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## A STUDY ON ESI BENEFITS WITH SPECIAL REFERENCE TO THE RAJAM HERBAL TECHNOLOGY AT SALEM

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### ABSTRACT

The ESI Act, which was introduced by the Parliament in 1948, was the crucial permission that allowed for the establishment of institutionalized reserve funds for professionals in India. The design for this study is descriptive research design. This design was selected because it effectively conveys both the opinions that people have about the system and its features. The views and opinions of employees about the system help to study the suitability of the system as well as the constraints that might restrict its effectiveness. The sample size for the research is 100 respondents in a research area. The current study demonstrates the substantial and favorable correlation between trust and openness, challenge and involvement, and organizational commitment. The findings of this study support previous research on the relationship between organizational commitment and employee benefits, which generally looked into ways to help increase employees' levels of commitment by providing them with opportunities for growth, the best compensation, and rewards that eventually increase their potential.

KEYWRDS : EST, EMPLOYEE

### INTRODUCTION

In 1948, the Indian Parliament announced the Employee State Insurance Act. First of all, the ESIC plan was initially implemented on February 2, 1952, with a total inclusion of roughly 1.20 lakh laborers at just two contemporary centers in the country, namely Kanpur and Delhi. After that, the plan was gradually implemented across the country with the active participation of the state governments. The ESI Act, which was introduced by the Parliament in 1948, was the crucial permission that allowed for the establishment of institutionalized reserve funds for professionals in India. The ESI Act covers gathering units or non-intermittent generation lines that employ at least ten people in a facility that uses electricity and, in any case, twenty people in a plant that uses non-control and assembling. In an effort to broaden its scope, the ESI Act has also been gradually expanded to include a variety of establishments, including stores, hotels, restaurants, motor vehicles, paper businesses, and movie theatres. In any case, the ESI Act has no bearing on companies or generation lines that the Central Government or State Governments continue to operate and whose experts receive advantages from other institutionalized investment funds. Employers contribute 3.25 percent of qualified beneficiaries' or workers' wages toward premium amounts under the ESI scheme, while employees contribute 0.75 percent of their wages.



## REVIEW OF LITERATURE

**G. Muthu Lakshmi (2020)** has out a study on the effectiveness of the Employees State Insurance Scheme, focusing on the Tamilnadu district of Tuticorin. The study closely examines how well ESI Corporation performs as well as how staff members view ESI hospitals. The primary data were analyzed with the help of various statistical measures such as simple percentage analysis, Averages, F-statistic, Chi-square test, Garrett ranking and percentage analysis. The study found out that ESI dispensaries/hospitals were not functioning up to the satisfaction of insured persons. The study also reveals the scope to improve its functions and turn into a highly trustful and reliable corporation, implementing better services.

**Dr. Mamta Jain, KanikaKaondal (2019)** worked on "A Study on Satisfaction of beneficiaries by Employees' State Insurance Scheme: The Evolution of Labor Law in India." Our goal in writing this paper is to give a general overview of how labour law has evolved in India. There should be two warning notes. Firstly, the labour rules in India are incredibly vast and quite intricate. Our explanations of the laws, or more specifically, the legislation, are extremely vague and are meant merely to outline the fundamental framework of Indian government policy regarding the control of labour markets and employment relationships. Second, we are trying to place the evolution of the law within a larger socio-political framework, mostly by using secondary sources. Specifically, we plan to look at the development of Indian labour legislation from two angles. The first of these discusses the significant eras that have seen the evolution of the law since the first regulations in the nineteenth century. The second addresses the nature, intent, and consequences of Indian labour laws. Here, our focus is not just on what we believe Indian labour law aims to accomplish, but also on the many doubts and ambiguities that seem to characterize the way that scholars and experts have interpreted Indian labour law throughout its evolution. We end by discussing the implications that some features of the political economy of India have had for Indian labour law and how this may affect labour law research in general.

**Dilshad Begum (2018)** The author of the paper "A Study of Infrastructural Problems in Employees' State Insurance Hospitals in Karnataka" looked at a number of issues that the state insurance hospitals in the state of Karnataka, including their dispensaries and diagnostic centres, deal with. The study comes to the conclusion that any healthcare organization's ability to succeed depends on its infrastructure. The investigation discovered that the ESI hospitals, diagnostic centre, and clinics lack proper infrastructure. The survey discovered that ESI hospitals, diagnostic centres, dispensaries, insured individuals, and their dependents deal with a plethora of infrastructure issues. Therefore, resolving infrastructure issues at ESI hospitals and ESI healthcare centres that are under their management and financing must be of utmost importance to the Employees State Insurance Corporation and the state government.

**Sumitra Pujari (2018)** "A Study on Welfare Schemes of ESI," the author's study The study is limited to the last two to three years and concentrates on the advantages of the current ESI Schemes system. Since the data was gathered from secondary sources, it may differ slightly from what the study actually contains. According to the Hyderabad ESI Act, only a few firms are allowed to study ESI Schemes and Benefits. The study's purview extends to workers in non-seasonal factories with ten or more employees as well as those employed by educational institutions with twenty or more.



**Rashida K N (2017)** Several social security programmers were the main topic of his study paper, "Employees' Satisfaction and ESI Benefits among Public Sector Textile Workers in Kerala." According to this study, the goal of social security programmers is to assist people at their time of illness, death, or disability. In order to provide better results, ESI programmers safeguard labour and boost productivity. Thus, the ESI Scheme was very successful in India. because it raises the bar for a welfare state and enhances the living and working conditions for laborers. According to the authors, investing in the ESI Scheme is a smart move because it will pay off for the nation in the near future.

## **RESEARCH METHODOLOGY**

The precise steps or methods used to find, pick, process, and evaluate data on a subject are known as research methodology. The methodology part of a research article gives the reader the opportunity to assess the general validity and reliability of the study.

## **TYPES OF RESEARCH DESIGN**

Research design is the arrangement of conditions of collection and analysis of data in a matter that aims to combine relevance to the research purpose with economy in procedure.

## **SOURCE OF DATA**

Data was taken mostly through primary data. However company and product profiles were referred too. A structured undisguised interview schedule was designed to collect data source. The timetable approach was chosen because it would aid in providing a clear and straightforward amount of information.

Data in the study are of two types:

- Primary data
- Secondary data

## **PRIMARY DATA**

Information that is gathered directly from the first-hand source through surveys, tests, or observations is referred to as primary data, or raw data. There are two more categories for the main data collection technique. Indeed, they are. Techniques for Collecting Quantitative Data. Qualitative Data Gathering Techniques.

## **SECONDARY DATA**

The different information gleaned from journals, websites, and magazines forms the basis of the secondary source of information. Primary sources have been used to gather data for this research. In order to gather primary data for this study, questionnaires and evaluation feedback forms were utilised. Employee interviews at different companies provided the further information.

## **SAMPLING DESIGN**

The design for this study is descriptive research design. This design was selected because it effectively conveys both the opinions that people have about the system and its features. The views and opinions of employees about the system help to study the suitability of the system as well as the constraints that might restrict its effectiveness.

## **SAMPLING TECHNIQUES**

The sampling technique adopted for the purpose of the study is non-probability convenience sampling. Convenience samples, as their name suggests, are created by choosing specific universe units to include in the sample..



## SAMPLE SIZE

The sample size for the research is 100 respondents in a research area.

## ANALYTICAL DESIGN (STATISTICAL TOOLS)

When compiling and calculating data, statistical tools like correlation and chi square are employed.

- Simple percentage method
- Chi-Square Test
- Correlation

## PERCENTAGE ANALYSIS

Percentage refers to a special kind of ratio. A percentage is utilised when comparing two or more data series. Percentage as also used to describe relationship.

It is also used to compare the relative terms of two or more series of data.

$$\text{Percentage of respondents} = \frac{\text{Number of respondents}}{\text{Total respondents}} \times 100$$

## CHI-SQUARE TEST

It is one of the simplest and widely used non parametric test in statistical work. The quantity chi-square describes the magnitude of the discrepancy between theory and observation

Which is defined as,

$$\text{Chi - Square} = \frac{\sum(o_i - E_i)^2}{E_i}$$

O<sub>i</sub> = Observed frequency

E<sub>i</sub> = Expected frequency

In general the expected frequency for any can be calculated from the following equations

$$E = \frac{RT \times CT}{N}$$

E = Expected frequency

CT = Column total

RT = Row total

N = Total number of observations

The calculated value of chi-square is compared with the table value of chi-square given degree of freedom of a certain specified level of satisfaction. If at the stated level the calculated value of X<sup>2</sup> is more than the table value of X<sup>2</sup> the difference between theory and observation is considered to be significant otherwise it is insignificant.

## CORRELATION

There are numerous approaches to correlation. The most prevalent kind, known as the person or product moment correlation, is included in the survey system's optional statistics module. Partial correlation is a version of this type that is also included in the module. Like all statistical methods, correlation is limited to specific types of data. When dealing with quantifiable data that has meaningful numbers - typically quantities of some kind - correlation



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is effective. Purely categorical data, such gender, favourite, colour, or brands bought, cannot be used with it.

$$r = \frac{\sum XY}{\sqrt{(\sum X^2) (\sum Y^2)}}$$

## DATA ANALYSIS AND INTERPRETATION

**TABLE – 4.1.1 GENDER OF THE RESPONDENTS**

Gender	Percentage
Male	60%
Female	40%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

### INTERPRETATION

The above table indicates that 60% of the respondents are male and 40% of the respondents are female. Majority 60% of the respondents are male.

**TABLE - 4.1.2 AGE OF THE RESPONDENTS**

Age	Percentage
Below 20 Years	10%
21-30 Years	59%
31-40 Years	23%
Above 40 Years	8%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

### INTERPRETATION

It is evident from the above table that 10% of the respondents are in the age group of Below 20 years, 59% of the respondents are in the age group 21-30 years, 23% of the respondents are in the age group 31-40 years, and remaining 8% of the respondent's age group is above 40 years. Mostly 59% of the respondents are in the age group of 21-30 years



**TABLE - 4.1.3 EXPERIENCE OF THE RESPONDENTS**

<b>Experience</b>	<b>Percentage</b>
Below 5 Years	40%
5-7 Years	32%
7- 10 Years	10%
Above 10 Years	18%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

#### INTERPRETATION

The above table clearly shows that nearly 40% of the respondents are Below 5 years of experience, 32% of the respondents are 5-7 years of experience, 10% of the respondents are 7- 10 years of experience, and 18% of the respondents are Above 10 years of experience. Mostly 40% of the respondents are Below 5 years of experience.

**TABLE - 4.1.4 MONTHLY INCOME OF THE RESPONDENTS**

<b>Monthly Income</b>	<b>Percentage</b>
Below Rs. 10000	8%
Rs. 10000-15000	30%
Rs.15000-20,000	49%
Above Rs.20,000	13%
<b>TOTAL</b>	<b>100%</b>

#### INTERPRETATION

The above table showing 8% of the respondents are earn to below Rs 10000 income, 30% of the respondent are earn to 10000-15000 income, 49% of the respondents are earn to 15000-20000 income, and remaining 13% of the respondents are earn to Above Rs.20,000 income. Mostly 49% of the respondent are earn to 15000-20000 income.

**TABLE - 4.1.5 EMPLOYEE BENEFITS AND ADVANTAGES**



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Advantages	Percentage
High Employee Productivity	29%
Reduced Absenteeism	46%
Excellent Team Players	16%
Strong Advocates	9%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

## INTERPRETATION

The above table shows that, 29% of the respondents are High employee productivity, 46% of the respondents are Reduced absenteeism, 16% of the respondents are Excellent team players, and remaining 9% of the respondents are Strong advocates. Mostly 46% of the respondents are reduced absenteeism.

**TABLE - 4.1.6FACTORS AFFECTING IN THIS EMPLOYEE BENEFITS AND COMMITMENT**

Factors	Percentage
Encourages Involvement	45%
Job And Trusts	25%
Goals And Objectives	22%
Company Offers	8%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

## INTERPRETATION

The above table shows that, 45% of the respondents are Encourages involvement, 25% of the respondents are job and trusts, 22% of the respondents are Goals and objectives, and remaining 8% of the respondents are company offers. Mostly 45% of the respondents are Encourages involvement.



**TABLE – 4.1.7EMPLOYEE BENEFITS AND SERVICE PROGRAMMES IN THIS FIRM**

<b>Service</b>	<b>Percentage</b>
Highly Satisfied	42%
Satisfied	22%
Neutral	25%
Dissatisfied	10%
Highly Dissatisfied	1%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

#### INTERPRETATION

The above table shows that, 42% of the respondents are Highly Satisfied with service, 22% of the respondents are Satisfied with service, 25% of the respondents are Neutral with service, 10% of the respondents are Dissatisfied with service, and 1% of the respondents are Highly Dissatisfied with service. Mostly 42% of the respondents are Highly Satisfied with service.

**TABLE - 4.1.8BENEFITS PROVIDES TO EMPLOYEE IN THIS FIRM**

<b>Benefits Provide</b>	<b>Percentage</b>
Medical Insurance	51%
Retirement Plans	25%
Paid Sick Leave	20%
Flexible Work Hours	4%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**



## INTERPRETATION

The above table shows that, 51% of the respondents are provides to Medical insurance, 25% of the respondents are provides to Retirement plans, 20% of the respondents are provides to Paid sick leave, and 4% of the respondents are provides to Flexible work hours. Mostly 51% of the respondents are provides to Medical Insurance.

**TABLE - 4.1.9EMPLOYEES ARE HIGHLY PRODUCTIVE IN THIS FIRM**

<b>Productive</b>	<b>Percentage</b>
Strongly Agree	57%
Agree	21%
Neutral	4%
Disagree	11%
Strongly Disagree	7%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

## INTERPRETATION

The above table shows that, 57% of the respondents are Strongly agree with highly productive, 21% of the respondents are agree with highly productive, 4% of the respondents are Neutral with highly productive, 11% of the respondents are Disagree with highly productive, and remaining 7% of the respondents are Strongly Disagree with highly productive. Majority 57% of the respondents are Strongly agree with highly productive.

**TABLE - 4.1.10ESI BENEFITS RELATED TO SUPERIOR BUSINESS PERFORMANCE**

<b>Performance</b>	<b>Percentage</b>
Highly Satisfied	35%
Satisfied	37%
Neutral	15%
Dissatisfied	9%



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Highly Dissatisfied	4%
<b>TOTAL</b>	<b>100%</b>

**Data Source: Primary data**

## INTERPRETATION

The above table shows that, 35% of the respondents are Highly Satisfied with business performance, 37% of the respondents are Satisfied with business performance, 15% of the respondents are neutral with business performance, 9% of the respondents are Dissatisfied with business performance, and remaining 4% of the respondents are Highly Dissatisfied with business performance. Mostly 37% of the respondents are Highly Satisfied with business performance.

**TABLE - 4.1.11 IMPROVE ORGANIZATIONAL COMMITMENT AND EMPLOYEE BENEFIT IN THIS FIRM**

<b>Improve</b>	<b>Percentage</b>
Increased Profitability	27%
Productivity	47%
Employee Retention	18%
Reduce Employee Stress	8%
<b>TOTAL</b>	<b>100%</b>

Data Source: Primary data

## INTERPRETATION

The above table shows that, 27% of the respondents are improve to Increased profitability, 47% of the respondents are improve to Productivity, 18% of the respondents are improve to Employee retention, and remaining 8% of the respondents are improve to Reduce employee stress. Majority 47% of the respondents are improve to Productivity.

## FINDINGS, SUGGESTION AND CONCLUSION

### FINDINGS

1. Majority 60% of the respondents are male.
2. Mostly 59% of the respondents are in the age group of 21-30 years.
3. Mostly 40% of the respondents are Below 5 years of experience.
4. Mostly 49% of the respondent are earn to 15000-20000 income.



5. Mostly 46% of the respondents are Reduced Absenteeism.
6. Mostly 45% of the respondents are Encourages involvement
7. Mostly 42% of the respondents are Highly Satisfied with service.
8. Mostly 51% of the respondents are provides to Medical Insurance.
9. Majority 57% of the respondents are Strongly agree with highly productive.
10. Mostly 37% of the respondents are Highly Satisfied with business performance.
11. Majority 47% of the respondents are improving to Productivity.

## **CHI-SQUARE ANALYSIS**

There is a significant relationship between Gender and Benefits Provide To The Employees in the organization because the P value is 10.92 is Greater than Significant Level @ 5% is 7.81. So, we can reject the null hypothesis.

## **CORRELATION**

There is a significant relationship between Experience and Benefits Provide To The Employees in the organization because the R value is 0.934. It is a Positive Correlation.

## **SUGGESTION**

- According to the study, in order for the textile unit chosen to compete in this cutthroat market, it must continuously focus on areas where human resource practises may make a difference. Good HR practises across all departments can make a huge impact.
- The chosen textile unit produces more productively when its employees are more committed. So it is necessary to not to take employees commitment level for granted.
- Research showed that the ESI Benefits helps in promoting bond among employees and their organizations, which help in achieving the common goal of the organization.

## **CONCLUSION**

The current study demonstrates the substantial and favorable correlation between trust and openness, challenge and involvement, and organizational commitment. The findings of this study support previous research on the relationship between organizational commitment and employee benefits, which generally looked into ways to help increase employees' levels of commitment by providing them with opportunities for growth, the best compensation, and rewards that eventually increase their potential. Employees' level of organizational commitment is influenced by the nature of their work, the perks associated with it, and the prospects for professional advancement. The present study's conclusions are important for human resource managers. Undoubtedly, it is impossible to pinpoint the findings, but even so, they provide a specific orientation. Human resource management techniques are a vital instrument for the expansion of the company since they are a reliable indicator of managerial staff members' organisational commitment.

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