

The Impact of Welfare Facilities on Job Satisfaction: A Study of Clerical Level Employees in Urban Development Authority in Sri Lanka

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1. Introduction

Organizations operate in a dynamic and complex environment. They have to develop different strategies to survive in their environment. In order to get organizational success satisfied employees are necessary. So, the responsibilities of the organization are to satisfy their employees. For that, organizations have to consider employees' expectation and requirements in order to fully fill it, the overall responsibility of this task of any organization comes under the Human Resource Management. According to Opatha (2009) "Employee welfare management is one of the most important human resource management functions". Organizations are concerned about introducing and carrying out various welfare programs now or in the future, not only with past and current experience, but also with developing trends. Therefore, the employer should consider welfare facilities (WFs) that are given to the employees as a main management activity. But there is no single study to investigate the impact of WFs on job satisfaction (JS). Therefore, the aim of this study was to identify the impact of WFs on employees' JS of clerical level employees in UDA, Sri Lanka.

2. Problem of the Study

Currently, most of the organizations provide various types of WFs to go beyond their competitors. They use resources inappropriately to provide and expand WFs. But when analyzing the impact of effectiveness of WFs on employees' JS is very high other than providing WFs inappropriately. Then this research attempted to investigate, *how employee WFs impacted employees' JS in UDA, Sri Lanka?*

The objective of this study was to find out the impact of employee WFs on employees' JS of clerical level employees in UDA, Sri Lanka.

3. Literature Review

Employee Welfare Facilities

Hopkins (1955) cited in De Souza (2009) "Welfare is fundamentally an attitude of mind on the part of management, influencing the method in which management activities are undertaken". Mathis & Jackson (2000) defined employee welfare facilities as an indirect reward provided to an employee or group of employees as a part of organizational membership. According to this definition WFs are not based on employees' contribution, as a part of organizational membership.

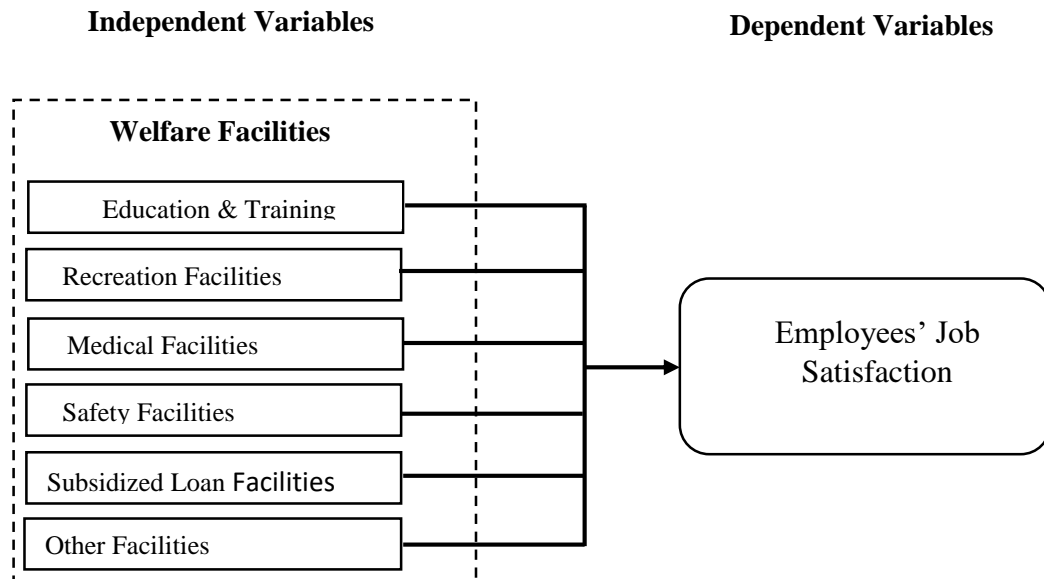
Employee Job Satisfaction

According to Hoppock (1935) job satisfaction refers to an employee's feeling of satisfaction on their job. It does not imply the happiness or self-satisfaction but the satisfaction on the job. In other words Job satisfaction means employee's feeling to the degree of like and dislikes of their jobs'. It is a positive or negative attitude and behavior of the employees. Also, Kaliski (2007) cited in Aziri (2011) that Job satisfaction is an employee's feeling of their job's accomplishment and achievement. Normally, it is directly linked to productivity and personal well-being. Then, job satisfaction depends on the difference between the amount of reward workers received and the amount they expected they should receive.

4. Research Framework

The research framework entailed independent variables and dependent variables of the study. In this study independent variable is WFs and the dependent variable is job satisfaction. Also, the researcher used six dimensions for further discuss independent variable and three dimensions was for discussing dependent variables (refer figure 1).

Figure 1: Research Framework



According to Opatha (2009): “Always welfare is not because it improves productivity. However, it is arranged in a way that it leads to improve JS of the employees, through loyalty of the employees, and then to reduce employee absenteeism and turnover that will result in improving employee welfare, improves employee productivity”. Also, De Souza (2009) stated that increase in any of the labour welfare dimensions is likely to significantly increase JS of employees. Based on this background, the hypothesis of the study was formulated as follows:

H₁: There is a positive impact of the employee WFs on employees’ JS of clerical level employees in UDA, Sri Lanka.

5. Method

Therefore, the type of investigation of this study was deductive and conducted in non-contrived setting. In this study the target population was clerical level employees in UDA in Sri Lanka. This survey was hired convenience sampling method and carried out among 145 clerical level employees in UDA.

In this study both primary and secondary data were collected, and primary data was collected through questionnaire. The questionnaire was divided in to three parts; demographic factors, WFs (which was measured by an instrument consisting of 32 statements, which was originally developed by Srivastava (2004) cited in De Souza (2009)), and JS (the questionnaire consisted of 20 statements, which was originally developed by Minessota, 1967). All the statements in part two and three of the questionnaire were measured through five-point Likert scale indicating 5 for “strongly agree” and 1 for “strongly disagree”. Secondary data were collected through journals, research articles, books as well as internet sources. Data was collected from primary source and that were analyzed using SPSS 20.0.

Validity and Reliability

The internal reliability of the instrument was estimated by using Cronbach’s Alpha (Table 1). That is implied that the instruments of this study were reliable.

Table 1: Reliability of variables

Instruments	Cronbach's Alpha
Employee welfare facilities	0.845
Employee job satisfaction	0.863

Source : Survey data

Cronbach's Alpha for independent variable and dependent variable were 0.845 and 0.863 respectively. Sekaran (2006) stated that if the tested Cronbach's Alpha is less than 0.7, instrument used are not reliable. But received values for this research was more than 0.7. then questionnaire can be considered as reliable.

6. Results

To investigate the responses for independent and dependent dimensions of the clerical level employees of UDA, univariate analysis was used. The result of the univariate analysis is given in Table 2. According to that, the level of employee WFs and employees' JS is approximately normally distributed. The mean value of WFs is 3.3556, which indicates that employee WFs is "good" and the mean value of JS is 3.1121 which also indicated natural level of JS of clerical level employees in UDA, Sri Lanka.

Table 2: Level of Welfare Facilities s and Job Satisfaction of clerical level employees in UDA, Sri Lanka

		Employee Welfare Facilities	Employee Job Satisfaction
N	Valid	145	145
	Missing	0	0
Mean		3.3556	3.1121
Std. Deviation		.33262	.57564

Source : Survey data

Furthermore, the main objective of this study was to investigate impact of employee WFs on employees' JS in clerical level employees in UDA, Sri Lanka. Therefore, bivariate analysis was made to determine whether there is impact of employee WFs on employees' job satisfaction. (refer Table 3).

Table 3: Impact of Welfare Facilities on Job Satisfaction of clerical level employees in UDA, Sri Lanka

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694 ^a	.482	.479	.28010

Source : Survey data

It indicated that about 48.2% of the variance (R square) in the JS is explained by employee WFs. The hypothesis testing was carried out by using results of Regression analysis (refer Table 4). According to that table standardized coefficients beta value is 0.694 and it was a positive value. Then H1 was accepted (since $b > 0$) and there was a positive impact of employee WFs on JS of clerical level employees in UDA, Sri Lanka.

Table 4: Regression Analysis between Welfare facilities and Employees' job satisfaction (Coefficients)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.243	.255		.953	.342
	Welfare Facilities	.872	.076	.694	11.539	.000
a. Dependent Variable: Job Satisfaction						

Source : Survey data

7. Discussion and Conclusion

According to the findings, employee WFs was found to have a strong positive impact on employees' JS with the strength of B value (0.694). That means if employee WFs changes by one unit, employees' JS would change by 0.694 Units. Hence employee JS can be impacted by a considerable level from the changes which are done to the existing employee WFs of UDA. This study is not representative of the whole UDA and the sample was limited to only clerical employees in organization. It is recommended that for more reliable of findings, a similar study be carried on large scale involving a large sample of organization. Such an approach will give more representative result. It is also recommended that future studies. Such studies could be used in ensuring best practices of the organization in managing the employee's satisfaction problem, for the betterment of the organization and its employees at large.

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