RESEARCH PLAN PROPOSAL

Employee Welfare Practices: A Comparative Study of Public & Private Sector Banks (With Special Reference to Bank of Baroda & ICICI)

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**Topic:**

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**Introduction:**

We stand on the threshold of a new era in which attention and interest are beginning to shift from things that are worked with, to the worker; from the machinery of industry, to the man who made, owns, or operates it. In the early 1900s labour unions, social reformers, journalists, and photographers brought to national attention poor working conditions experienced by industrial workers. In the ensuing economic climate of the late 1920s and 1930s, many executives came to believe that the foundation of business and of a democratic society itself rested in part in affirming the role of the worker. To inspire company loyalty, discourage high employee turnover and unionization, and present a good face to the public, corporate managers began to focus on the well-being of the employee through the practice of welfare capitalism.

Welfare includes anything that is done for the comfort and improvement of employees and is provided over and above the wages. Welfare helps in keeping the morale and motivation of the employees high so as to retain the employees for longer duration. The welfare measures need not be in monetary terms only 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. Labour welfare entails all those activities of
employer which are directed towards providing the employees with certain facilities and services in addition to wages or salaries.

Employee welfare services have the potential to significantly impact the organization's bottom line. These services are an essential human resource management tool for improving employee health and wellness, which in turn improve job satisfaction and employee engagement. Employee welfare services provided by human resource management often lead to an overall increase in organizational productivity and performance. Additionally, employee welfare services designed to reduce employee stress both on and off the job lead to reduced health care costs. All of these factors may have a significant impact on the success of the organization.

The demand for welfare practices for employees in companies is greater now than before. Though there are many mushrooming of entertainment and sports clubs, many organizations have invested large sums of money to provide such facilities within the workplace.

Banking sector has invested heavily and provides welfare facilities for its employees. Besides being inherently beneficial to employees, such initiatives can make a significant contribution to reducing absenteeism and raising productivity.
Review of Literature

Welfare is the provision and maintenance of the conditions of life for individual by the community. Public expenditure cuts and other forms of restructuring were introduced which have had increasingly profound effects upon welfare services and have provided some of the ideological softening-up necessary for the draconian policies currently being developed by the radical Right. Labour controlled local authorities proved to be amongst the most reactionary when faced with the growth of demands for direct democratic participation in local welfare policies.

Important as anti-statist is to right-wing social policy, there are other, deeper ideological elements which we can expect to see in material form in the policies of the 1980s. This strand is right-wing ideology may grow with its bedfellow, racism, into a major onslaught on welfare recipients and 'deviants', especially if they are unsupported mothers or black youths.

M. Owusu – Acheaw The study examines whether staff development policies exist in three special libraries in Ghana, and whether training programmes are being offered to increase staff competence, efficiencies and performance. It was also aimed at assessing staff welfare practices and how these affect productivity and performance. In conducting the survey, two sets of questionnaires were drawn up. One set was administered to management and the other set went to Library staff. The survey revealed that all the organizations under study have staff development policies and training programmes for staff to enhance their capabilities and efficiency. Again, the survey revealed that staff welfare is catered for since several motivational avenues and incentive packages are available to boost their morale.
**Magdalena Bernaciak & Anil Duman & Vera Scepanovic (2010)** Collective bargaining is closely related to social policy making to the extent that the outcomes of the former inform and influence social policy agenda. It is widely held, however, that trade unions in Central Eastern Europe (CEE) do not have a strong bargaining position and thus exert little impact on policy decisions. This paper challenges the view of CEE labour as a uniformly weak actor. It argues that CEE unions’ ability to shape the bargaining agenda and social policies depends largely on the degree of privatisation, which overlaps with sectoral divisions. We find that unions in exposed sectors are unable to oppose greater flexibility even when there are no considerable wage gains, whereas workers in protected sectors manage to maintain their status and at times even enhance their welfare, both in terms of higher wages and better working conditions.

**Dr I. Chaneta** Staff spend at least half their time at work or getting to it, or leaving it. They know that they contribute to the organisation when they are reasonably free from worry and they feel that when they are in trouble/problems, they are due to get something back from the organization. People are entitled to be treated as full human beings with personal needs, hopes and anxieties. They are employed as people and bring themselves to work but cannot readily leave their troubles at home without solution to them in sight.

**Peter Leonard (1979)** this article talks about the fundamental contradictions between the needs of social reproduction and those of capital accumulation form the continuing basis for Welfare State restructuring, nevertheless the entry of the radical Right is a significant new phase. This new historical moment reflects a successful ideological offensive by the radical Right in securing the ground lost by social democratic politics and ideology. The working class has been deeply penetrated by this offensive, not least in the field of welfare where its experience of oppressive and alien welfare structures has appeared to
authenticate right-wing ideas. The radical Right's welfare policies will, however, meet increasing contradictions of their own. It is upon these contradictions, and with the benefit of a deep critique of social democratic welfare ideologies that renewed struggle must take place. This struggle must be aimed not only at opposing welfare cuts and demanding new resources and services, but at taking the offensive in confronting bureaucratic welfare structures and working to develop new forms of democratic control. Such a struggle must link together trade union battles with community politics in the long-term development of working class hegemony in the field of welfare.

Chukwunenye Iheanacho Okereke1 and Amgbare Daniel (2010) the paper examined staff welfare and organization’s productivity, using Patani Local Government Council in Delta State, Nigeria as a reference. The methodology was primarily qualitative and involved use of In-Depth Interviews (IDIs) and Focus Group Discussion (FGDs) to secure information from employees at the Council. Motivational models and conflict theory of Dahrendorf were used as the theoretical framework. The theory presupposes social changes as an inevitable outcome of activities of societal elements, typified in the contrasting positions of the management and employees that could retard motivation and employee performance. Data revealed general awareness about staff welfare among the employees and ability to identify the elements of welfare. There was absence of staff welfare in the council. The working environment was poor, in terms of office accommodation and furniture, paucity of working materials, scarcely available monetary incentives and unreliable health and safety facilities, which altogether reduce morale (job satisfaction) and efficiency in job performance. In recommendation, pragmatic efforts should be made to enhance employee’s job capabilities through training; to improve working conditions of the employees and their general welfare in order to elicit job satisfaction and motivation for increased productivity.
**Dr.R.L.Laddha (2012)** Employee welfare facilities enable workers to live a richer and more satisfactory life. After employees have been hired, trained and remunerated they need to be retained and maintained to serve the organization better. Welfare facilities are designed to take care of the well being of the employees, they do not generally result in any monetary benefits to the employees nor are these facilities provided by employers alone, government and nongovernmental agencies and trade unions too contribute towards employee's benefits.

**Uchendu (2005)** noted that the banking sector reforms and its subcomponent, recapitalization vis-à-vis consolidation, convergence and capital market activities have emerged as a result of a deliberate policy in response to correct the perceived or impending banking sector crises and subsequent failures. A banking sector crisis can be triggered by the preponderance of weak banks characterized by persistent illiquidity, insolvency, under-capitalization, high level of nonperforming loans and weak co-operate governance. Banking crises usually start with banks inability to meet their financial obligation to their stakeholder.

Various studies discussed shows that employee welfare practices has been studied with relevance housing, expatriate spouse employment, health & education, clubs etc. In some studies the employees were highly satisfied or otherwise. A study in banking sector is very rare. The gap in this literature is the negligible studies available in Jaipur district with special reference to banking employees that has motivated the researcher to find out employee welfare practices in banking sector. Banking sector is a prime sector in the national scenario and mainly it has survived unaffected in spite of the recession.
Therefore this study will form a base for future researchers to conduct studies with respect to banking sector in Jaipur district.

**Statement of Problems**

1. Why employee welfare practices are important?
2. What impact does employee welfare measures have on employee performance?
3. How employee welfare practices affect the overall productivity & satisfaction level of an employee?
4. How employee welfare practices can help the organization to attract top talent?
5. Does the welfare facilities available to the employees is fulfilling their daily requirements?
6. How employee welfare practices affects the motivation level of an employee?
Motivation/Justification and relevance of this study:

1. To the banking sector:
   This research will certainly be valuable and important for the banking sector that will come to understand the employee welfare practices. The study will provide them with feedback from employees about the employee welfare practices in the bank and will help banking sector to maintain their reputed value. This will further help them to improve their productivity & competence. It will also provide them with information for the satisfaction level of their prospective employees.

2. To the prospective employees of the banking sector:
   The study will provide a comparative account of the pros and cons of internal performance of employees because of the employee welfare activities of the banking sector, which will help to retain prospective employees in the banking sector.

3. To the academicians, researchers and students:
   The research will prove informative for academicians, students and reader interested in methods and procedures of HRM research especially for employee welfare activities. This research will inform them about the level of employee motivation in the banking sector. It will help them understand the pattern of preferences and the psychological behaviour of the employees working in the banking sector in Jaipur district.
Objectives

The objective of the study is to understand the Employee Welfare Practices adopted in Bank of Baroda public bank & ICICI private bank.

These objectives can be summarised as:

1. To study the various employee welfare practices adopted in private & public sectors banks.
2. To identify the benefits of employee welfare practices to the employees of both private & public sector banks.
3. To study the effect of welfare practices on employees loyalty and motivation.
4. To study the impact of welfare measures on employees attitude such as organizational commitment & job satisfaction.
5. To study the impact of welfare measures on productivity of employees (both private & public sector).
6. To assess the awareness level of employees regarding the welfare measures offered to them.
7. To study the impact of welfare measures on employees turnover.
8. To determine the relationship between welfare measures and employee retention.
Hypothesis

Based on the available information following hypothesis has been formulated:-

**H1:** Public sector banks have better employee welfare practices than private sector banks.

**H2:** The employees of public sector banks enjoy more benefits than private sector banks.

**H3:** Employees of public sector banks are better motivated and more loyal in comparison to private sector employees.

**H4:** The employees of public sector banks perform better in terms of productivity.

**H5:** There is less attrition in public sector banks than private sector banks.
Plan of work and methodology
Data collection and Research design

The present study will use various tools of analysis depending upon the nature, need and suitability of the data available to analyze and study the employee welfare practices adopted during last five years (2008 – 2013) in Bank of Baroda & ICICI bank.

Primary data will be collected through questionnaire from 400 respondents. The respondents will be selected by stratified sampling technique from a universe comprising of strata based on two criterions namely:

Private & Public Sector Bank:
- Private Sector Bank : - 200
- Public Sector Bank : - 200

Primary data will be collected through questionnaire.
Secondary data will be collected from websites available on Internet especially that of the consumer based. Besides, the cyber forums also serve as source of secondary data, wherein the forum members provide the relevant secondary data available with them. The research study is more of a behavioural study and so it is qualitative as well as quantitative in nature. However, quantification of the subjective data will be done using techniques like the rating scale technique. It will include a descriptive and exploratory research.
Analysis of data

The data will be analyzed using various statistical techniques like tabulation, histograms, pie charts; measures of central tendencies & various others required measures.

Place of work and facilities available

The present study is aim at employee welfare practices adopted in Bank of Baroda public bank & ICICI private bank; the primary data will be collected from the employees of banking sector of Jaipur district.

The study will be mainly based on the primary data. In order to supplement the information reference to secondary data available on the Internet will be made besides the published and unpublished materials like the newsletters, articles, journals etc.
Limitations of the study

The study may suffer from the common limitations of a subjective research. The quantification problem, imperfections of data and the intricacy involved in the statistical analysis are in a way inevitable in all such behavioural science researches.

This research work is confined to Jaipur only and may have its own effects. Main source of data being the primary source of data, manipulation at the respondent’s end cannot be averted. Effect of uncontrollable extraneous variables may also influence the respondents sub-consciously.

The published and unpublished secondary data available on Internet has its own limitations, as many of them are the author’s own views and not a generalized perception. Further, the respondents often times do not portray a true picture and opinion.

The conclusions, therefore, are subject to aforesaid constraints and are only exploratory and suggestive in nature.
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