



Labour Welfare Measures Provided In Engineering Industries and Its Impact on Labour Retention

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Abstract:

Growth in the domestic engineering industry has been powered by the user industries and several new projects being undertaken in various core industries such as railways, power, and infrastructure. Capacity creation in sectors such as infrastructure, oil and gas, power, mining, automobiles, auto components, steel, refinery, and consumer durable is driving this growth. The Indian engineering industry accounts for 27 per cent of the total factories in industrial sector and represents 63 per cent of the overall foreign collaborations.

The Engineering sector is one of the largest sectors among the industrial segments in India. Majority comprising heavy and light engineering segments, this industry is closely linked with the manufacturing segments of the economy. The major end-user industries for heavy engineering goods are power, infrastructure, steel, cement petrochemicals, oil and gas, refineries, fertilisers, mining, railways, automobiles and textiles. Light engineering goods are essentially used as inputs by the heavy engineering industry.

Growth in the domestic engineering industry has been powered by the user industries and several new projects being undertaken in various core industries such as railways, power, and infrastructure. Capacity creation in sectors such as infrastructure, oil and gas, power, mining, automobiles, auto components, steel, refinery and consumer durables is driving this growth. The Indian engineering industry accounts for 27 per cent of the total factories in industrial sector and represents 63 per cent of the overall foreign collaborations. The engineering sector is one of the major contributors to the country's total merchandise shipments. The US and Europe together account for over 60 per cent of India's total engineering exports.

Coimbatore is the second largest city in the South Indian state of Tamil Nadu. It is the administrative headquarters of the Coimbatore

District and a major textile and engineering hub of South India. It is referred to as "the Manchester of South India". Industry Growth Prospects in the Coimbatore engineering sector showed immense optimum in the growth prospects of the sector. More than 70% of the respondents expect the industry to grow above 20% in the next two fiscals and around 17% companies estimate growth of 10-20%.

Hawthorne experiments clearly pointed out that "Man does not live for bread alone". He needs position and status. The worker is not contented with high pay alone. He needs an added stimulus to keep body and soul together. This could be made possible only by providing better welfare measures to the workers. Labour welfare is a state of well-being of the workers by improving their physical, mental, social and cultural conditions of life as well as health, safety security and convenient conditions of work life. Employers should realize the importance of their role in providing these extra amenities, and yet, they are not always able to fulfil worker's demand, however reasonable they might be. However the employers must motivate the work force to contribute to the corporate objectives in a better way. Labour turnover can be controlled; workers would work with security of job and without absenteeism, and irregularities. Providing proper welfare measures is one of the ways to retain efficient workers in the organization. The working conditions of labour are explored by linking them up to the growth of respective industries.

Statement of the Problem

Efficiency of the work force is directly and indirectly linked with the conditions and environment under which they are required to work. Even the most sincere employee can not contribute his best if he is uncomfortable on the contrary his productivity is bound to increase when he is comfortable at the work place and he is conscious of the welfare amenities. Provision of adequate welfare facilities will go a long way in the improvement of



morale of the workers and consequent increase in their efficiency and reduction in cost. Management uses labour welfare measures as a tool to achieve this aim and also to retain the efficient labours in the organization. Limits cannot be rigidly laid down for

the scope of labour welfare for all industries and for all times. Depending on social customs, degree of industrialization and educational level of the workers, labour welfare measures differ from one Country to another.

Laws and Regulations on Working Conditions

Laws and Regulations	Aim	Coverage
Factories Act, 1948	Governs the health, safety and welfare of workers in factories and plantations with more than 10 workers in units using power of 20 workers in units not using power. The Act requires all units to file annual returns on their activities.	Extends to the whole of India, and includes service sector units employment intellectual labour.
Industrial Employment Act, 1946	Requires employers of industrial units with 100 or more workers (excluding management and supervision) to specify working conditions in line with a “model standing orders”.	All India. This is a Central Act, but the states are empowered to change some of its provisions. Many states apply the Act to units below the specified size, even shops and establishments.
Industrial Disputes Act 1947	Provides procedures and institutions for settling disputes	Existing industry. All India. Implemented by State Governments.
Labour (regulation and Abolition) 1970	Gradual abolition of casual labour hiring, and where permitted, to regulate the working conditions of casual labour	All India.

Table-1 – Gender wise classification

Industries	Male		Female		Total
	No.of Respondence	Per-Centage	No.of Respondence	Per-centage	
Pricol Ltd.,	100	80	25	20	125
Roots Ltd.,	100	80	25	20	125
Larsen & Toubro Limited	100	80	25	20	125
Hindustan Moulds & Dies (P) Limited	50	67	25	33	75
CNR Engineering Industries	50	100	Nil	Nil	50
Total	400		100		500

Table-2 – Working condition

Particulars	Pricol Ltd.,				Roots Ltd.,				Larsen & Toubro Ltd.,				Hindustan Moulds & Des (P) Limited				CNR Engineering Industries			
	Good	Satisfied	Poor	Total	Good	Satisfied	Poor	Total	Good	Satisfied	Poor	Total	Good	Satisfied	Poor	Total	Good	Satisfied	Poor	Total
Hazard Safely measure	73	52	Ni1	125	48	55	22	125	47	58	20	125	24	32	19	75	22	24	4	50
Ventilation	48	77	Ni1	125	40	58	27	125	49	61	15	125	21	37	17	75	19	28	3	50



Water facility	113	12	Ni1	125	55	60	1	125	64	61	Ni1	125	30	36	9	75	23	27	Ni1	50
Lighting	91	18	16	125	53	72	Ni1	125	56	64	5	125	28	38	9	75	17	30	3	50
Tools & Equipment	33	82	10	125	48	59	18	125	60	65	Ni1	125	29	46	Ni1	75	32	18	Ni1	50
Control of dust & Farmers	31	53	41	125	51	70	4	125	59	63	3	125	31	39	5	75	15	31	4	50
Work area	112	13	Ni1	125	76	49	Ni1	125	63	62	Ni1	125	43	32	Ni1	75	33	17	Ni1	50
Cleanliness	97	28	Ni1	125	54	71	Ni1	125	57	66	2	125	41	25	9	75	24	26	Ni1	50
Disposal of Waste	43	40	42	125	44	69	12	125	50	69	6	125	19	45	11	75	13	27	10	50

Table-3 – Experience of Labours retained in the Job

Experience	Pricol Ltd.,		Roots Ltd.,		Larsen & Toubro Limited		Hindustan Moulds & Dies (P) Limited		CNR Engineering Industries	
	No.of response	Per centage	No.of response	Per centage	No.of response	Per centage	No.of response	Per centage	No.of response	Per centage
Below 5 Years	28	22	41	33	32	26	17	23	14	28
6-10 Years	43	34	48	38	46	37	27	36	23	46
11-15 Years	33	26	22	18	34	27	19	25	13	26
Above 15 years	21	17	14	11	13	10	12	18	Nil	Nil
	125	100	125	100	125	100	75	100	50	100

Table-4 – The factors influenced employers to retain in the organization

Particulars	Highly Satisfied					Satisfied					Neutral					Dissatisfied					Highly Dissatisfied				
	P	R	L	H	C	P	R	L	H	C	P	R	L	H	C	P	R	L	H	C	P	R	L	H	C
Monetary Benefits	35	38	42	23	12	42	40	35	28	19	15	06	94	43	5	Nil	2	3	2	Nil	Nil	Nil	5	Nil	Nil
Non-Monetary Benefits	47	41	52	22	15	38	39	37	31	09	09	04	42	83	3	Nil	Nil	2	3	Nil	Nil	Nil	Nil	1	2
Working Condition	39	32	33	20	10	54	43	52	25	15	04	05	85	9	Nil	4	Nil	4	2	Nil	Nil	Nil	Nil	4	Nil
Griev	4	4	4	2	1	4	4	4	2	2	0	N	3	5	4	2	N	N	N	N	N	N	N	2	N



ance Hand ling	2	4	5	3	2	9	4	5	8	0	4	il					il	il	il	il	il	il	il	il	il
Relat ion- ship with super ior	4 5	3 9	5 2	2 4	1 0	4 9	4 1	3 9	3 2	1 0	0 3	0 3	2	2	1	N il	N il	1	N il	5	N il	N il	N il	N il	N il

Null hypothesis	Degree of Freedom	Calculated Value	Table Value	Significant/ Not significant
There is no significant relationship between Experience and salary	12	17.87	21.02	Significant
There is no significant relationship between Age and salary	16	36.2	26.29	Not Significant
There is no significant relationship between education and salary	12	33.32	20.23	Not Significant

Objectives:

- To examine the labour welfare measures provided in selected engineering units.
- To assess the level of satisfaction of workers towards the provided welfare measures.
- To assess the impact of labour welfare measures indentted, in influencing the labours to retain in the units study.

Research Design:

Descriptive research design has been used in this research work.

Sample Size:

Five companies were selected for the study namely pricol Ltd., Roots Ltd., Larsen & Turbo Limited, Hindustan Moulds & Dies (P) Limited, and CNR Engineering Industries. The sample size is 500, the data were collected to analyze the provided welfare measures and also to analyze the retention of the labours in the engineering industry.

Sources of Data:

The data were collected from both primary and secondary sources. The primary data was collected using the questionnaire method. Secondary data were collected from the company reports and district statistical books.

Analysis of Data

The details were edited and presented in tabular form and using five point scale for study the workers attitude towards Human Resource Management. Based on the data collected from the respondent tables were prepared. Data collected was analyzed with the help of right statistical tools.

The following statistical tools were used for analyzing the collected data.

- Simple parentages analysis

Limitation of the study

Despite its positive credentials, the study inevitably has the following limitations.

- Employees were eared to answer because of rigid rules and regulations of the industry.
- Due to time constraint, the research could be conducted among a limited numbers of respondents.

Analysis and Interpretation

Percentage Analysis: To analyse and find the socio economic condition, welfare measures and the level of satisfaction of workers in engineering industries with help of the percentage analysis. Data were collected from the employees of the companies under study. To enable analysis, data were classified on the basis of their opinion given on various aspects and a percentage analysis was done.

Table-1 reveals the gender wise classification among 500 respondents in five companies. As is evident from the table female respondents are 20% of the total in 3 units 33% in another unit. In one unit only male employees were found.

Table-2 shows the conditions of work environment of the 5 companies (Pricol Ltd., Roots Ltd., Larsen & Toubro Limited, Hindustan Moulds & Dies (P) Limited, and CNR Engineering Industries).



In this five organizations, the employees who were experienced above 5 years has been taken for the calculation in the Table-4, to know the factors influence the labourers to retain in the same organization, and also to know the satisfaction level of Labourers.

In Pricol Ltd total respondents with above 5 years of experience is 97, in Roots Ltd., 84 respondents, in Larsen & Toubro Limited 93 respondent, in Hindustan Moulds & Dies (P) Limited, 58 respondents and in CNR Engineering Industries, 36 respondent.

38 percent of the respondents were under 6-10 year of experience and 26 per cent of the respondents were below 5 years of experience, who were retained in the industry towards welfare measure activities.

Findings

I. The Findings of the study is summarized as below:

The study reveals that 83 per cent of the respondents are satisfied towards their wages, 81 percent satisfied with financial incentives, 88 percent satisfied with provided bonus, 81 per cent satisfied with provident fund and gratuity.

The workers are satisfied towards the conditions of work environment.

It is interred from the study that, 40 per cent opine that, the nature of promotion has both ability and seniority basis, 31 per cent opine that to be on seniority basis and 29 percent opine that the nature of promotion as through the ability.

34 per cent of the employees strongly agree that the production has increased, is only due to the contribution of the welfare facilities by the management, 56 per cent of them agree, and 10 per cent of them disagreed.

36 per cent of the respondents strongly agree, the morale and loyalty is increased, only due to the proper welfare facilities, and 54 per cent of them agreed to this statement.

Suggestions

Recommendation to improve the labour welfare practices in concerned Engineering units are as follows:

1. It would be useful to reduce labour turnover cost. So the company must increase the basic salary of the labours.
2. The work load is very high in these companies so the workers were found affected by over work load, sufficient labourers may be recruited.

3. The experience labour can be credited with some more trips and vocations to influence and to encourage them and also for a good industrial relation.

4. Education loan may be provided to employees interested in further education and / or for skill development programmes.

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