee welfare:

- Employee welfare is a comprehensive term including various services, facilities and amenities
- Provided to employees for their better living, Welfare measures are in addition to regular wages and other economic benefits available
- Employees under legal provisions and collective bargaining. The basic purpose of employee welfare is to develop the lot of the working class and thereby developing a sense of belongingness
- Employee welfare is an essential part of social welfare. It involves adjustment of an employee's work life and family life to the community or social life.
- Welfare measures may be both statutory and voluntary.

The concept of Labour welfare is elastic and flexible and differs widely with regions, time, industries, country, social values and customs, the degree of industrialization, the general social economic development of people and political ideologies prevailing at particular moments. However, the Committee on Labour Welfare (1969) defined the phrase to mean, "Such facilities and amenities as adequate canteens, rest and recreation facilities,

sanitary and medical facilities arrangements for travel to and from and for accommodation of workers employed at a distance from their homes, and such other services, amenities and facilities including social security measures as contribute to conditions under which workers are employed.”The concept of labour welfare has received inspiration from the concept of democracy and welfare state. Democracy does not simply denote a form govt; it is rather a way of life based on certain value such as equal rights and privileges of all. The constituents of labour welfare included working hours, working condition, safety, industrial health insurance, workmen’s compensation, provident funds, gratuity pensions, protection against in-debtiness, industrial housing, rest room, canteens, and crèches wash places, toilets facilities, lunch, cinemas, music, reading rooms, co- Employee welfare measures in Auto sector www.ijbmi.org 67 | P a g e operatives store, playground etc. Employee welfare measures to promote the physical, social psychological and general well –being of the working populations. Welfare work in any industry aims at improving the working and living conditions of workers and their families

Company profile:

Cement Corporation of India Limited (CCI) is a public-sector undertaking of the government of India. The company was incorporated as a wholly government-owned corporation on January 18, 1965, with the objective of setting up cement units in public sector to help achieve self-sufficiency in cement production in the country.

CCI is based in New Delhi. The corporation manufactures various types of cements, such as Portland Pozzolana cement (PPC), Portland slag cement (PSC), and ordinary Portland cement (OPC) of varying grades - 33, 43,53 and 53S (special grade cement for manufacture of sleepers for Indian Railways).

CCI currently has 10 operating units spread over seven Indian states and union territories, with a total annual installed capacity of 38.48 lakh MT. **Cement Corporation of India Limited (CCI)** was incorporated as a Company wholly owned by Government of India on 18th January 1965 with the principal objective of achieving self sufficiency in cement production. The authorised and paid-up capital of the company as on 31.3.2015 was Rs. 900 crores and Rs. 811.41 crores respectively.

CCI is a multi unit organisation at present having ten units spread over eight states with a total annual installed capacity of 38.98 lakh MT. All Factories, Zonal Offices and Corporate Office at Delhi are inter connected through Internet. In line with the advancement in cement technology **CCI** had been adopting the latest one with one million tonne plants at Tandur and Nayagaon.

CCI manufactures various types of cements like Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) & Ordinary Portland Cement (OPC) of varying grades viz 33, 43,53 and 53S (special grade cement for manufacture of sleepers for Indian Railways) grades. Under strict quality control with the brand name of **CCI** Cement.

CCI with a strong work-force of 813 Employees (as on 31.03.2015) has always encouraged balanced regional growth with most of its factories located in underdeveloped/backward areas. **CCI** has also been contributing to the development of areas around factories by adopting nearby villages and providing the basic facilities like school, health centre, drinking water etc.

For maintaining the ecological balance **CCI** is launching massive tree plantation drives from time to time at all units and in surrounding areas.

2. PLANTS

The units are spread throughout the country from East (Bokajan in Assam) to West (Akaltara, Mandhar in Chhattisgarh and Nayagaon in Madhya Pradesh) and from North (Rajban in Himachal Pradesh and Charkhi Dadri in Haryana) to South (Kurkuntain Karnataka and Adilabad, Tandur in Telangana), with one cement grinding unit in Delhi.

The performance of CCI was adversely affected due to severe liquidity crunch and infrastructural constraints particularly related to power shortage. 7 units out of 10 are non-operational due to various reasons, especially

after Mrs Indira Gandhi, the Prime Minister was no more. The company became sick and was referred to BIFR. BIFR had directed the OA to appoint a merchant banker to explore the sale of CCI as a whole as a going concern basis or its units individually or collectively.[2] (The above para is to be updated as per the status on 2015 as CCI is earning profit year by year after 2007 with its 3 running plants: Rajban, Bokajan&Tandur)

Objectives:

1. To identify the various welfare measures provided to the employees.
2. To know their satisfaction towards the welfare measures.
3. To know the various welfare activities providing to its contract employee by the employer under the concept of “employee welfare”.

3. METHODOLOGY

The study covers both primary and secondary data. Primary data is collected by distributing questionnaire to the CCI employees of Thandur and Kurkunta areas (Cement division) and Secondary data is collected from various journals, articles, websites, dissertations and thesis pertaining to the relevant matters of the subject under study. Convenience sampling method is used to carry out the study. In this connection, out of 524 employees of CCI cement plants, 120 are selected covering almost all the departments. In this study the questionnaire consist of mostly close ended questions with 5-point Likert scale i.e. Highly Dissatisfied, Dissatisfied, Moderately Satisfied, Satisfied, and Highly Satisfied. The statistical tools applied for the study is weighted average mean scores and corresponding percentages.

4. REVIEW OF LITERATURE

Binoyjoseph,josephinjodey (2009), studies in the article points out that, the structure ofwelfare states rests on a social security fabric. Government, employers, trade unions have done a lot to promote the betterment of workers conditions.

* David, A Decenzo (2001) and Stephen P. Robbinsin their book, “Personnel / Human Resource Management explained the various benefits and services provided by the companies to their employees. According to them, the legally required benefits and services include social security premiums, unemployment compensation, workers compensation and state disability programs. They felt that the cost of the voluntary benefits offered appears to be increasing.

* Michael (2001) in his book, “Human Resource Management and Human Relations” said that the provision of intra-mural and extra-mural welfare facilities help in improving the quality of work life of employee’s thereby good human relations will develop among different cadres of employees.

*Punekar, Deodhar and Sankaran (2004) in their book, “Labor Welfare, Trade Unionism and Industrial Relations” stated that labor welfare is anything done for the comfort and improvement, intellectual and social-well being of the employees over and above the wages paid which is not a necessity of the industry.

*Aswathappa (2010) in his book, “Human Resource Management “discussed the various types of benefits and services provided to employee’s in terms of payment for time not worked, insurance benefits, compensation benefits, pension plans etc. He also discussed the ways to administer the benefits and services in a better way.

Table -1: Measures

Welfare measures	Weighted average mean scores	Percentage (%)
Housing facilities	4.6	81
Transport allowances	3.9	78
Children education facilities	4.4	86
Recreation facilities	3.8	80
Consumer co-operative stores	3.5	72
Safety committee	4.0	80
Medical facilities	4.1	78
Facilities for women	2.3	48
Canteen	4.4	88
Retirement benefits	3.8	81
Internal maintenance of work place	4.0	89
Accident and sickness benefits	3.3	76
Reasonable prices in canteen	4.2	68
Lay off benefits	0.0	0
Equality treatment of workers	3.9	78
Maintenance of townships	4.0	84

Source: Primary data Over all Mean Score = 3.95 Over all Percentage =78 It can be observed from the above table that the overall mean score of 3.95 i.e. 78 per cent indicates that majority of the respondents are satisfied with all welfare measures provided by the organization. A few are not satisfied with welfare measures provided by the organization. Therefore, it is suggested that the existing welfare measures may be improved further.

5. LAYOFF

The layoff of one individual in a company may appear minor, but it often causes a ripple effect in an organization where employees work together to achieve a common goal. A layoff introduces a missing link in the team, which affects the organization in several ways. The company faces a greater challenge when layoffs occur in masse. One of the things a business owner considers when he needs to save money at a company is laying off staff in anticipation of saving money on payroll and benefits. However, the company often ends up incurring costs as a result of the layoff that minimize the savings. For example, the company may have to issue severance pay to outgoing employees, pay overtime wages to remaining employees and use placement services for temporary help.

Layoffs is the term that refer to reductions that companies make in the number of employees on the payroll, although the term "layoff" is used more often to refer to temporary displacement, while "downsizing" generally has more permanent connotations. Other terminology sometimes used in this regard include reductions in force (RIF), right-sizing, restructuring, and reorganization. Employee terminations in such cases are usually the result of surplus labour caused by economic factors, changing markets, poor management, or some other factor

unrelated to worker behaviour. Because work force reductions make a company vulnerable to many of the same legal risks inherent in behaviour-related terminations, companies usually terminate workers by means of a carefully planned and documented process. The process is typically conducted in two stages: 1) selecting the workers to be dismissed and then terminating them according to the above process; and 2) providing benefits to ease the transition, including severance packages, unemployment compensation, and outplacement services.

Prior to the 1980s, layoff/downsizing initiatives were typically associated with business cycle downswings, with laid-off workers recalled as business conditions improved. Beginning in the 1980s, a greater proportion of layoffs resulted from plant and office closures and were, therefore, permanent. Many of these downsizing efforts were intended to make U.S. firms more profitable in the face of intensified global competition. As the U.S. economy improved in the 1990s, large-scale layoffs continued even at highly profitable firms, indicating a break with historical patterns. These layoffs, many of them resulting from re-engineering and restructuring efforts, impacted managerial positions to a greater degree than ever before. Conversely, displacement rates fell for blue-collar groups that have historically been most vulnerable to layoffs/downsizing. Today, primary causes of layoffs and downsizing initiatives include rapid technological change, increased international competition, changing customer demands, regulatory changes, regional economic downturns, and poor company leadership.

6. EMOTIONAL DISTRESS

The person who is laid off suffers the most distress, but remaining employees suffer emotionally as well. Because the layoff disrupts the status quo, employees have to pick up extra responsibilities and form new work relationships, which can cause stress. The productivity level of employees who work in fear is likely to go down. The situation is even more damaging to the company when the person who has lost his job stays around until the date of termination.

Where here both CCI organizations are not providing any of before layoff payments to their workers.

7. TEMPORARYEMPLOYEES

Temporary employees, are typically hired to cover for absent employees and temporary vacancies, or to fill gaps in a company's workforce. Temporary employees may be hired directly or through a temporary staffing agency -- in which case the temp is *on lease* with the staffing company, but not an employee of the client company that uses its services. Temporary agencies typically charge clients 15 to 30% more than the amount of compensation given to the temp employee,

Temporary employees may be hired to perform work in a range of industries, such as clerical, labour, education, healthcare, IT sectors, Some temporary jobs may lead to permanent employment where appropriate-- More often, however, companies hire temporary employees for a specific business purpose while avoiding the cost of hiring regular employees.

Temporary employees may work part or fulltime and can work for more than one agency at a time. Although they are not typically eligible for organisation benefits, some temporary agencies offer health care and other benefits to their temporary employees.

Finally, in some states, companies which hire temporary employees may be subject to federal discrimination and harassment challenges, and other claims. In addition, the circumstances in which temporary employees may claim rights under the Family Medical Leave Act -- which provides the right to take leave while taking care of a child, sick spouse, or elderly parent -- depends on whether the company exercised some control over the selection, hiring, and working conditions of the employee, thereby creating an employee/employer relationship.

8. SEASONALEMPLOYEES

Generally, seasonal employees are hired to work on a part-time basis by companies that need extra help during a particular season, typically the Christmas season. For example, large retailers, such as Wal-Mart, Toys R' U's, and Best Buy, hire thousands of seasonal employees each year to account for the increased shopping demands of the season. Seasonal employees may be hired within several industries, such as retail, hospitality, customer service, shipping/handling, and sales, and are entitled to minimum wage and overtime. Laws concerning employee treatment, benefits, and policies of part-time, temporary, or seasonal employees are covered by both Federal and state laws.

There are nearly 1/4th members i.e. around 480 members are working as contract based workers, for these employees, CCI is not providing major facilities. The welfare measures which employer is not providing for temporary employees are mentioned below:

1. Housing facilities
2. Children education
3. Consumer co-operative stores
4. Medical facilities
5. Accident and sickness benefits
6. Retirement benefits

When it comes to salary matter, most of the temporary employees of packing, loading, unloading sections are totally not satisfied with their salary structures and most of them are demanding for at least 6th prc, where most of them are getting less than 7000 salary.

9. FINDINGS

1. Maximum 83%, 90%, 75%, 80%, 73%, 68% of the respondents are satisfied with Transport facilities, Medical facilities, canteen, lunch room, Sports and Recreational facilities, Children education facilities, , Housing facilities, Leave travel concessions, Special medical aid facilities and Retirement benefits provided by the organization.
2. Minimum 20%, 46% of the respondents are highly dissatisfied with the retirement benefits and Consumer Cooperative stores provided by the CCI units.
3. Minimum of 55%, 60% of the respondents are moderately satisfied with the internal maintenance of factory and accident benefits, provided by the organization.
4. Most of the temporary employees are highly dissatisfied with least benefits providing to them by the organisation.

10. SUGGESTIONS

- Workers are demanding for the layoff payments at least 2 months' salary for their survival, while there is no work for them.
- Facilities for women should develop in form of maternity, crèche benefits.

- As per the survey, temporary employees are highly dissatisfied with the employee welfare measures providing to them, so it is suggested that minimum welfare facilities like children education, medical benefits should be provide to them according to their demand.

11.CONCLUSION

The study of Employees welfare schemes and its impact on employee's efficiency at Cement Corporation of India is satisfactory. As per the study it is observed that the CCI units are providing various facilities to the employees as per the rules and regulation of state and Indian Government. The management required to provide good facilities for both permanent and temporary employees in such way that employees become satisfied about employee welfare facilities. It increases productivity as well as quality and quantity. Therefore there is necessity of making some provision for improving the welfare facility through that employees will become happy, employees performance level become increase. It leads to improve favourable effects of profitability and products of the organization. At last it can be conclude that the employee welfare facilities provided by the company to employees are satisfied and it is commendable, but still of scope is there for further improvement. So that efficiency, effectiveness and productivity can be enhanced to accomplish the organizational goals.

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