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The Impact of Welfare on Job Satisfaction among Non Managerial Employees in the Apparel Industry in Sri Lanka

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Abstract

This study mainly focuses on discussing the impact of welfare facilities on job satisfaction of the non managerial employees in the apparel sector in Sri Lanka. The main objective of this study is to identify the impact of welfare facilities on job satisfaction of the non managerial employees in the apparel sector in Sri Lanka. The research problem of this study: Does the welfare facilities impact on job satisfaction of the non managerial employees in the organization? The data were collected from a randomly selected sample of 138 non managerial employees in two large scale garments in Sri Lanka and used a structured questionnaire, which indicated the statements of welfare facilities and job satisfaction with 5 points Likert scale. Data was analyzed using univariate, correlation and regression analysis with the SPSS (16.0 version). The finding of the study is that the independent variable welfare facilities are positively correlated with the dependent variable job satisfaction of non managerial employees in two large scale apparel companies in Sri Lanka. It is concluded that there was a strong positive relationship between two variables welfare facilities and job satisfaction. Improving awareness programmes for welfare schemes, employee consultation for future welfare improvements were presented as recommendation.

Keywords: *Welfare, Job Satisfaction, Benefits*

Introduction

Employee welfare can be introduced as an important function of Human Resource Management. Employees cannot work as machines (Opatha 2009). One of the basic strategies for organizational excellence is considering human resource as an important asset in organization, and by planning to attract, secure and promote human resource capacities; the welfare and cultural issues should be provided. The purpose of employee welfare programs is undertaking measures to ensure the protection of employees' physical and mental health (Ganga n.d.).

Welfare defines as an indirect reward given to an employee or group of employees as a part of organizational membership (Mathis and Jackson 2000). In Sri Lanka there are various statutory services, which an organization provides compulsory. The provision of welfare services enables workers to live in a richer and more satisfactory life and it contributes to the productivity of labour, efficiency of an enterprise and helps in maintaining industrial peace (Munene et al. 2012).

When people perform better, they will get higher rewards, which will lead to greater satisfaction. But if rewards are seen as inadequate for one's level of performance dissatisfaction will occur. Spector (1997) describes job satisfaction simply as how people feel about their jobs and different aspects of their jobs. It is the extent to which people like or dislike their job. According to Khademi (2014), organizational welfare has a positive impact on organizational performance including happiness, security, motivation and job satisfaction.

Problem Background and Problem of the Study

In today's competitive world, every organization is facing new challenges. Nowadays no organization can perform at peak levels if each employee does not give their full commitment to achieve organizational objectives (boundless.com). Satisfaction is the one of major concept in Human Resource Management (Kumari & Tarareddy 2014). Employees and workers are the assets of any organization. Therefore, they should be treated well. The satisfied labour will be converted in to faithful and good labour and these acquired skills will help the organization to survive, grow in the market. So it is the responsibility of the organization to see that the employees are satisfied and their expectations are met. The productivity of the organization depends on employees' satisfaction.

In Sri Lanka, there are particular welfare facilities that any employer/organization should provide according to the legal requirements of the government (Opatha 2009). Organizations provide welfare facilities to their employees to keep their motivation levels high. Some organizations provide extra welfare facilities to their employees, thinking the wellbeing of employees as well as the organization. Organizations provide welfare to attract new employees to the organization and retain the existing employees in the organization. According to Maslow's needs of hierarchy theory, any person first fulfills their basic needs, after that security needs, and social needs (Maslow 1970). Welfare is some kind of needs fulfillment of these three needs.

Not as other resources, human resource is a unique resource and hard to deal with it. Sometimes it may satisfy with the salary and promotions but sometimes it may not. Every individual has certain needs and motives which he/she wants to fulfill (Prabakar 2013). If someone loves what he or she is doing, he/she will be successful. If someone gets what he or she really likes, he/she will get motivated and give maximum contribution during the work period. Employee satisfaction is a measure of how happy workers are with their job and working environment. Keeping morale high among workers can be of tremendous benefit to any company, as happy workers will be more likely to produce more, take fewer days off, and stay loyal to the company. Employees' welfare is a good plan that shows the company values them, it can help to make them feel welcome, and happy in the company, it motivates them to work harder.

Highly satisfied employee should have a weak intention to quit. The schemes of labor welfare may be regarded as a wise investment because these would bring a profitable return in form of greater efficiency (Prabakar 2013). It plays a significant role in influencing the level of job

satisfaction of employees. So it is some kind of investment for the success and the progress of the success of the organization.

Problem Statement

Because of lower job satisfaction of employees, most of the organizations in the apparel industry as well as other industries are facing a reduction in production levels, high turnover and absenteeism rates and many issues, which would rise costs and delays. The reduced actual daily output when compared to planned daily efficiency will result in delays in customer deliveries, which would finally result in losing market share. Due to the above issues, there is a problem of not having much consideration on employees. Although many researches done on welfare are satisfaction in many countries, there is a shortage in research articles, which check the impact of welfare on job satisfaction of employees in the Sri Lankan context. This study is done to remove the existing gap. The problem statement of this study is to what extent welfare facilities impact on job satisfaction of the non managerial employees in the apparel sector.

Literature Review

Labour welfare facilities play a significant role in influencing the level of job satisfaction of employees. Souza (2009) explained labour welfare and job satisfaction relationship in pharmaceutical companies and multinational pharmaceutical companies that all the eight labour welfare dimensions (education/training, recreation, medical, subsidized loan, canteen, housing, safety and others) are positively and significantly correlated with job satisfaction at the 0.01 level. This implies that an increase in any of the labour welfare dimensions is likely to significantly increase job satisfaction of employees (N=201) in the pharmaceutical companies in Goa. For instance an increase in education/training will significantly increase the job satisfaction of the employees. Similarly any increase in recreation facilities, medical facilities, subsidized loans, canteen, safety, housing, safety and others would have a significant influence on the job satisfaction of employees (N=201) in these companies in Goa. Two labour welfare dimensions education/training, and others were found to be indicative of influencing job satisfaction. Education/training was more influential, influencing the job satisfaction of employees than others in the IPCs and MPCs in Goa.

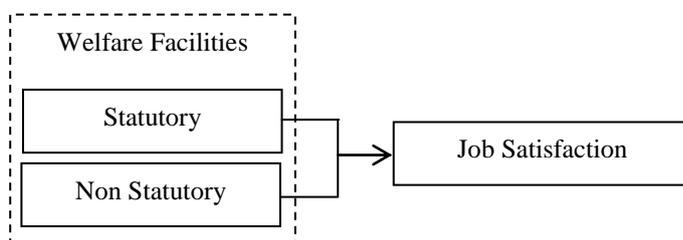
Sabarirajan et al. (2010) analyzed the study on employee welfare in the Textile industry. The study shows that 15% of the employees are highly satisfied with their welfare measures. 22 % of the employees are satisfied with their welfare measures. 39 % of the employees are average with their welfare measures. 16% of them are in highly dissatisfied level. Welfare measures play an important role in employee satisfaction and it results in improved quality of work life. In a study by Goyal (1995) on *Labour Welfare and Job Satisfaction* undertaken on six cotton textile industries in Punjab (two units each of the public, cooperative and private sectors) on a random sample of 350 workers (50 workers from every unit studied) representing all the departments from blow room to packing, found that only few of the workers were highly satisfied with their job, majority of them were satisfied, while some of them were not satisfied with their job. The private sector has the maximum number of workers (80.67 %) satisfied with their jobs.

Prabakar (2013) in the study “Employees satisfaction & welfare measures: A case study with special reference to Don Bosco college of arts & science, Sogathur, Dharmapuri” has found that 41.11% of the respondents are not satisfied with the drinking water facilities provided by the college. 20% are satisfied with the drinking water facilities and 38.88% are highly satisfied with the drinking water facilities. Majority of the employees are highly satisfied with the transport facilities provided by the college. Only 11.11% are not satisfied with the transport facilities. In the case of canteen facility, 55.56% of the employees are highly satisfied, 22.22% are satisfied where as another 22.22% are not satisfied with the canteen facility. 18.88% of the respondents think the leave facility provided by the college is good, where as 51.11 % think it is average and 30% have the opinion that it is poor. 8 20% of the respondents consider management employee relationship as the college’s strength. And also he had found that the employees are very satisfied with intramural facilities.

Srinivas (2013) identified welfare facilities and employee’s satisfaction level about welfare facilities adopted at Bosch limited, Bangalore. It is found that most of the, welfare facilities like medical, canteen, working environment, safety measures etc. are provided by the company and most of the employees are satisfied with the welfare facilities adopted by the company towards the employee’s welfare. Satyanarayna and Reddi (2012) stated that the overall satisfaction level of employees about welfare measures in the organization cover is satisfactory. However, a few are not satisfied with welfare measures provided by the organization.

According to the results of previous studies, there is an impact of welfare on job satisfaction. The conceptual framework of this study is as below (Figure 01). Welfare facilities are concerned as an independent variable and job satisfaction is concerned as the dependent variable.

Figure1: Conceptual Framework



Method

The main objective of this study was to investigate the impact of welfare facilities on job satisfaction. Therefore this is a quantitative and correlation study. The research objective describes a causal relationship. This study tested three hypotheses and this is a field study which was conducted in natural environment. Cross sectional data gathering was used to gather data for the research by using questionnaire and observation method-and secondary data, which has collected from research articles, books and web sites related with welfare and job satisfaction were used. Questionnaires were given for each and every individual (non

managerial employees) to be completed separately and those data was analyzed individually. This study used primary data as well as secondary data. The target population of the study is the non managerial employees in the apparel sector in Sri Lanka. This study focuses on the stratified random sampling and the size of the sample is 138 non managerial employees from two garments in Sri Lanka.

Findings

The data collected from the primary (questionnaire) source were analyzed using the computer based statistical data analysis package, SPSS (version 16.0) for validity, reliability, and relationship testing. The data analysis included univariate and bivariate analyses. To investigate the responses for independent and dependent variables of the non managerial employees in two large scale apparel companies in Sri Lanka, univariate analysis was used. The results of the univariate analysis are given in Table 1.

Table 1: Descriptive Statistics of Variables

		WF	JS
N	Valid	138	138
	Missing	0	0
Mean		3.9337	3.5757
Std. Error of Mean		.04197	.04008
Median		4.0625	3.5600
Mode		4.13	3.48
Std. Deviation		.49303	.47085
Variance		.243	.222
Skewness		-.610	-.040
Std. Error of Skewness		.206	.206
Kurtosis		.051	-.342
Std. Error of Kurtosis		.410	.410
Range		2.47	2.20
Minimum		2.31	2.36
Maximum		4.78	4.56
Sum		542.84	493.44

The bivariate analysis includes the correlation analysis and the simple regression analysis, which were used to investigate any relationship between the independent variable and dependent variable (Table 2).

Table 2: Correlations among the Variables

		WF	JS
WF	Pearson Correlation	1	.766**
	Sig. (2-tailed)		.000
	N	138	138

** . Correlation is significant at the 0.01 level (2-tailed).

According to the results of the Pearson's correlation shown in Table 2, there is a positive relationship between welfare facilities and job satisfaction. And the found relationship is at

the statistically strong level as correlation is significant at 0.01 levels (2 tailed). Thus there is statistical evidence that welfare facilities and job satisfaction are positively related.

The results of simple regression analysis of the variables welfare facilities and job satisfaction are given in Table 3.

Table 3: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.698	.209		3.345	.001
	WF	.732	.053	.766	13.895	.000

a. Dependent Variable: JS

According to the Table regression equation of job satisfaction is:

$$\text{Job satisfaction} = 0.698 + 0.732 (\text{Welfare facilities})$$

Discussion and Conclusion

According to the results of Pearson’s Correlation analysis and simple regression analysis, it was found that welfare facilities positively correlated with job satisfaction of the employees. The findings of this research study shall be important on the theoretical as well as practical scenario. The findings of the study are important to improve job satisfaction of the non managerial employees in this industry. To improve the level of the job satisfaction of employees more than the current position, researcher suggests some recommendations. Management should make awareness programmes for all existing welfare schemes, from the study on labour welfare measures certain points have been identified that some employees are satisfied and some are not satisfied with the present welfare measures. Therefore the management can discuss with employees to improve the welfare schemes, urgent provisions should be made regarding the rewards for results, safety and canteen facilities as general wellbeing of the workers important, welfare refers to the physical, mental, moral, and emotional wellbeing of an individual. Human resource is an asset of an organization, so they need proper attention and should create favorable work conditions for the company. A company should guide the employee to communicate effectively, build a good interpersonal environment within the company, in order to create good work conditions.

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