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## Employee Welfare in HDFC & ICICI Banks: A Comparative Study

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**Keywords -** *HDFC Bank, ICICI Bank, Intra mural Facilities, Extra mural Facilities, Employee Stress and Economic Welfare Practice etc.*

### Abstract

*Employee is considered as the chief organ of organizational productivity. The ability of the organization in achieving higher position in terms of productivity and profitability highly depends on its employees. Employees are the essential part of any institution in the growth and existences of any organization so the welfare of employee is an important criterion that cannot be overlooked. . The Banking Industry has a vital role in the economy of the country. . For this purpose a study of 200 respondents was conducted from employees of both the banks in Ujjain city. The present study was under taken with such a task in mind and it aims at unearthing the strengths and weakness of the welfare measures in HDFC and ICICI bank. These welfare measures include Intra mural Facilities, Extra mural Facilities, Employee Stress and Economic Welfare Practice. Employee welfare is also important because if the organization only expecting high performance then its mere waste because it also provide motivational rip to the employees.*

### Introduction

“Welfare is comfortable living and working conditions”. Employee welfare means the efforts to make life worth living for workman. The concept of ‘labour welfare’ is flexible and elastic and differs widely with times, regions, industry, country, social values and customs, degree of industrialization, the general socio-economic development of the

people and the political ideologies prevailing at particular moments. It is also according to the age group, socio-cultural background, marital status, economic status and educational level of the workers in various industries. Employers get stable labour force by providing welfare facilities. Workers take active interest in their jobs and work with a feeling of involvement and participation.

Welfare facilities enable the employees to live a richer and more satisfactory life. The various Welfare activities that can be provided to the employees include provision of loans, free medical facilities, retirement benefits, education facilities for the employee's and their families, housing benefits, etc. Many organisations facilitate these welfare activities to their employees to keep their motivation levels high. The basic purpose of employee's welfare is to enrich the life of employees and keep them happy and contented.

Organizations provide welfare facilities to their employees to keep their motivation levels high. The employee welfare schemes can be classified into two categories viz. statutory and non-statutory welfare schemes. The statutory schemes are those schemes that are compulsory to provide by an organization as compliance to the laws governing employee health and safety. These include provisions provided in industrial acts like Factories Act 1948, Dock Workers Act (safety, health and welfare) 1986, Mines Act 1962. The non-statutory schemes differ from organization to organization and from industry to industry.

### **Need for the Study**

Welfare measures are measures, which promotes the physical, psychological well-being of the working population. Employees are recognizing the importance of labour welfare activities in India very recently, government, by other agencies

1. Encourage the employees.
2. Recruit and retain the best personnel to increase and improve employee morale.
3. Develop employees economically and socially.
4. Provide primary needs.
5. Motivate employees for increasing efficiency.
6. Creating the sense of social goods.

Increase productivity and to maintain good industrial human relations. Improve the standards of living of workers, housing, minimum wages and other benefits are bound to create a feeling of satisfaction among the workers and are therefore more helpful in reducing the extent of labour turn over and absenteeism. Provisions of good medical and working conditions, recreational, educational are bound to increase the mental efficiency and economic productivity of industrial worker.

### **Review of Literature**

Atheen (2018) analysed the determinants of welfare activities which influenced the level of employee motivation and satisfaction. A descriptive research design was used in the study. Primary data was collected from 100 employees by random sampling technique through a structured questionnaire and telephonic interview. The tools used for analysis were percentage analysis, Chi-square test, and Karl Pearson's coefficient correlation. It was inferred from the study that welfare activities build loyalty, team spirit, and cordial relationships in employees of the company.

Bhuvaneshwari and Logeshwaran (2018) studied various employee welfare activities and human resource management in the SAHANA clothing company. They also studied the role of government and labour unions in providing welfare measures. An exploratory research design was used in the study. Primary data was collected from 100 employees by the questionnaire method. The results of the study stated that employees were satisfied with the welfare facilities provided to them in the organization. The results also stated that improvement was needed in the working environment to increase the performance and morale of employees.

Anju (2016) examined employee welfare activities and the level of satisfaction of employees in the company. This study also focused on the effectiveness of the grievance handling system, salary system, training & development program, promotion policy, and work environment in the company. Primary data was collected from 100 respondents by a convenient sampling method through the questionnaire method. The tool used for analysis was a simple percentage method. This study concluded that the majority of employees were satisfied with the working of employee welfare activities of the company. Some improvements should be made in recreational facilities and career growth opportunities.

Chhabra et al., (2015) determined the attitude of employees about the statutory welfare activities provided by pharmaceutical companies of Pithampur. They also examined the effect of gender on the perception of employees about statutory welfare activities. Primary data were collected from 94 employees with the help of the questionnaire technique. The tools used for data analysis were frequency distribution method, average method, and t-test. The results showed that there was no distinction between male and female employees about the statutory welfare activities but companies should do more investment in welfare activities to make their employees happy.

### **Objectives of the Study**

1. To analyse employee satisfaction in nationalized bank and private sector bank with respect to intra mural welfare facilities provided to employees.
2. To analyse employees satisfaction in Nationalized Bank and Private Sector Bank with respect to extra mural welfare facilities provided to employee from welfare schemes.
3. To study the opinion of the employee in employee welfare practices with in State Bank of India & HDFC Bank.
4. To study which aspect of employee welfare affects the work stress in both the banks.

### **Hypotheses of the Study**

H01: There is no significant difference between the employees of HDFC bank and ICICI bank with various intra mural welfare facilities.

H02: There is no significant difference between the employees of HDFC bank and ICICI bank with various extra mural welfare facilities

H03: There is no significant aspect of employee welfare practices significantly contribute in employee stress.

H04: There is no significant difference of economic welfare schemes in both the banks HDFC & ICICI.

### **Methodology**

The final study was conducted on employees of Private Sector Banks & Public Sector Banks in their branches in Ujjain district. Personal observations, surveys (questionnaire)

can serve as a mean of collecting primary data. The collected data was organized in the required form and analysed to get the results out of it. The one-way analysis of variance (ANOVA) is used to determine whether there are any significant differences between the means of three or more independent (unrelated) groups. The data has been analysed using IBM SPSS 20.0 statistical software.

### Sample and Sample Size

The sample of this study comprised bank employees who have put in more than three year of service with either HDFC Bank or ICICI Bank. A sample of 80 persons was chosen at random. It includes all cadres of employees.

- HDFC Bank: - 40 employees.

- ICICI Bank: - 40 employees.

### Sampling Techniques

A simple Random Technique was used in the research.

### Statistical Tool

The questionnaire was used as primary data. A formalized questionnaire was prepared which contains dichotomous questions, open-ended questions and multiple-choice questions to collect the opinion of the employees. The data collected is represented in the form of tables, by using tools such as column and Pie charts. These details are analysed, Interpreted and used for findings and suggestions

### Analysis and Interpretation

Table N0. - 01

#### One way ANOVA of employee welfare practice in HDFC & ICICI

Employee Welfare Practice	Source	Sum of Square	d.f.	Mean Square	F Value	Level of Significance

Intra mural Facilities	Between Treatments	301085.0461	2	150542.523	4.43909	Significant
	Within Treatments	2645206.1638	78	33912.8995		
	Total	2946291.2099	80			
Extra mural Facilities	Between Treatments	952.136	2	476.068	0.82013	Not Significant
	Within Treatments	45277.5924	78	580.482		
	Total	46229.7284	80			
Employee Stress	Between Treatments	181046.5275	2	90523.2638	3.20636	Significant
	Within Treatments	2202126.1638	78	28232.3867		
	Total	2383172.6914	80			
Economic Welfare Practice	Between Treatments	169413.9011	2	84706.9505	3.12226	Significant
	Within Treatments	2116138.0495	78	27129.975		
	Total	2285551.9506	80			

1. One way ANOVA for Intra Mural Welfare Facilities ( $P < 0.014934$ ). One way ANOVA for Intra Mural Welfare Facilities has been reached to level of significance. The data obtained from the table was highly significant; hence the null hypothesis is rejected.

2. One way ANOVA for Extramural Welfare Facilities ( $P > 0.444137$ ) was not found significant. This suggested that employees of both the bank had perceived Employee Welfare Facilities in one and the same way. There is no positive and significant relationship between the employees of private and public sector bank with various extra mural welfare

Facilities, hence the null hypotheses is accepted.

3. One way ANOVA for Employee Stress contribution is ( $P < 0.0459$ ). One way ANOVA for employee stress has been reached to level of significance. There was a positive and highly significant aspect of employee welfare practices that significantly contribute in employee stress, hence null hypothesis is rejected.

4. One way ANOVA for Economic Welfare Facilities ( $P < 0.049609$ ). One way ANOVA for economic welfare has been reached to level of significance. There was a positive and significant difference of economic welfare scheme in both the banks HDFC & ICICI hence the null hypothesis is rejected.

## Findings

1. Employees of both the banks agree that stress affects their working efficiency but the degree of stress is more in HDFC Bank employees in comparison to the employees of ICICI. This stress is raised due to lack of intra mural welfare facilities provided in both the banks.

2. The employees of ICICI Bank are more satisfied than the employees of HDFC in case of employees' health services related welfare facilities i.e. medical facility and health education.

3. Employees of ICICI and HDFC Bank are dissatisfied with the overtime allowance provided the banks, respectively. Hence it can be derived that the employees of both the Banks are not getting overtime allowances according to their performances. But, ICICI Bank employees are slightly satisfied as compare to HDFC Bank employees.



4. It was analysed that the employees of HDFC Bank are more involved in Participation of employees in the decisions relating to the organizational comparison to the employees of ICICI.

5. It has been inferred that employees of HDFC Bank are more satisfied with the inclusion of training as a part of the organizational strategy than the employees of ICICI bank.

6. Both Bank Employees are satisfied with the Retirement and Pension Plan provided by HDFC and ICICI Bank.

7. It was analysed that the employees of HDFC Bank are more satisfied with the Reward Schemes provided by the Bank as compare to ICICI Bank Employees.

8. One way ANOVA for intra mural welfare facilities has been reached to the level significance; here the mean value suggested that employees of ICICI bank had perceived more intra mural welfare facilities in comparison to the HDFC bank.

9. For extra mural welfare facilities in this the mean value suggested that employees of both the banks had been perceived one of the same ways of facilities.

10. For economic welfare facilities, here the mean value suggested that employees of ICICI had been perceived more economic welfare practices in comparison to HDFC.

11. For employee stress the mean value suggested that employees of ICICI have perceived more employee stress in comparison to HDFC bank.

### **Limitations of the Study**

This study attempts to contribute significantly to the literature on Employee welfare practices, however, It is very difficult to criticize one's own baby. It is equally true, that no work is perfect and there are factors which force a researcher to limit his/her work within feasible boundaries. Some of the limitations, which were faced during the conduct of the current research, are outlined below.

1. Cost in terms of monetary constraints limits the area and subjects under study.
2. Cooperation in terms of this is a sensitive area for research, and some bank employees were apprehensive of giving information as they felt that it might be used against them at



the time of appraisals. Few were unwilling to disclose their income and in such cases, it was an approximate amount that was finally included.

3. This research work has been confined only to Ujjain city and thus the results may only be able to define this specific area under study and not to the entire universe.

4. Primary source of data is the main source of gathering information; hence manipulation at the respondent's end cannot be avoided.

5. Data was collected during the working hours; employees were busy with their routine work so they were less responsive and pre-occupied.

6. The area of study needs to be expanded. The respondents are only from specific locations in Ujjain city

## **Conclusion**

Banks are providing superior employee welfare facilities to its employees, whether it is a private sector banks or public sector banks. Employees of public sector banks are more satisfied than private sector banks as far as welfare practices are concerned.

Results showed that in SBI banks, the employee satisfaction level was much with regard to specific income aspects, leave aspects, and security aspects. For HDFC banks, employee satisfaction was much for specific income aspects and leave aspects. The results demonstrated that in general employees of public firms have higher Satisfaction toward welfare than employees of private firms. However, both the firms should improve performance with regard to welfare issues that employees rate with low or moderate satisfaction, such as employee training and recreational activities. The discussions with employees of different places of working in the corporation we have found that intramural facilities in addition to providing the improved medical facilities, colleges education facility should be improved.

HDFC and ICICI companies should be open to suggestions to improve employee welfare—to understand staff comments and use them for further employee welfare improvements. This will result in happy employees, and happy employees boost productivity and provide better customer service. Good workers are not just found, they have to be trained, invested in and retained. Employees who know the quality

performance values of their bank should be treated as real resources. Employees are increasingly key stakeholders for firms. Employee welfare schemes are extremely valuable to workers and their families for improving their job satisfaction, quality of life, increasing agreement in the social relationships and affecting development prospects.

Employee welfare schemes also include any action addressed to the well-being and staff enhancement given beyond and in addition to standard salary and pay.

Employee welfare measures must not be expressed only in monetary terms, but must also include non-monetary benefits. Therefore, it is suggested by the researcher that the welfare facilities improve the employees' morale and loyalty towards the management thereby increasing their happiness, satisfaction and performance.

Banks are providing best employee welfare facilities to its employees, whether it is a private sector banks. Employees of ICICI banks are more satisfied than HDFC banks as far as welfare practices are concerned.

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