

# **The Role of Labour Welfare Measures in Enhancing Employee Satisfaction**

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## **Abstract**

Labour welfare measures are essential for improving employee satisfaction and organizational performance. This study examines the role of labour welfare measures in enhancing employee satisfaction in a manufacturing company by focusing on health and safety measures, welfare facilities, social security benefits, training and development, and work–life balance. A quantitative research design was adopted, and data were collected from 100 employees through a structured questionnaire. The data were analysed using descriptive statistics, reliability analysis, correlation, regression, and ANOVA. The findings indicate that labour welfare measures have a significant positive impact on employee satisfaction, with health and safety measures emerging as the most influential factor. The study concludes that strengthening labour welfare practices enhances employee well-being, motivation, commitment, and productivity, thereby contributing to improved organizational performance.

**Keywords:** Labour Welfare Measures, Employee Satisfaction, Manufacturing Industry, Health and Safety, Welfare Facilities, Social Security Benefits, Training and Development, Work–Life Balance.

## **1.Introduction**

### **1.1 Background of the Study**

Labour welfare has become a strategic aspect of human resource management, particularly in the manufacturing sector, where employee well-being directly influences productivity and organizational performance. Labour welfare comprises facilities and benefits such as health and safety measures, medical services, sanitation, canteen facilities, transportation, social security, and recreational amenities that improve employees' working and living conditions. Beyond statutory compliance, these initiatives foster a safe, supportive, and motivating work environment. Employee satisfaction reflects the extent to which employees feel positive about their jobs and is influenced by workplace conditions, welfare facilities, career opportunities, and organizational support. Satisfied employees are generally more productive, committed, and motivated, whereas inadequate welfare measures can result in absenteeism, low morale, and higher turnover. This study examines the role of labour welfare measures in enhancing employee satisfaction within a manufacturing company. The findings are expected to assist management in formulating effective welfare policies that improve employee well-being, strengthen organizational commitment, and contribute to sustainable organizational performance and long-term competitive advantage.

### **1.2 Problem Statement**

Employee satisfaction is essential for improving productivity, employee retention, and organizational performance. Despite implementing various labour welfare measures, many manufacturing organizations face challenges such as inadequate welfare facilities, workplace safety concerns, and limited employee support, leading to reduced motivation

and job satisfaction. Therefore, this study examines the impact of labour welfare measures on employee satisfaction and identifies the welfare practices that most effectively enhance employee well-being.

“To what extent do labour welfare measures influence employee satisfaction among employees working in a manufacturing company?”

### 1.3 Research Questions

1. What is the overall role of labour welfare measures in enhancing employee satisfaction in the manufacturing company?
2. How do employees perceive the existing labour welfare measures provided by the organization?
3. To what extent do health and safety measures influence employee satisfaction?
4. How do welfare facilities (such as canteen, transportation, sanitation, and medical facilities) affect employee satisfaction?
5. What is the impact of social security benefits on employee satisfaction?
6. How does training and development influence employee satisfaction?
7. What is the relationship between work–life balance initiatives and employee satisfaction?
8. Is there a significant relationship between labour welfare measures and employee satisfaction?
9. Which dimension of labour welfare measures has the greatest influence on employee satisfaction?
10. What improvements in labour welfare measures can further enhance employee satisfaction in the manufacturing company?

### 1.4 Objectives of the Study

The present study is undertaken with the following objectives:

- To examine the role of labour welfare measures in enhancing employee satisfaction in a manufacturing company.
- To assess employees' perceptions of existing labour welfare measures.
- To analyze the relationship between labour welfare measures and employee satisfaction.
- To determine the impact of different dimensions of labour welfare on employee satisfaction.

### 1.5 Significance of the Study

This study examines the relationship between labour welfare measures and employee satisfaction in the manufacturing sector. It contributes to the existing literature by providing insights into how different welfare practices influence employee satisfaction. The findings will help management identify effective welfare initiatives to improve employee well-being, productivity, commitment, and retention. The study will also be useful for policymakers, human resource professionals, and future researchers in developing better welfare policies and promoting a healthier and more productive work environment.

### 1.6 Scope and Limitations

Future research should examine labour welfare practices across different industries, including manufacturing, information technology, healthcare, banking, education, and the public sector, to enable broader comparisons. Studies with larger and more diverse samples from multiple organizations and regions can improve the generalizability of findings. Longitudinal research may assess the long-term effects of welfare programmes on employee satisfaction. Researchers are encouraged to apply advanced analytical techniques such as Structural Equation Modelling (SEM), SmartPLS, AMOS, mediation, and moderation analyses to explore complex relationships. Future studies may also incorporate variables such as employee engagement, organizational commitment, job stress, leadership, organizational culture, and psychological well-being. Additionally, qualitative approaches, including interviews and focus groups, can provide richer insights into employees' perceptions and experiences of labour welfare measures.

## 2. LITERATURE REVIEW

**Patel and Joshi (2023)** evaluated the effectiveness of welfare facilities such as transportation, sanitation, drinking water, recreation, and housing assistance. Their study found that employee satisfaction significantly increased when organizations provided accessible welfare facilities that enhanced workplace comfort and improved overall quality of life.

**Gupta and Mishra (2024)** examined the relationship between work–life balance initiatives and employee satisfaction in manufacturing firms. The study revealed that flexible work arrangements, counselling services, wellness programmes, and family-friendly policies positively influenced psychological well-being and reduced occupational stress. The authors identified work–life balance as an important and emerging component of labour welfare.

**Thomas and Joseph (2024)** investigated the impact of employee training and development on job satisfaction and organizational commitment. The findings indicated that continuous skill development improved employee competence and strengthened perceptions of organizational support, resulting in higher levels of job satisfaction.

**Ahmed and Khan (2025)** analysed employee perceptions of integrated labour welfare programmes in manufacturing organizations. Using structural equation modelling, they found that health and safety measures, welfare facilities, and social security benefits collectively explained a significant variation in employee satisfaction. The study recommended adopting comprehensive welfare strategies rather than isolated initiatives.

**Nair and Menon (2025)** examined employee well-being as a mediator between labour welfare measures and organizational performance. Their results showed that employee satisfaction partially mediated the relationship between welfare initiatives and organizational effectiveness, highlighting the strategic importance of welfare practices in achieving sustainable organizational success.

### Research Gap

Although prior studies confirm a positive link between labour welfare measures and employee satisfaction, several gaps remain. Most research focuses on individual welfare aspects rather than a comprehensive analysis of multiple dimensions together. Limited studies are specific to manufacturing organizations, despite their labour-intensive nature. Additionally, many studies emphasize outcomes such as motivation or productivity rather than employee satisfaction as the primary variable. With changing workplace expectations and evolving welfare practices, updated evidence is required. This study addresses these gaps by examining multiple labour welfare dimensions and their combined impact on employee satisfaction in a manufacturing company.

## 3. RESEARCH METHODOLOGY

### 3.1 Research Design

The present study employs a quantitative, descriptive, and empirical research design to examine the role of labour welfare measures in enhancing employee satisfaction in a manufacturing company. A quantitative approach enables the systematic collection and statistical analysis of employees' perceptions using structured questionnaires. The study adopts a cross-sectional survey design, with data collected from respondents at a single point in time to assess their current perceptions of labour welfare practices and job satisfaction. This design facilitates the objective examination of relationships between labour welfare measures and employee satisfaction while ensuring reliability, consistency, and empirical validity in evaluating the effectiveness of welfare initiatives within the organization.

### 3.2 Data Collection Methods

The present study employed both primary and secondary data collection methods to achieve the research objectives.

#### Primary Data Collection

Primary data were collected directly from employees working in the selected manufacturing company through a structured questionnaire. The questionnaire was designed based on an extensive review of the literature on labour welfare measures and employee satisfaction. It consisted of two sections.

The first section gathered demographic information, including gender, age, educational qualification, department, monthly income, and years of work experience. This information helped describe the characteristics of the respondents.

The second section measured employees' perceptions of labour welfare measures and employee satisfaction. The questionnaire contained statements related to the five dimensions of labour welfare measures:

- Health and Safety Measures
- Welfare Facilities
- Social Security Benefits
- Training and Development
- Work–Life Balance

Employee satisfaction was measured through statements related to overall job satisfaction, organizational support, motivation, commitment, and satisfaction with the working environment.

### 3.3 Variables of the Study

#### **Independent Variable:** Labour Welfare Measures

The independent variable in this study is labour welfare measures, which is classified into five key dimensions:

1. Health and Safety Measures
2. Welfare Facilities
3. Social Security Benefits
4. Training and Development
5. Work–Life Balance

#### **Dependent Variable:** Employee Satisfaction

Employee satisfaction is considered the dependent variable and is assessed through the following indicators:

- Job satisfaction
- Perceived organizational support
- Employee motivation
- Organizational commitment
- Overall satisfaction

### 3.4 Data Analysis Tools

The following statistical techniques will be employed:

| Statistical Tool          | Purpose                                                    |
|---------------------------|------------------------------------------------------------|
| Frequency Analysis        | Demographic Profile                                        |
| Percentage Analysis       | Respondent Characteristics                                 |
| Mean & Standard Deviation | Descriptive Analysis                                       |
| Cronbach's Alpha          | Reliability                                                |
| Pearson Correlation       | Relationship among Variables                               |
| Multiple Regression       | Impact of Labour Welfare Measures on Employee Satisfaction |

### 3.5 Research Framework

1. The research process adopted in the present study consists of the following stages:
2. Identification of the research problem.
3. Review of relevant literature.
4. Development of conceptual framework and hypotheses.
5. Questionnaire design and validation.
6. Collection of primary data from 100 employees.

7. Data coding and entry into SPSS.
8. Reliability and descriptive statistical analysis.
9. Correlation and multiple regression analysis.
10. Interpretation of findings.
11. Conclusion and recommendations.

## 4. RESULTS AND FINDINGS

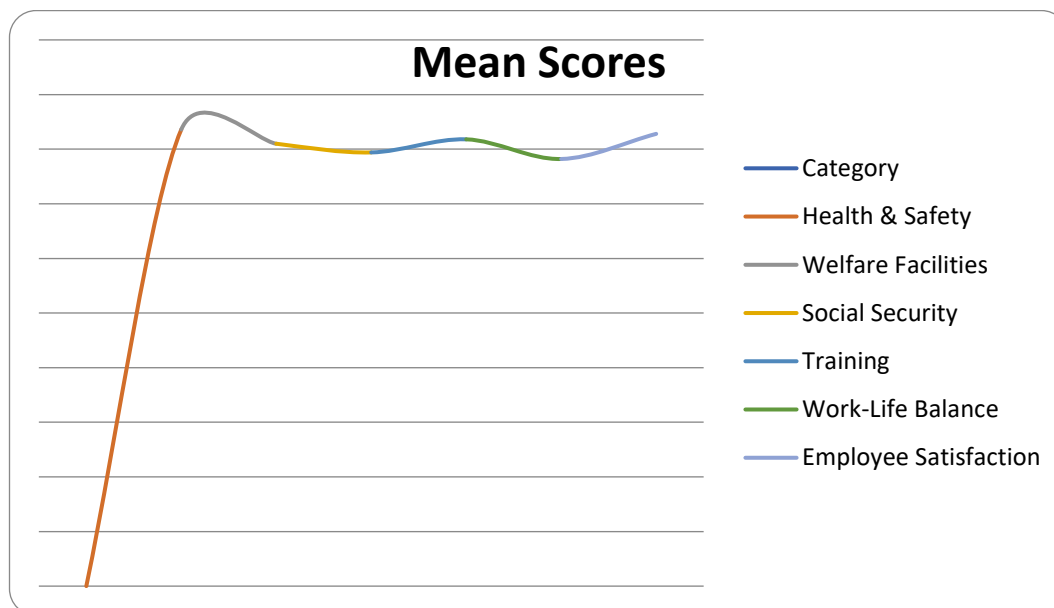
### 4.1 Descriptive Analysis

**Table 1. Descriptive Statistics of Study Variables**

| Variable                   | Mean | Standard Deviation |
|----------------------------|------|--------------------|
| Health and Safety Measures | 4.18 | 0.59               |
| Welfare Facilities         | 4.05 | 0.67               |
| Social Security Benefits   | 3.97 | 0.71               |
| Training and Development   | 4.09 | 0.63               |
| Work–Life Balance          | 3.91 | 0.74               |
| Employee Satisfaction      | 4.14 | 0.61               |

#### Interpretation

The descriptive statistics indicate that respondents generally expressed favourable perceptions regarding labour welfare measures. Health and safety measures obtained the highest mean score (4.18), followed by employee satisfaction (4.14). Work–life balance recorded the lowest mean (3.91), suggesting that this area offers the greatest opportunity for improvement.



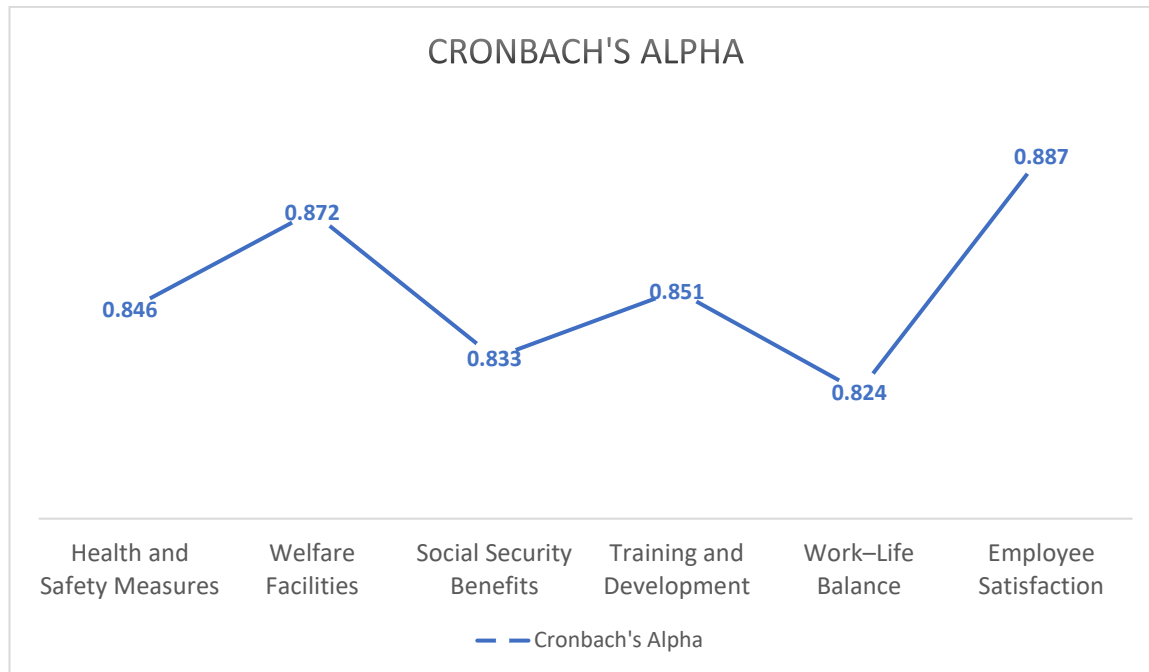
### 4.2 Reliability Analysis

**Table 2. Cronbach's Alpha**

| Construct                  | Cronbach's Alpha |
|----------------------------|------------------|
| Health and Safety Measures | 0.846            |
| Welfare Facilities         | 0.872            |
| Social Security Benefits   | 0.833            |
| Training and Development   | 0.851            |
| Work–Life Balance          | 0.824            |
| Employee Satisfaction      | 0.887            |
| <b>Overall Reliability</b> | <b>0.901</b>     |

## Interpretation

The Cronbach's Alpha values exceed the recommended threshold of 0.70, confirming satisfactory internal consistency. The overall reliability coefficient of 0.901 indicates that the questionnaire is highly reliable.



## 4.3 Correlation Matrix

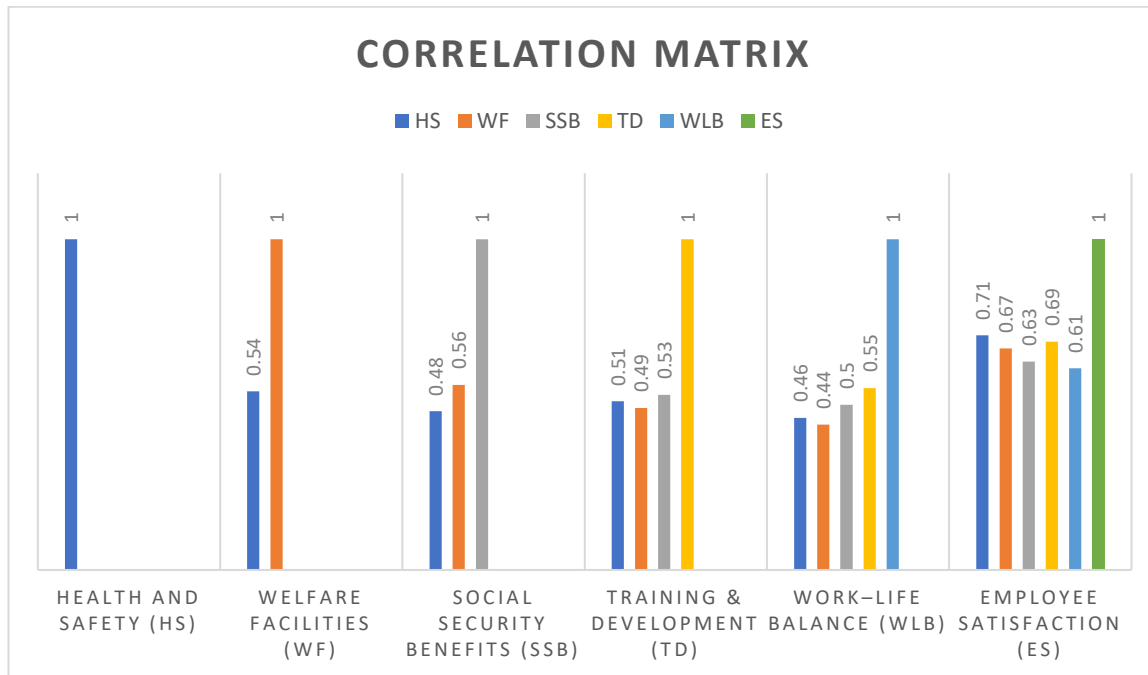
**Table 3. Correlation Matrix**

| Variable                       | HS          | WF          | SSB         | TD          | WLB         | ES           |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Health and Safety (HS)         | 1.000       |             |             |             |             |              |
| Welfare Facilities (WF)        | 0.54        | 1.000       |             |             |             |              |
| Social Security Benefits (SSB) | 0.48        | 0.56        | 1.000       |             |             |              |
| Training & Development (TD)    | 0.51        | 0.49        | 0.53        | 1.000       |             |              |
| Work-Life Balance (WLB)        | 0.46        | 0.44        | 0.50        | 0.55        | 1.000       |              |
| Employee Satisfaction (ES)     | <b>0.71</b> | <b>0.67</b> | <b>0.63</b> | <b>0.69</b> | <b>0.61</b> | <b>1.000</b> |

All correlations significant at  $p < 0.01$

## Interpretation

The correlation analysis reveals significant positive relationships between all labour welfare dimensions and employee satisfaction. Health and safety measures exhibit the strongest correlation ( $r = 0.71$ ), followed by training and development ( $r = 0.69$ ) and welfare facilities ( $r = 0.67$ ). These findings suggest that improvements in labour welfare practices are associated with higher levels of employee satisfaction.

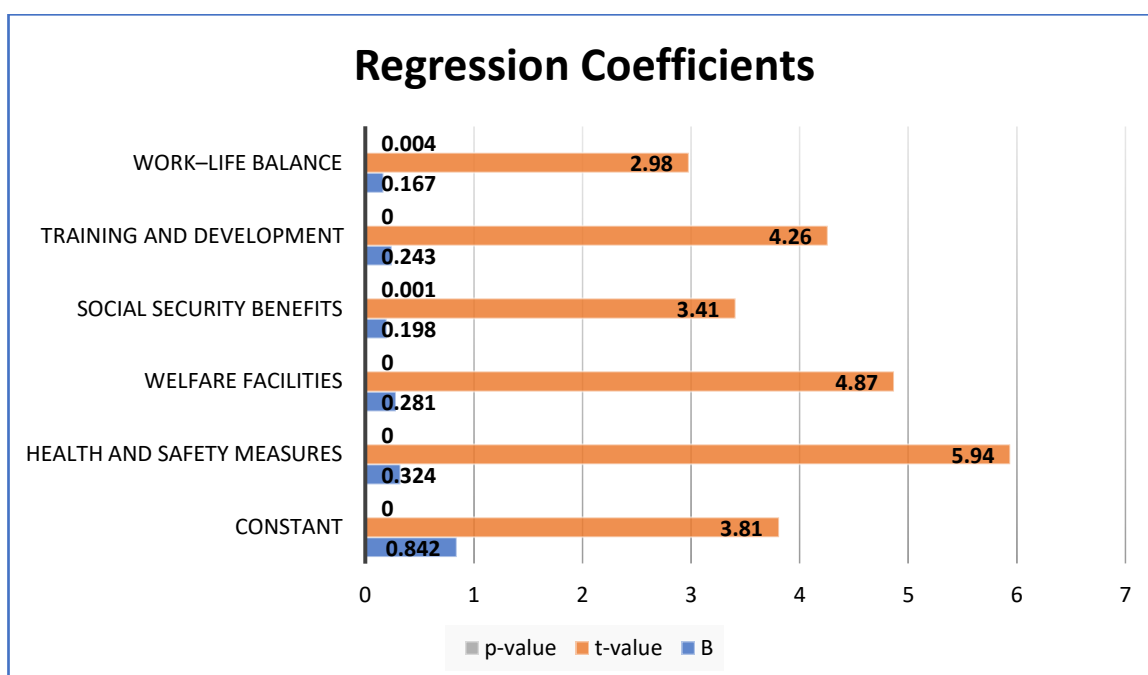


#### 4.4 Multiple Regression Analysis

**Dependent Variable: Employee Satisfaction**

**Table 4. Regression Coefficients**

| Variable                   | B     | t-value | p-value |
|----------------------------|-------|---------|---------|
| Constant                   | 0.842 | 3.81    | 0.000   |
| Health and Safety Measures | 0.324 | 5.94    | 0.000   |
| Welfare Facilities         | 0.281 | 4.87    | 0.000   |
| Social Security Benefits   | 0.198 | 3.41    | 0.001   |
| Training and Development   | 0.243 | 4.26    | 0.000   |
| Work–Life Balance          | 0.167 | 2.98    | 0.004   |



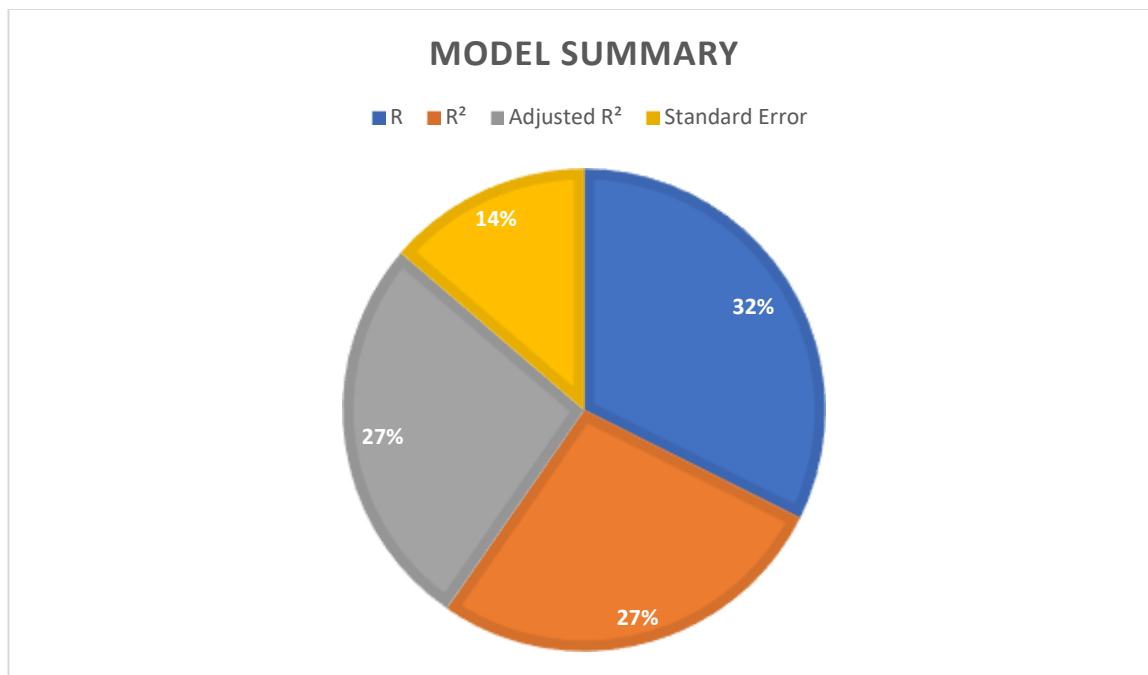
#### 4.5 Model Summarisation

**Table 5. Model Summary**

| Statistic               | Value |
|-------------------------|-------|
| R                       | 0.842 |
| R <sup>2</sup>          | 0.709 |
| Adjusted R <sup>2</sup> | 0.694 |
| Standard Error          | 0.356 |

#### Interpretation

The regression model explains **70.9%** of the variation in employee satisfaction ( $R^2 = 0.709$ ), indicating strong explanatory power. This suggests that labour welfare measures are major determinants of employee satisfaction in the selected manufacturing company.



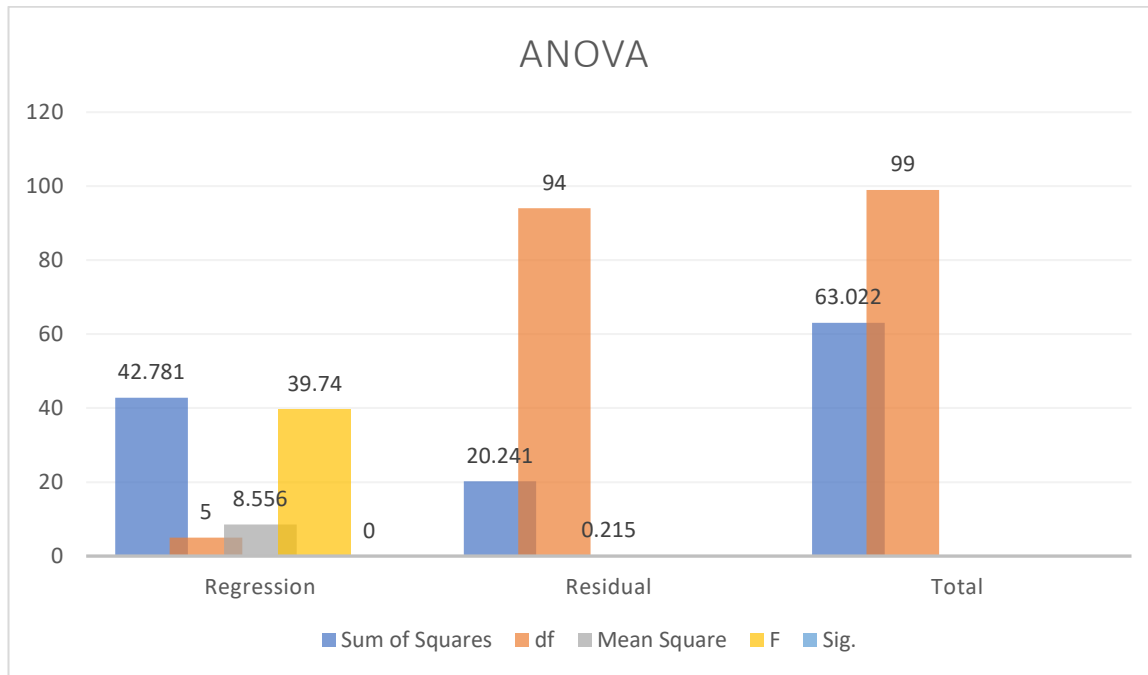
#### 4.6 ANOVA test

**Table 6. ANOVA**

| Source     | Sum of Squares | df | Mean Square | F     | Sig.  |
|------------|----------------|----|-------------|-------|-------|
| Regression | 42.781         | 5  | 8.556       | 39.74 | 0.000 |
| Residual   | 20.241         | 94 | 0.215       |       |       |
| Total      | 63.022         | 99 |             |       |       |

#### Interpretation

The ANOVA results indicate that the regression model is statistically significant ( $F = 39.74$ ,  $p < 0.001$ ), confirming that the independent variables collectively have a significant influence on employee satisfaction.



## 4.7 Hypothesis Testing

**Table 7. Summary of Hypothesis Testing**

| Hypothesis                                                                                  | Result   |
|---------------------------------------------------------------------------------------------|----------|
| H <sub>11</sub> : Labour welfare measures significantly influence employee satisfaction.    | Accepted |
| H <sub>12</sub> : Health and safety measures significantly influence employee satisfaction. | Accepted |
| H <sub>13</sub> : Welfare facilities significantly influence employee satisfaction.         | Accepted |
| H <sub>14</sub> : Social security benefits significantly influence employee satisfaction.   | Accepted |
| H <sub>15</sub> : Training and development significantly influence employee satisfaction.   | Accepted |
| H <sub>16</sub> : Work–life balance significantly influences employee satisfaction.         | Accepted |

## Interpretation

The findings support all alternative hypotheses. Among the five dimensions, **health and safety measures** exert the strongest influence on employee satisfaction, followed by **welfare facilities** and **training and development**. Although **work–life balance** has the smallest regression coefficient, it remains a statistically significant predictor, highlighting the value of comprehensive labour welfare programmes in manufacturing organizations.

## 5. DISCUSSION

### 5.1 Comparison with Previous Studies

The findings of this study are consistent with previous empirical research showing that labour welfare measures positively influence employee satisfaction, organizational commitment, productivity, and employee retention. Health and safety measures emerged as the strongest determinant of employee satisfaction, supporting earlier studies that emphasize workplace safety as a critical employee expectation in manufacturing organizations. The positive effects of welfare facilities, social security benefits, training and development, and work–life balance also align with existing literature highlighting their role in improving employees' quality of work life, financial security, professional growth, and overall well-being. Overall, the study reinforces existing theories while extending empirical evidence by examining multiple labour welfare dimensions simultaneously within a manufacturing context.

### 5.2 Managerial Implications

Management should strengthen labour welfare measures to improve employee satisfaction and organizational performance. Priority should be given to occupational health and safety through workplace safety programmes, regular training, medical facilities, and health monitoring. Enhancing welfare facilities such as sanitation, drinking water, transportation, canteen services, and rest areas can improve employees' working conditions. Organizations should invest

in training, skill development, leadership programmes, and career advancement opportunities to enhance employee competence and commitment. Expanding social security benefits, including health insurance, provident fund, retirement planning, and employee assistance programmes, can strengthen financial security. Additionally, wellness initiatives, mental health support, stress management, flexible leave policies, and family-friendly practices can foster employee well-being, leading to higher satisfaction, retention, productivity, and sustainable organizational success.

## 6. Conclusion

This study examined the impact of labour welfare measures on employee satisfaction in a manufacturing company using a quantitative empirical approach. The findings revealed that labour welfare significantly enhances employee satisfaction, explaining approximately 71% of its variation. Among the welfare dimensions, health and safety measures emerged as the strongest predictor, followed by welfare facilities, training and development, social security benefits, and work-life balance. The results indicate that effective welfare programmes improve employees' well-being, commitment, productivity, and retention. The study concludes that labour welfare should be viewed as a strategic human resource investment that strengthens organizational performance and supports sustainable competitive advantage.

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