CHAPTER I

INTRODUCTION

1.1 PREAMBLE TO THE RESEARCH
1.2 LABOUR WELFARE
1.3 JOB SATISFACTION
1.4 FOCUS OF THE RESEARCH
1.5 STATEMENT OF THE PROBLEM
1.6 OBJECTIVES OF THE RESEARCH
1.7 RESEARCH HYPOTHESES
1.8 SIGNIFICANCE OF THE RESEARCH
1.9 LIMITATIONS OF THE RESEARCH
CHAPTER I
INTRODUCTION

1.1 PREAMBLE TO THE RESEARCH

The new economic policies have pushed India into the frame of globalization. The industrial world is becoming more and more competitive and globalized day by day. In order to remain in business, organizations are trying to compete in the globalized and informalized world. Besides interventions like restructuring, diversification, technology, acquisition and innovations, it has been observed that eventually much of the results depend upon the human inputs. No matter how sophisticated an organization's plan, strategy and technology, the human factor inevitably is the key to success (Randhawa, 2005). The Indian corporate sector is currently passing through a phase of restructuring, downsizing, mergers and take over. In this evolving scenario, people in the organization have suddenly occupied center stage (Rai, 2004).

Countries which have brought about structural adjustments accompanied by right investments in developing their human resource, have emerged as winners. The same analogy may be true to a great extent at the organizational level. The success of any organization in the long run depends very much on the quality of its human resource (Sridevi, 2006). If proper care is taken of employees, then the other resources including machines, material and money will be utilized efficiently. The provision of labour welfare facilities thus assumes importance.

The present industrial culture is characterized by a work system that does not significantly stimulate workers to peak performance. It has led to a state where many
individuals have been alienated and consequently have lost zest for work (Ackoff, 1974). It has not helped individuals in gratifying their social and psychological needs and has therefore generated feelings of subordination, dependence and submissiveness (Singh, 1979). It has also affected self-actualization, growth process, creativity and innovativeness. Many persons work today not because work offers any pleasure, but there is no other way of earning a living, as indicated by research studies (Ganguli, 1954). Increased employee alienation from the system of work is one of the important facets of work-life these days. Under the circumstance, jobs seem to arouse neither interest nor satisfaction among employees.

In large-scale organizations, jobs are structured and standardized. Most of the jobs are graded and employees are compartmentalized right from recruitment to retirement. Elaborate rules and regulations are enforced rigorously to bring order and discipline in work life. Innovative enterprises know better ways to manage, motivate and reward people (Gupta and Singhal, 1993). Researchers have found evidence that rewards influence employee motivation and satisfaction, and plays an important role in attracting the right employees, encouraging these employees to develop the critical skills and knowledge and finally retaining those employees for the future success of the organization (Whyte, 1955).

In a competitive, consumerist globalized environment, the number of firms competing for excellent employees especially in knowledge-based industries is constantly increasing, and it is imperative to retain high performers by rewarding them. Incentive schemes are established with the objective of improving performance through fulfilling the needs of the employees (Rai, 2004). For building a stable and efficient labour force, it is essential
to bring about a marked improvement in the conditions of workers’ life and work. This is the basis of labour welfare measures.

A person spends more than two third of his/her life in the organization in its work environment with possible carry over effects (Kumar and Tripathy, 1993). Therefore the work environment should be conducive to enable him/her to achieve his/her goals of life and to fulfill his/her expectations. Thus different labour welfare approaches like monetary/non-monetary rewards are employed to improve the work environment and to enrich the quality of working life.

The excellence of our industrial civilization is to be gauged not simply in terms of the material benefits, but also in terms of opportunities it provides for various kinds of satisfaction and the amount of satisfaction an individual derives from the work situation (Vitheles, 1954). An organization benefits when a worker’s job satisfaction is high. Job satisfaction is related to human needs and their fulfillment through work.

The present chapter is an attempt to provide an insight into the genesis and importance of labour welfare and job satisfaction. It will also outline the main aspects of the present research.

1.2 LABOUR WELFARE

1.2.1 Genesis of Labour Welfare

The history of the origin of labour welfare activities dates back to the First World War (1914-18). In the beginning labour welfare work was started on a voluntary basis. The economic depression of the 1930’s gave a further impetus to the welfare activities. In
capitalist economies, both the employers as well as government took keen interest in these programmes, firstly due to prevailing industrial unrest and discontent and secondly on account of moral pressure built up by the International Labour Organization. The Second World War accelerated the movement. When Robert Owen, Sir Robert Peel, Francis Cabot Lowell, Nathan Appleton, Titus Salt, Bart and Bismark were looking towards the initiation and development of labour welfare in their respective countries, the Indian scene could not remain unaffected (Mustafa, 1990).

The Government of India was quite indifferent towards labour welfare till World War II and did very little in this regard. The programme was confined only to holding labour conferences and making recommendations. But during the war period welfare activities were introduced in the enterprises engaged in war production, which were extended to other government and private undertakings.

With the dawn of independence welfare measures for the upliftment of the labour class were intensified. The Directive Principles of State Policy in the Constitution of India places a lot of responsibility on the State in respect of labour. The Constitution directs the State to provide work to every citizen who is willing and able to work. Article 42 requires the State to make provision for securing just and humane conditions of work and for maternity relief. Article 43 which is described as the Magna Carta of the Indian worker, imposes upon the State the obligation, inter alia, to secure, by legal legislation, or economic organization or in any other way, to all workers, - agricultural, industrial or otherwise - work, a living wage, conditions of work ensuring a decent standard of life, full enjoyment of leisure, and social and cultural opportunities. This resulted in the
implementation of various labour legislations that would protect the interest of workers (Cherunilam, 2003).

The enactment of the Employee's State Insurance Act (ESI) in 1948 marked the beginning of the era of social insurance of labour in India (Kumar, 2003). Moreover the Government of India after incorporating certain modifications in the existing Factories Act of 1934 enacted the Act under the nomenclature the Factories Act of 1948. Various minimum standards were laid down in the Factories Act (1948). The main objectives of the Act was to regulate working conditions in manufacturing establishments and to ensure adequate health, safety, welfare measures, hours of work, leave with wages, and weekly off-days for workmen employed therein. Consequently various other Acts were implemented by the Government to ensure the welfare of workers such as the Minimum Wages Act (1948), Employees' Provident Fund and Miscellaneous Provisions Act (1952), the recent being the Pension Act (1995).

1.2.2 Importance of Labour Welfare

Labour welfare is an important facet of industrial relations, which gives satisfaction to the workers in a way, which even a good wage cannot. Labour welfare plays a vital role in any industrial society. According to Madhumathi and Desai (2003) welfare does not mean amenities but the right atmosphere where the worker can breathe an air of growth and development and think constructively so as to understand the play and interplay of his subconscious instructs and conscious emotions.

Now, in all countries, welfare work is taken to be an integral part of the industrial management. Measures adopted all over the world for the betterment of the lot of
industrial workers are not regarded as the domain of philanthropists and kind-hearted employers, but it has become an industrial tradition and need. For India it is more important to adopt and promote welfare programmes in a very comprehensive manner to fulfill our pledge towards the vast programme of industrialization and social welfare.

The lot of the workers is the mirror of the prosperity of a country. If an industrial worker is sick, the industrial unit will be sick. To neglect the labour class is to neglect productivity because ultimately country's welfare lies in their welfare. In India labour welfare measures become all the more important because of the reasons like low level of wages, irregular working hours, inability of trade unions to undertake welfare work, to build up a stable labour force, to create a committed labour force, for creating a genuine welfare state, to create good psychological feelings and to create good moral habits (Khan and Ahmed, 1981).

According to the Labour Investigation Committee (1946), there are three main benefits of labour welfare activities:

- Housing, canteens, sickness and maternity benefits, provident fund, gratuity, pensions etc make the workers feel that they have a stake in the industry as much as anyone else has.

- Educational facilities, sports, entertainment, and other co-curricular activities makes the workers feel that the employer is interested in their day-to-day life and therefore, their tendency to grouse and grumble will gradually disappear.

- Provision of good and clean food in the canteens improves their health, entertainment reduces the incidence of vices, medical aid, and maternity benefits free the workers of worries.
The Bombay Textile Labour Enquiry Committee (1938) has aptly remarked, "It is axiomatic that in all pursuits a high standard of efficiency can be expected only from persons who are physically fit and free from mental worries; that is only from persons who are properly trained, properly housed, properly fed and properly clothed". Labour welfare measures are regarded to be a good investment by employers for improving industrial efficiency and a means leading to greater amelioration of labour conditions. Thus welfare activities may be anything, exclusive of money wages paid, meant for comfort and improving the health, safety, general well-being and efficiency of the workers, which are neither required by law nor have come to be the necessity of industry. Welfare measures help in the strengthening of cordial relationship between management and labour, increasing efficiency and economic productivity, developing the sense of belongingness, minimizing industrial strife and reducing the rate of absenteeism (Moorthy, 1982). Actually true welfare work in industry is a question of advancing moral well-being in order to make life worth living and not a matter of throwing crumbs of charity to the worker.

Provision of labour welfare measures to the workers and other employees has received much importance to maintain good industrial relations. Welfare facilities influence the workers motivation and they feel that the employer and the government are interested in their welfare and happiness and their tendency to complain steadily disappears. Consequently industrial peace will emerge, efficiency of workers will increase and ultimately higher productivity will be achieved.

Since industrial organization is rigid and impersonal, the goal of welfare in industry is the enrichment and growth of human personality. The labour welfare movement seeks to
bring cheer, comfort, and warmth in the human relationship by treating man as an individual, with distinct needs and aspirations. Social and cultural programmes, recreation and other measures designed after taking into consideration the worker's interests go a long way in counteracting the effects of monotony, boredom, and cheerlessness (John, 1998).

Labour welfare is an important facet of industrial relations, the extra dimension, giving satisfaction to the worker in a way that even a good wage cannot. With the growth of industrialization and mechanization, it has acquired added importance. The worker cannot cope with the pace of modern life with minimum sustenance amenities. He needs an added stimulus to keep body and soul together. Employers have also realized the importance of their role in providing these extra amenities. The state only intervenes to "widen the area of applicability" (Monappa, 1985).

After employees have been hired, trained and remunerated, they need to be retained and maintained to serve the organization better (Asawathappa, 2003). Welfare facilities are designed to take care of the well-being of the employees. The establishment of a 'welfare state' is the goal of all efforts of the government in our country. The ultimate objective is the well-being of the society as a whole but at the same time it must also be realized that a happy and contended labour force is one of the main pillars on which the edifice of large-scale industrialization should rest. Therefore, the material progress of a country depends largely on the toil and labour of this significant section of the society (Selvarani, 1995).
The necessity and importance of welfare work in India is greater than in the West. The need and importance of welfare amenities in India, which are designed to bring about an all round improvement in workers' standard of living, cannot be over emphasized. In India, welfare work will undoubtedly raise the standard and efficiency of the workers in various industries. It will be in the interest of the employers to recognize the importance of labour welfare facilities; the gains accruing from them and to realize that the amount spent by them on these activities will be a valuable investment, which will ultimately increase their profits. If the labouring working class is satisfied and is allowed to live a comfortable life it will go a long way in promoting efficiency in industrial activity and will assist the overall progress of the economy (Railkar, 1990). But the working class is unfortunately neglected and exploited at least in the early stages of the industrial development. Therefore it becomes necessary to work out conditions favourable to promote welfare of the workers. It is equally important to take timely and effective steps to provide such conditions as to create a more and more comfortable atmosphere for the industrial workers of the country.

Provision of adequate amenities to this class of people, in order that they may feel contended and happy, and may be able to put their heart and soul for increased production, is of utmost importance.

Asawathappa (2003) cites several reasons why labour welfare is justified: The worker, through his/her labour, creates and transmits power and through various phases of manufacturing, patterns raw materials into finished products of necessity as well as of luxury. The industrial worker is indeed a soldier safeguarding the social and economic factors of the industrial economy, and his/her actions and interactions within the
industrial framework will have a great impact and influence on industrial development. The social and economic aspects of the life of a worker have a direct influence on the social and economic development of the nation. There is every need to take extra care of the worker by providing statutory and non-statutory facilities to them.

Another argument in favour of employee welfare is that the facilities help motivate and retain employees. A further argument supporting welfare is that the reputation for showing concern helps improve the image of the company as a good employer and thus assists in recruitment. Welfare may add to general feeling of satisfaction with the company and cut down labour turnover (Armstrong 1988).

To achieve the goal of large-scale industrialization, a happy and contented working force is essential, on which the edifice of industrial progress is based. Workers hold key position in the society, because their devotion to duty and toil determine, to a large scale, the material progress of a country. Therefore, in our country, where workers have so far regarded industrial employment as a “necessary evil” and try to escape from it at their earliest convenience, welfare measures have become a necessity with the aim of building up a stable and efficient working force. It is wrong to condemn the Indian industrial workers as lazy and inefficient, but improvement in their conditions of life is to be brought about by the concerned factories (Mustafa, 1990).

In India, the Preparatory Asian Regional Labour Conference, New Delhi (1947) and passing of Employees’ State Insurance Act, (1948) attracted attention to the labour welfare activities. It is worth mentioning that social security measures touch only a fringe of the vast problem of providing relief to the industrial workers. That is why the necessity
of expansion of labour welfare activities as a second alternative is emphasized for getting *intellect, health and general well-being of the workers improved*. For contented and stable labour force with improved efficiency, various forms of welfare activities like educational and recreations facilities, medical aid, canteens, consumers co-operative stores and provident fund are essential. Keeping in view the working conditions, under which our working class is forced to work, the necessity of such measures is quite obvious, as our workmen have no means after their duty hours to remove the drudgery of their lives. Welfare measures are treated as the *best remedy for the psychological causes* of friction and discontent among workers. On account of these activities, harmony may easily be achieved and industrial peace be maintained. Welfare activities will provide a chance to the workers to cultivate a broader outlook and to get themselves enlightened, which are recognized as basic conditions for *productive efficiency and self – realization* (Mustafa, 1990).

It is now accepted that labour welfare is a social right. Though industrial workers are generally better paid today than ever before, their conditions of work and often-poor living conditions, necessitate more than minimum amenities. The welfare package, by taking care of the basics of living, frees the worker to devote time and attention to the organization’s tasks, enhances efficiency throughout the course of his/her career, serves to attract and retain the better workers and simultaneously enhances their morale.

To conclude, in today’s competitive world, labour welfare has come to be known as the *internal social responsibility* of the organization. Employers have realized the importance of retaining an efficient and highly productive labour force. They have also come to accept that the provision of labour welfare facilities to workers enables them to have a
better life, maintain goodwill, meet their hopes and aspirations, and reduce frustrations (Rao, 2005). Welfare activities raise the morale of employees, reduce risk and insecurity, eliminate turnover and absenteeism, and increase production and productivity. Thus, improving the quality of working life by providing labour welfare facilities would go a long way in achieving the goals of the organization.

1.3 JOB SATISFACTION

1.3.1 Genesis of Job Satisfaction

The current economic environment has posed increased challenges for business and industry to be competitive, both nationally and internationally, which in turn require these organizations to perform better in terms of productivity, quality, time and service (Joshi and Sharma, 1997). Forward looking organizations, in such a climate are taking steps to undergo massive cultural change so as to bring about reciprocal changes in their performance. In this context it would be meaningful to identify and delineate the critical factors in the organizational environment that have the most positive impact on the performance of the enterprise. Among various factors, people’s attitudes and feelings regarding their jobs and/or job experiences have been found to significantly affect both their personal behaviour as well as job behaviour (Herzberg et.al., 1957; Locke, 1970; Schwals and Cummings, 1970; Pethy, Gee and Covender, 1984; Jaffaldano and Muchinsky, 1985).

Picking up the trail left by Karl Mark’s hypothesis of labor’s alienation from the output; management practitioners, consultants, researchers and theorists in the West and elsewhere have been concerned with various issues pertaining to the quality of life at work and job satisfaction.
The father of scientific management, Taylor's (1911) approach to job satisfaction is based on the most pragmatic and essentially pessimistic philosophy that man is motivated by money alone. According to Taylor the workers are essentially "stupid and phlegmatic" and that they would be satisfied with work if they get higher economic returns from it. The economic man theory, propounded in the early phase of the industrial revolution believed that man was a lazy person and he disliked work. He is primarily motivated by money (Ali, 1978). Over the years we have moved away from a solely monetary approach to a more humanistic orientation. From a simple explanation based on money to a more realistic but complex approach to job satisfaction, it has come a long way.

In the post industrial revolution period, the importance of psychological state and the motivational properties of social relationships on the job became clear. With Mayo's Hawthorne, studies in 1920s and subsequent research during 50s and 60s, the attitudes of organizations towards human resources began to change. After this, satisfaction of different needs, aspirations and capabilities of workers were recognized as assets to industry. This was the beginning of Human Relations Approach.

It was Hoppock (1935) who brought the term "job satisfaction" into the limelight. He reviewed 32 studies in job satisfaction conducted prior to 1933 and observed that job satisfaction is a combination of psychological, physiological and environmental circumstances that cause a person to say "I am satisfied with my job". Such a description indicates the variety of variables that influence the satisfaction of the individuals but tells us nothing about the nature of job satisfaction.
The works of Maslow, Likert, Herzberg, Mc Gregor, Drucker and Argyris gave further momentum to the *behavioural movement* in the industry. The role of employee motivation, involvement and satisfaction was recognized, and adequate emphasis was given to developing an optimal level of HRD climate in the organization, to achieve employee satisfaction and motivation, which would ultimately contribute towards goal achievement (Mishra et. al., 1999).

Further research on job satisfaction resulted in various models presented on job satisfaction. These models on job satisfaction can be viewed from the perspective of *job content factors* or the *cognitive variables*. Maslow (hierarchy of needs), Herzberg (two-factor model) and Alderfer (existence, relatedness and growth needs) models attempted to identify specific *job content factors*, as influencing job satisfaction. The expectancy model by Vroom and the extension and refinement provided by Porter and Lawler, the equity model by Adams and the attrition model and locus of control by Heider explains the *cognitive variables* influencing job satisfaction.

Many researchers have focused on job satisfaction since the classical Hawthorne studies (Roethlisberger and Dickson, 1943), and highlighted its importance in good human relations leading to organizational effectiveness (Hoppock, 1935; Blum and Naylor, 1968; Locke, 1976). In the mid – seventies Locke (1976) reviewed the research work done on job satisfaction during the preceding 40 years beginning with the classic study of Hoppock (1935). Locke has reported that more than three thousand studies have been published during the same period of 40 years. A critical view of these researches indicated that scholars and management practitioners are still interested in the study of
job satisfaction for the following reasons that have board implications for the individual, the organization and the society at large:

- Satisfied employees enjoy better health and live longer (Locke, 1974; Kirkcadly and Furnhan, 1995).
- Job satisfaction is infectious and carries over to life outside the workplace (Howard and Frink, 1996).
- Absenteeism is higher among dissatisfied employees (Scott and Taylor, 1985; Hackett and Guinn, 1995).
- Dissatisfied employees are more likely to quit (Price, 1977).

The study of job satisfaction has progressed through the years from a pessimistic philosophy to a more pragmatic approach.

1.3.2 Importance of Job Satisfaction

The concept of job satisfaction has gained much importance in modern times. The worker and employer both are concerned with it. The employer is interested because it results in good production, which means more profits to the employer. The worker is concerned with it because it brings happiness to him (Srivastava, 1984).

The growth and progress of an organization depends on the worker's attitude to it. Job is an important part of one's life and satisfaction in one's job is an essential factor for the development of the company. High job satisfaction contributes to organizational commitment, job involvement, and quality life to the employees. An organization benefits when the worker's involvement and satisfaction are high (Manickavasagam and Sumathi, 2000).
According to Joseph (2001) no employee works for the sake of work alone. The satisfaction an employee derives from his job is of primal significance as it has a direct relation to his efficiency and to the organization. Bhatt (1998) is of the view that job satisfaction is of great significance for the efficient and profitable functioning of any organization.

Job satisfaction is one of the important factors, which affect not only the efficiency of the worker but also such job behaviour as absenteeism, accidents, etc. The workers who are satisfied are the biggest assets to an organization whereas dissatisfied workers are the biggest liabilities.

Studies have revealed job satisfaction to be of great significance for the effective functioning of any organization. It has found to be intimately related to morale, is often a factor in worker productivity, influences attendance and stability, has a spill over effect on employee relations and accidents (Vroom, 1964; Rajgopal, 1965; Jawa, 1971; Locke, 1976; Mirvis and Lawler, 1977; Khaleque, 1979; Mowday, 1981; Prakasam, 1982; Scarpello and Campbell, 1983; Bhattacharaya and Gosh, 1984; Srivastava and Roy, 1996).

Research findings suggest that productivity would increase with job satisfaction (Griffin, 1981; Ruch and Heshauer, 1975; Wagner and Gooding, 1987; Wright and Crapanzano, 1997). Job satisfaction is very important for a person's contribution to production.

Additionally job satisfaction usually results in satisfaction in life in general, which is necessary for contentment and happiness. According to Kornhauser (1965) it has been
established that highly satisfied workers have *better physical and mental well-being*. On the other hand, job dissatisfaction results in stress and tension, which is usually the cause of a variety of physiological disorders.

Job satisfaction spreads *goodwill about the organization*. From the point of view of an organization, people who feel positively about their work-life are more apt to voice favourable sentiments about the organization. Further, it also reduces absenteeism and turnover (Malhotra, Shruti and Sachdeva, 2001).

Job satisfaction is believed to be a *good predictor of employee behaviour* at work. It is also an important indicator of an employee’s feelings and attitudes towards his job. A person with a high level of job satisfaction holds positive attitudes about his job, while a person who is dissatisfied with his job holds negative attitudes about his job (Robbins, 1991).

Satisfaction in one’s job induces *motivation and interest* in work. When work becomes interesting, an employee derives pleasure out of it and pursues the task with a sense of commitment and loyalty to the organization.

An organization, which performs well, will reveal that the employees are motivated and get job satisfaction. It is an established fact that job satisfaction usually leads to *qualitative and quantitative improvement in performance*. Moreover it is also conducive to the all round development of the organization, because directly or indirectly it influences attitude, morale and production level (Chelliah, 1998).
According to Srivastava (2004) the amount of cooperation that the management may derive from the employees would depend greatly on the extent of satisfaction amongst them. In fact no organization can successfully achieve its goal and mission unless and until those who constitute the organization are satisfied in their jobs. Knowing the profile of satisfied employees has some distinct advantages. It helps in developing appropriate policies of recruiting those employees, who experience greater satisfaction. Satisfied employees are more likely to give something back to the organization, as they want to reciprocate their positive experience.

The feeling of organizational citizenship makes them more helpful to co-workers, less complaining and more positively disposed to organization (Moorman, 1993). These are the traits that are of immense significance to developing nations.

Job satisfaction helps to maintain a certain harmony in life. In order to be happy and well adjusted in one’s work, one must have a feeling of satisfaction in the work one has chosen for oneself. Individuals consider those aspects of their job that are related to their own value system, some placing greater value on pay and security, others on income, others on the type of work and so forth (Srivastava and Roy, 1996).

Job satisfaction may diminish negative effects such as irregular attendance at work, replacement of workers within a cycle or even the rate of accidents (Kahn, 1973). Furthermore, research evidence clearly shows that employees decisions about whether they will go to work on any given day and whether they will quit, are affected by their feelings of job satisfaction (Lawler, 1977).
In a study conducted by Nayyar (1994) on 80 supervisors in a State government company, job satisfaction was found to be the most significant contributor to work performance. A person will take interest in his work and perform well when he likes his job and his basic needs are fulfilled. Unless a person is able to meet his basic needs, it will not be easy for him to concentrate on his performance. Satisfied employees engage themselves in more collaborative efforts and accept organizational goals than do dissatisfied ones (Ostroff, 1992).

According to Malhotra, Shruti, and Sachdeva (2001) job satisfaction has some relation with the mental health of employees and also has some degree of positive correlation with physical health. Both scientific study and casual observation provide ample evidence that job satisfaction is important for psychological adjustment and happy living of an individual. Job dissatisfaction on the other hand has been associated with stress, which has been implicated as a contributory factor in the genesis of hypertension, digestive ailments and in extreme situations to emotional break down. Additionally, evidence suggests that satisfaction is inversely related to absenteeism and turnover. Having satisfied workers may result in lower procurement, and development costs (Sharma and Jyoti, 2006). The resultant satisfaction leads to a higher level of involvement, a greater degree of participation, greater cost consciousness and timely maintenance of job schedules (Panda, 2001).

According to Manickavasagam and Sumathi (2000) the level of job satisfaction varies from employee to employee, from company to company and from industry to industry. For achieving development, it is felt that job satisfaction is indispensable.
To conclude, Morse (1953) suggested that an organization could be evaluated in terms of human satisfaction. Job satisfaction is of importance because of its possible association with productivity, absenteeism, turnover and accidents. An organization makes a lot of efforts to keep and enhance its employee's satisfaction level, as highly motivated and satisfied employees contribute significantly towards higher productivity and efficiency. The success of an organization depends on the effective utilization and motivation of its human resources (Rao et. al., 2002). Every individual has some needs and desires that need to be fulfilled. Any job, which fulfills these needs, provides satisfaction. A satisfied employee is more motivated and tries to improve his performance. Importance of job satisfaction for an organization can never be over emphasized because of its central role in task achievement and human resource maintenance. It is perhaps for this reason that job satisfaction has been and remains one of the major areas of research for almost a century now (Ganguli, 1994).

1.4 FOCUS OF THE RESEARCH

The progress of a company and the development of the nation depend to a large extent on the welfare of the workers and their attitude towards work. Thus, labour welfare and job satisfaction assume importance. The focus of the present research is to study the labour welfare facilities and job satisfaction in the pharmaceutical companies - Indian and multinational - in Goa. The research attempts to make a comparative study of the labour welfare facilities provided and the job satisfaction experienced between Indian pharmaceutical companies and multinational pharmaceutical companies in Goa. The study will further investigate the dimensions of labour welfare influencing the level of job satisfaction in these companies. Further the study seeks to examine the influence of gender, age and experience on the level of job satisfaction.
1.5 STATEMENT OF THE RESEARCH PROBLEM

Labour welfare measures are an effort towards relieving the industrial workers from want, worry and the adverse effects of industrialization, by improving working and living conditions. The proper administration and implementation of labour welfare facilities plays an important role in fulfilling the economic, social, and psychological needs of employees. In satisfying these needs a favourable attitude towards the job can be developed. Job satisfaction is an attitude, which is the result of many likes and dislikes experienced while working in an organization. The provision of labour welfare facilities is one of the factors instrumental in promoting job satisfaction.

In a globalised and highly competitive world, pharmaceutical companies are in stiff competition with each other. They need to encourage their workers to perform better, improve efficiency and retain good employees. For this purpose providing adequate labour welfare facilities and promoting job satisfaction assumes importance.

The present research is an inquiry into the labour welfare facilities provided and the job satisfaction experienced in Indian and multinational pharmaceutical companies in Goa. It aims to draw a comparison between labour welfare facilities provided and the level of job satisfaction experienced by employees (managers and workers) in Indian and multinational pharmaceutical companies in Goa. The study seeks to find out which dimensions in the labour welfare inventory significantly influence the level of job satisfaction in these companies. Further the study will verify whether the statutory or the non-statutory labour welfare facilities are a better predictor of job satisfaction. The research will analyse the influence of personal variables such as gender, age and
experience on the job satisfaction of employees in Indian and Multinational pharmaceutical companies in Goa.

1.6 OBJECTIVES OF THE RESEARCH

1) To compare the labour welfare facilities provided in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

2) To measure the job satisfaction of employees in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

3) To study the influence of labour welfare facilities on the level of job satisfaction of employees in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

4) To investigate the dimensions in the labour welfare inventory that influence the job satisfaction of employees in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

5) To determine the relative importance of the statutory and non-statutory labour welfare facilities as a predictor of job satisfaction in Indian and multinational pharmaceutical companies in Goa.

6) To study the influence of gender, age and experience on the level of job satisfaction of employees in pharmaceutical companies in Goa.
1.7 RESEARCH HYPOTHESES

Ho1: There is no significant difference in the labour welfare facilities provided in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

Ho2: There is no significant difference in the level of job satisfaction experienced in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

Ho3: There is no significant relationship between labour welfare facilities provided and the level of job satisfaction in pharmaceutical companies in Goa.

Ho4: The dimensions in the labour welfare inventory do not influence the job satisfaction of employees in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa.

Ho5: The statutory labour welfare facilities are not a predictor of job satisfaction than non-statutory labour welfare facilities in pharmaceutical companies in Goa.

Ho6: Gender does not significantly influence the job satisfaction of employees in pharmaceutical companies in Goa.

Ho7: There is no significant relationship between age and the job satisfaction of employees in pharmaceutical companies in Goa.

Ho8: There is no significant relationship between experience and the job satisfaction of employees in pharmaceutical companies in Goa.
1.8 SIGNIFICANCE OF THE RESEARCH

The research on ‘Labour Welfare and Job satisfaction: A Comparative Study of Indian pharmaceutical companies and Multinational pharmaceutical companies in Goa’ is the first of its kind undertaken so far in Goa. It can therefore be of immense use to employers and future researchers interested in this area. The study provides an insight into the labour welfare facilities provided by Indian pharmaceutical companies vis-à-vis multinational pharmaceutical companies in Goa. Moreover from the study the level of job satisfaction experienced by employees in Indian pharmaceutical companies and multinational pharmaceutical companies in Goa will also be realized. This will be of interest to the employers of these companies, as it will make them aware of the importance of providing labour welfare facilities, which facilities need to be improved upon, the extent of job satisfaction experienced by their employees and how satisfaction at work can be enhanced. The study will make the employers realize that the labour welfare facilities act as a panacea for the workers and will motivate them to work in a laudable manner. Furthermore through the study, these companies will be able to realise which facets of job satisfaction need to be improved, so that appropriate measures can be taken to improve the job satisfaction of the employees. Moreover the study can assist the employers arrive at policy decisions that will ensure efficiency in the enterprise, make workers work in the best interest of the company and retain their loyalties with the company. An organization’s viability and potential for growth depends to a large extent on a satisfied labour force and this study can help industries realize this aspect.

Furthermore the Government of Goa will become aware of the labour welfare facilities provided by the pharmaceutical companies in Goa and could take necessary steps to improve the facilities provided to the employees in these companies.
Moreover future researchers interested in doing further research on labour welfare and job satisfaction would immensely benefit from the present research work.

1.9 LIMITATIONS OF THE RESEARCH

- The study is restricted to only four industrial estates and to selected pharmaceutical companies in Goa.

- In the study only the permanent employees (managers and workers) in the selected pharmaceutical companies in Goa were chosen and not those who are temporary, casual or on contract. The results of the study therefore relate to only the permanent employees in these companies. The results could differ for temporary, casual or contract employees.

- Of the personal variables that influence job satisfaction only age, gender and present work experience of the employees is considered in the present study. Other personal variables like income, marital status, previous work experience, educational qualifications, and so on have not been analyzed.

- The study has focused only on labour welfare facilities (statutory and non-statutory) influencing job satisfaction. There could be other factors/variables that have an effect on job satisfaction.

- The impact of labour welfare and job satisfaction on the pharmaceutical companies in Goa is not included in this study.

- The results of the study depend upon the co-operation, willingness and sincerity of the employees in answering the standardized instruments given to them.