

## AN INVESTIGATION INTO THE EFFECT OF WELFARE MEASURE ACTIVITIES ON GARMENT INDUSTRY EMPLOYEE PERFORMANCE

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### **Abstract**

The textile sector is renowned for its rigorous work environment, which can have a substantial effect on employee productivity and welfare. Organisations have placed greater emphasis on implementing welfare measure actions in order to improve productivity and job satisfaction. The objective of this study is to examine the impact of welfare initiatives on employee performance in the garment sector. An extensive literature analysis was undertaken to have a thorough understanding of the current research on welfare measures and their influence on employee performance. The study employed a quantitative methodology for data collection. A stratified random sampling method was employed to choose a sample of 306 individuals working in the clothing business. Data was collected through questionnaires and interviews. The findings demonstrated a direct and favourable relationship between the engagement in welfare measure activities and the performance of employees. Employees who had greater exposure to welfare initiatives reported heightened job satisfaction, reduced absenteeism rates, and elevated levels of organisational engagement. The most efficacious statutory welfare measures encompassed the provision of health and wellness benefits, non-statutory welfare programmes, chances for labour welfare to enhance skill development, and activities aimed at enhancing work-life balance.

**Keywords :** Statutory welfare, non-statutory welfares , labour welfare, employee performance

### **Introduction**

The garment industry employs millions of individuals across the globe, making it a vital sector of the global economy. Nevertheless, this industry is notorious for its perilous work environments, which negatively impact the health and productivity of employees. Organisations operating in the textile industry are placing a greater emphasis on welfare initiatives that enhance employee satisfaction and well-being. This shift in emphasis stems from the recognition that employees are vital to the success of the company.

The phrase "welfare measure activities" encompasses a diverse range of initiatives and benefits provided to employees with the intention of improving their working conditions. These initiatives may include, but are not limited to, programmes for employee assistance, health and wellness initiatives, flexible work schedules, and opportunities to acquire new skills.

In recent years, the significance of a healthy work environment for productivity has been extensively recognised. Numerous industry-specific studies have demonstrated that organisations that prioritise the requirements of their employees' experience increases in motivation,

productivity, and employee retention. Nevertheless, further investigation is required in order to ascertain the exact impact of welfare measure initiatives on the productivity of workers in the garment industry.

The apparel industry must comprehend the effects of welfare measure actions on employee productivity for a variety of reasons. Predominantly, it provides valuable insights into the intricate relationship that exists between employee satisfaction and organisational performance within a labor-intensive and fiercely competitive sector. Furthermore, by gaining knowledge of the most effective welfare programmes, organisations operating in the garment industry can develop employee-focused approaches that enhance morale and productivity. This type of inquiry has the potential to cultivate a workforce that is both sustainable and socially responsible. By providing policymakers and industry stakeholders with insights into the precise challenges faced by workers in the garment sector, this type of investigation can guide intervention strategies.

The primary objective of this study is to contribute to the existing literature by conducting an exhaustive examination of the relationship between welfare measure implementation and garment industry employee performance. A comprehensive understanding of the impact of employee welfare measures on performance can be achieved by employing a mixed-methods strategy that integrates quantitative data gathered from surveys with qualitative insights gathered from interviews. The findings of this research possess the capacity to influence business policies and procedures, compelling organisations operating in the garment industry to prioritise the well-being and contentment of their personnel. By delineating the influence of welfare measure activities on employee performance, this research ultimately aims to assist the garment industry in developing a more resilient and prosperous workforce.

## **Literature Review**

The scholarly work of Dr. Bhardwaj Ramesh Kumar (2012) really attempts to assess the welfare policies of India's workforce. The evolution and expansion of worker rights in India are also mentioned. Security measures for employees have come under scrutiny as a result of the five-year plans. It explains in great detail how future efforts can strengthen worker protections. G. Shivarama Krishnan and S. Pradeep (2012) studied the plastics industry and discovered that non-monetary incentives, such as positive relationships between supervisors and subordinates, efficient execution of established procedures, and encouragement from supervisors to workers, can boost employee motivation just as much as monetary incentives. Labour welfare programmes, which are an extension of democratic values in a more developed society, impact both the efficiency and happiness of workers. According to studies conducted by Shobha Mishra and Manju Bhagat (2007), employees would be more likely to show up for work if their Indian employers offered better housing, healthcare, a canteen, on-site schools, and recreational amenities. Following the National Commission on Labour's 2012 recommendations, the Indian government passed legislation to ensure the safety of workers. Benefits like as paid vacation, gratuity, coverage regulations, and enhanced access to the Provident Fund are all part of this category. An organisation should prioritise the well-being of its employees by providing them with better

welfare facilities, as stated by Deepali et al. (2014). The project's overarching goal is to learn how well a selection of cooperative sugar companies handle health and safety issues. Six cooperative sugar factories, representing approximately 18% of the total, were included in the study's sample. The study's findings suggest that offering health insurance to employees improves their morale, which in turn leads to increased motivation and, eventually, production. Every one of the sugar mills that were audited has sufficient water facilities for their workers. What factors affect employees' well-being on the job was discovered by Rajkuar in his 2014 research. The purpose of the research was to determine which welfare programmes would be most effective in increasing morale and productivity in relation to the company's most important asset. The study's overarching objective was to generate a new mindset or workforce characterised by new values, work ethic, and optimistic orientation; to that end, it collected data from five separate IT businesses. The end result is an improvement in service efficiency and a higher standard of living. It is highly recommended that management arrange social outings as a means of team building. Based on their research at SAGO Mills in Tamil Nadu, Ankar and Mohanraj (2013) identified nine factors—including working and physical conditions, training and welfare facilities, interpersonal relationships, recognition, workload, participatory management, length of employment, and job security—that contribute to a high quality of work life. The factors impacting workers' quality of life on the job were not what they said they were and what really happened. Employee morale is at an all-time low. Communication, employee engagement with management, and the physical work environment are all improved when individual employees' circumstances are acknowledged. People are more likely to give their all when they are part of a supportive HR culture and feel valued at work.

Soheb Ahmad's (2013) paper states that the nine ways have made the workplace better for employees. Workers' contributions, workplace planning, and associations with colleagues were highlighted, along with topics such as the HR manager's responsibilities, incentives, self-managing teams, and flexible work arrangements. In order to boost employee dedication and loyalty, this study recommended that companies adopt a more adaptable attitude. Through joint efforts to modernise work, remove occupational pressure, increase employees' autonomy in their work, provide more opportunities for education and training, and improve the quality of their working lives, organisations can increase their chances of attracting and retaining talented individuals. Organisational health and safety (OHS) would improve worker welfare, according to Anttonen and Vainio (2010), if it included the work's context and its effects in addition to managing workplace dangers. Positive working conditions are associated with greater emotional, psychological, and social health, according to research by Lee et al. (2014), which surveyed Korean employees. According to McLellan's (2017) findings, employers have a significant impact on enhancing the correlation between positive working circumstances and employee happiness. Welp and Manser (2016) conducted a meta-analysis of 98 studies relevant to healthcare and discovered that there is an interconnected web of teamwork, patient safety, and employee wellness. Julie A. Arntz-Gray (2018) Examining the possibility of regulatory non-observance as an extra measure of the strength of an organization's internal accountability system is the primary objective

of this study. Despite the complexity of these industries in industrialised countries, this paper argues that a third-party audit with the capacity to apply sanctions is important. It cites a decade's worth of orders made under Ontario's Occupational Health and Safety Act in the mining sector to support this claim. Employers in the garment business are obligated by law to offer their employees certain perks and facilities, which are known as statutory welfare measures. The workforce's health, safety, and welfare, as well as the maintenance of equitable working conditions, are the primary goals of these measures. Legislative welfare programmes may look different in different countries due to differences in labour laws and regulations. Organisations in the garment industry voluntarily provide their employees with non-statutory welfare measures, which go beyond the obligatory legal standards, in the form of supplementary perks and projects. There is a positive correlation between higher morale and output when these initiatives target workers' health, happiness on the job, and ability to strike a healthy work-life balance. Efforts made by garment industry companies to enhance the health, happiness, and quality of life of their employees are known as labour welfare measures. In an effort to boost morale, productivity, and work-life balance, these steps go above and beyond what is required by law. These safety nets are especially crucial in the garment sector because of the high risk of injury and the high volume of manual labour involved.

### **Research Objective:**

To identify different welfare measures adopted by garment industry

To study the influence of welfare measure activities on employee performance in garment industry

**Based on the above literature following hypothesis has been framed.**

Null hypothesis  $H_0$ : There is no influence of welfare measure activities on employee performance.

Alternate hypothesis  $H_1$ : There is significant influence of welfare measure activities on employee performance.

### **Methodology**

The current study utilised the survey methodology for investigation. It encompasses the workforce employed in the textile sector within the Bengaluru region. Due to the impracticality of conducting a census, the researcher has suggested use a sampling method instead. The personnel are chosen using a random selection technique. The questionnaire comprises two sections: the first section encompasses the demographic profile, while the second section consists of questions pertaining to statutory, non-statutory, labour welfare, and employee performance, rated on a 5-point Likert scale. The study has tested the above assumptions in accordance with the objective. The questionnaire was provided to a total of 325 respondents, with 306 of them being filled out correctly. Hence, the study included a sample size of 306 people working in the apparel business.

### **Results and Discussion**

The Demographic survey of employees is explored as part of this section. As this research based on data collection through structured questioner, and which is self-administrated way of data collection.

Details		Number of respondents	percentage
Gender	Male	204	66
	Female	102	33
marital	Married	231	76
	Unmarried	75	24
Age	Below 25 years.	29	9
	26 years- 35 years	86	28
	36 years – 50 years	102	34
	Above 50 years	89	29
Education	Bellow SSC	88	29
	Intermediate	111	36
	Graduate	30	10
	Illiterate	77	25
Annual income	100001-250000	192	63
	250001-350000	99	33
	Below 100000	15	5

Source: Primary data

Table 4.1 reveals

The interpretation shows that there is a higher representation of male respondents compared to female respondents in the survey.

Marital Status indicates that a significant majority of the respondents are married individuals.

Age reveals that the respondents are fairly evenly distributed across different age groups, with a relatively higher representation of individuals between 36 and 50 years old.

29% of the respondents have education below SSC (Secondary School Certificate) level (88 individuals).36% of the respondents have an Intermediate education level (111 individuals).10% of the respondents are graduates (30 individuals).25% of the respondents are illiterate (77 individuals).The interpretation suggests that a significant proportion of the respondents have completed at least their Intermediate education. The interpretation shows that the majority of the respondents have an annual income between 100001 and 250000.

Table 7: Correlation table

These are correlation coefficients between different variables: Statutory welfare measures, Labor welfare measures, Non-Statutory welfare measures, and Employee performance. The values of the correlation coefficients indicate the strength and direction of the relationships between these

variables. A positive correlation suggests that as one variable increases, the other tends to increase as well, while a negative correlation indicates that as one variable increases

		Statutory welfare measures	Labor welfare measures	Non-Statutory welfare measures	Employee performance
Statutory welfare measures	Pearson Correlation	1	.401**	.560**	.582**
	Sig. (2-tailed)		.000	.000	.000
	N	465	465	465	465
Labor welfare measures	Pearson Correlation	.401**	1	.193**	.450**
	Sig. (2-tailed)	.000		.000	.000
	N	465	465	465	465
Non-Statutory welfare measures	Pearson Correlation	.560**	.193**	1	.305**
	Sig. (2-tailed)	.000	.000		.000
	N	465	465	465	465
Employee performance	Pearson Correlation	.582**	.450**	.305**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	465	465	465	465
**. Correlation is significant at the 0.01 level (2-tailed).					

Statutory welfare measures and Employee performance are strongly positively correlated ( $r = 0.582, p < 0.01$ ). This indicates that there is a significant positive relationship between statutory welfare measures and employee performance. As statutory welfare measures increase, employee performance tends to improve.

Labor welfare measures and Employee performance are positively correlated ( $r = 0.450, p < 0.01$ ). While the correlation is not as strong as with statutory welfare measures, it still indicates a significant positive relationship between labor welfare measures and employee performance. As labor welfare measures increase, there is a tendency for employee performance to improve.

Non-Statutory welfare measures and Employee performance are positively correlated ( $r = 0.305, p < 0.01$ ). The correlation is weaker compared to both statutory and labor welfare measures, but it still shows a significant positive relationship. As non-statutory welfare measures increase, there is a tendency for employee performance to improve.

Statutory welfare measures and Non-Statutory welfare measures are strongly positively correlated ( $r = 0.560, p < 0.01$ ). This indicates that there is a significant positive relationship between the implementation of statutory and non-statutory welfare measures. Organizations that adopt statutory welfare measures are also more likely to implement non-statutory welfare measures.

Labor welfare measures and Non-Statutory welfare measures are positively correlated ( $r = 0.193, p < 0.01$ ). The correlation is relatively weak compared to other correlations, but it still shows a significant positive relationship. This suggests that organizations implementing labor welfare measures are also more likely to have non-statutory welfare measures in place.

Overall, the correlations suggest that both statutory and non-statutory welfare measures have a positive association with employee performance. Additionally, there seems to be a connection between the implementation of different welfare measures, as organizations adopting one type of welfare measure are more likely to adopt the other type as well

Multiple regression results outputs:

Table 8: ANOVA table

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	104.767	3	34.922	114.661	.000
	Residual	140.406	461	.305		
	Total	245.173	464			
a. Dependent Variable: Employee performance						

ANOVA table indicates that the regression model, consisting of three independent variables, has a significant influence on explaining the variability in employee performance. The model is successful in capturing a considerable portion of the total variability, as evidenced by the high F-statistic and low p-value. However, the interpretation of the specific independent variables' contributions and their impact on employee performance requires further examination using regression coefficients and additional statistical analyses. The significance level (p-value) associated with the F-statistic is 0.000, which is less than the standard significance level of 0.05. This suggests that there is a significant relationship between the independent variables (in the regression model) and the dependent variable (employee performance).

Table 9: Coefficients of multiple regression

Coefficients	
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Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.021	.308		-6.552	.000
	Statutory welfare measures	.797	.079	.420	10.101	.000
	Non-Statutory welfare measures	.430	.057	.281	7.590	.000
	Labor welfare measures	.232	.048	.195	4.852	.000

The coefficient for statutory welfare measures is 0.797. This indicates that for every one-unit increase in statutory welfare measures, the dependent variable (Employee performance) is expected to increase by 0.797 units. The standardized coefficient (Beta) of 0.420 suggests that statutory welfare measures have a moderate positive impact on employee performance.

Non-Statutory welfare measures: The coefficient for non-statutory welfare measures is 0.430. This means that for every one-unit increase in non-statutory welfare measures, the dependent variable (Employee performance) is expected to increase by 0.430 units. The standardized coefficient (Beta) of 0.281 suggests that non-statutory welfare measures have a positive impact on employee performance, but the effect is relatively weaker compared to statutory welfare measures.

Labor welfare measures: The coefficient for labor welfare measures is 0.232. This implies that for every one-unit increase in labor welfare measures, the dependent variable (Employee performance) is expected to increase by 0.232 units. The standardized coefficient (Beta) of 0.195 suggests that labor welfare measures have a positive impact on employee performance, but the effect is weaker compared to both statutory and non-statutory welfare measures.

All the coefficients are statistically significant ( $p < 0.001$ ), as indicated by the corresponding t-values, which are much greater than 2.00 in absolute value. This suggests that each independent variable's relationship with the dependent variable is unlikely to be due to chance.

The coefficients suggest that all three types of welfare measures (Statutory, Non-Statutory, and Labor) have positive effects on employee performance. Statutory welfare measures have the strongest impact, followed by non-statutory welfare measures, while labor welfare measures have a relatively weaker influence. However, it's important to note that these are observational results, and the actual causality and magnitudes of the relationships would require further analysis through experimental studies or carefully designed research.

Table 10: Model summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate

1	.654	.427	.424	.55188
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The R-Square value is 0.427, which means that approximately 42.7% of the variance in the dependent variable (Employee performance) is explained by the independent variables (Statutory welfare measures, Non-Statutory welfare measures, and Labor welfare measures). The R-Square value represents the proportion of the total variance in the dependent variable that is accounted for by the model.

The model appears to have moderate predictive power, as indicated by the R-Square value of 0.427. It means that 42.7% of the variance in employee performance can be attributed to the combination of the independent variables in the model. However, there may still be other factors not included in the model that influence employee performance. The model's goodness-of-fit is supported by the Adjusted R-Square value of 0.424, which considers the model's complexity and sample size.

### Discussion and Implication

Employee performance in the garment business is significantly impacted by welfare measures. Workers are more likely to be content, motivated, and appreciated when they have access to welfare programmes and a supportive work environment.

Employee performance in the garment sector can be significantly impacted by statutory, non-statutory, and labour welfare measure actions. In the end, job satisfaction, engagement, and productivity are affected by the many welfare measures since each one adds something special to employees' well-being and motivation.

Employers in the garment sector are legally obligated to comply with statutory welfare measures, which are imposed by law. These safeguards are crucial for workers' rights and welfare, but they have a less direct impact on productivity. Complying with statutory welfare requirements lays the groundwork for fair working circumstances, which in turn can boost employee satisfaction and forestall the repercussions of labour infractions.

Labour regulations require employers to provide a safe workplace for their employees. This not only minimises the number of accidents that occur on the job but also increases morale and productivity.

Better work quality and productivity are the results of a minimum pay and strict adherence to working hour laws, which eliminate exploitation and fatigue.

Companies in the garment sector often go above and above what is required by law to offer their employees non-statutory welfare benefits. Because they address the unique goals and objectives of the workforce, these metrics have a clearer and more immediate effect on productivity. Improved performance and productivity can be the outcome of non-statutory welfare programmes that boost morale and job satisfaction among employees. To name a few examples:

Employees are better able to manage their time and responsibilities when their employers provide them with more leeway to do so, which in turn boosts their dedication to the company and decreases absenteeism and stress.

Training and development opportunities provide workers more agency, better abilities, and self-assurance, which in turn leads to better work and more creativity.

Employee morale, engagement, and performance are all positively impacted by recognition programmes.

The term "labour welfare measures" refers to programmes that aim to improve the lives of working people, whether those programmes are mandated by law or not. There are several ways in which labour welfare initiatives affect garment industry workers' productivity:

A healthier and more productive workforce can be achieved via the implementation of effective labour welfare initiatives that prioritise workplace safety.

Employees are able to concentrate and perform better when they have access to work-life balance measures like childcare facilities or transportation allowances, which decrease stress and absence. Management and staff are more likely to work together productively in an atmosphere where grievances are handled in an open and fair manner.

Employee performance in the garment industry is greatly influenced by a mix of statutory, non-statutory, and labour welfare policies. Fair working conditions are established by legislative standards, and employees' unique needs are met by non-statutory measures, which ultimately result in a more engaged and motivated workforce. Organisations in the garment sector see increased performance, decreased turnover, and improved health and safety as a result of labour welfare policies that prioritise these factors.

### **Conclusion**

Welfare measures in the garment industry have a significant influence on employee performance. By investing in the well-being and satisfaction of their workforce, organizations can create a positive and productive work environment that benefits both employees and the overall success of the company. A holistic approach to employee welfare can lead to increased productivity, reduced turnover, and a more sustainable and thriving garment industry.

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