

A Study of Employee Welfare Programs and Their Influence on Workforce Performance

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Abstract: The present study examines the influence of employee welfare programs on workforce performance in selected steel industries in Nagpur. The study aims to understand the welfare facilities provided by organizations, assess employee satisfaction and analyze the impact of welfare practices on employee performance. The research is descriptive and analytical in nature and is based on primary and secondary data. Primary data were collected from 254 employees through a structured questionnaire using simple random sampling. Statistical tools such as percentage analysis, correlation and regression analysis were used for data interpretation. The findings reveal that employee welfare programs such as health and safety benefits, medical facilities, paid leave, insurance and training programs positively influence employee motivation, productivity, job satisfaction and organizational commitment. The study found a significant positive relationship between employee welfare programs and workforce performance. The study concludes that effective welfare practices improve employee well-being, enhance productivity and contribute to overall organizational effectiveness.

Keywords: Employee Welfare Programs, Workforce Performance, Employee Satisfaction, Employee Productivity, Organizational Commitment, Steel Industry.

I. Introduction

Employee welfare programs have emerged as a significant component of modern human resource management practices, as organizations increasingly recognize the importance of employee well-being in achieving sustainable organizational growth and improved performance. Employee welfare refers to the various services, benefits and facilities provided by organizations to employees with the objective of enhancing their physical, mental, social and economic well-being. These welfare measures may include health and safety provisions, medical facilities, insurance schemes, paid leave, retirement benefits, training and development programs, recreational activities and financial assistance. Such initiatives not only improve employees' quality of work life but also contribute to higher levels of job satisfaction, commitment and motivation.

In the contemporary industrial environment, organizations are facing intense competition, technological advancements and increasing expectations regarding productivity and efficiency. Under such circumstances, maintaining a satisfied and motivated workforce has become essential for organizational success. Employee welfare programs serve as an important tool for creating a positive work environment, reducing employee stress and promoting healthy employer–employee relationships. When employees feel valued and supported by the organization, they are more likely to demonstrate greater involvement, loyalty and efficiency in their work. As a result, welfare practices are often associated with improved workforce performance, reduced absenteeism, lower employee turnover and enhanced organizational productivity. The importance of employee welfare becomes even more significant in labor-intensive industries such as the steel industry, where employees are exposed to physically demanding tasks, operational risks and challenging working conditions. The steel sector requires continuous workforce engagement, discipline and operational efficiency to maintain productivity and quality standards. In such an environment, effective welfare measures can play a crucial role in ensuring employee safety, improving morale and increasing work efficiency. Welfare facilities related to occupational health and safety, medical support, working conditions and employee development are particularly important in promoting the physical and psychological well-being of employees in the steel industry.

The present study aims to examine the various employee welfare programs implemented in the steel industry and analyze their influence on workforce performance. The study seeks to understand how welfare initiatives contribute to employee motivation, productivity, job satisfaction and overall organizational efficiency.

II. Literature Review

Existing studies highlighted the positive relationship between employee welfare practices and workforce performance. Yuling Chen and Jirapong Ruanggoon (2025) found that both material benefits such as salary, incentives and allowances, and non-material benefits such as training, recognition and career development opportunities significantly enhance employee performance and organizational productivity. Similarly, Isaac

Ampong (2024) reported that effective welfare and compensation packages improve employee motivation, morale and overall organizational performance. Simion Nyakwara et al. (2014) also concluded that welfare facilities positively influence employee productivity, work attitude and organizational efficiency by creating a supportive work environment. These studies collectively indicate that welfare initiatives contribute significantly to employee effectiveness and organizational success.

Health and safety programs are considered important welfare measures that directly influence workforce performance, especially in industrial sectors. Kenneth Benson Owuori (2024) observed that occupational health and safety programs, recreational facilities and career development opportunities significantly improve staff performance and workplace satisfaction. Similarly, Ferdinand Waititu et al. (2017) found that occupational health measures and fair remuneration policies positively affect employee efficiency and work commitment. James Mark Ngari (2025) further emphasized that health and safety benefits, medical support and family-friendly welfare policies strongly contribute to improved employee performance and organizational stability. These findings suggest that organizations ensuring employee safety and well-being experience higher productivity and reduced workplace stress.

Training and development programs are important dimensions of employee welfare that enhance employee capabilities and organizational performance. Dr. Nwafor Angela Ebele et al. (2024) reported that welfare schemes combined with skill development initiatives significantly improve employee productivity and job efficiency. Likewise, Emmah M. Thuo and Dr. Teresa Wambugu (2022) found that educational assistance, training opportunities and career advancement programs improve employee satisfaction, competence and professional development. The studies reveal that organizations investing in employee learning and career growth create a more skilled, motivated and productive workforce. Employee welfare practices also play a crucial role in improving employee satisfaction, engagement and organizational commitment. Muhammad Adnan et al. (2022) concluded that effective human resource practices and welfare initiatives enhance employee appreciation, work commitment and performance outcomes. Similarly, AgisSa'adah Puspitasari and Muhammad Darwin (2021) emphasized that work-life balance initiatives and welfare facilities improve employee performance through increased work engagement and motivation. These findings indicate that welfare measures help employees develop a positive attitude toward their organization, leading to stronger commitment and improved work efficiency.

The effectiveness of welfare programs largely depends upon organizational support, policies and work environment. Wahyudi Putera et al. (2022) found that employee trust, organizational culture and management support significantly influence the success of employee welfare programs and workforce performance. The study emphasized that supportive organizational policies and positive workplace relationships strengthen employee welfare outcomes and improve employee productivity. Therefore, organizations need to establish an encouraging and employee-centered environment for welfare programs to be effective. Employee welfare programs also contribute significantly to employee retention and reduced turnover intention.

Existing studies show that employee welfare programs positively affect employee motivation, satisfaction and organizational performance. However, limited research has been conducted on the combined impact of welfare programs on workforce performance in the steel industry, particularly in the Nagpur region. Most studies focus on individual welfare measures rather than overall welfare practices. Therefore, the present study aims to fill this gap by examining the influence of employee welfare programs on workforce performance in selected steel industries in Nagpur.

III. Objective of the Study

- To understand the different employee welfare programs provided in the organization.
- To examine the satisfaction level of employees toward employee welfare programs.
- To analyze the impact of employee welfare programs on workforce performance.

IV. Hypothesis

H1: Employee welfare programs have no significant influence on workforce performance

H2: Employee welfare practices have no significant relationship with employee satisfaction and work commitment.

V. Research Methodology

The present study is descriptive and analytical in nature and focuses on examining the influence of employee welfare programs on workforce performance in the steel industry in Nagpur. The study is based on both primary and secondary sources of data. Primary data were collected through a structured questionnaire administered to employees working in selected steel industries in the Nagpur region. A total of 254 respondents were selected using the simple random sampling method to ensure fair representation of the study population.

Secondary data were collected from various sources such as research journals, books, company reports, official websites, newspapers and other relevant online resources related to employee welfare practices and workforce performance. The collected data were systematically classified, tabulated and analyzed using percentage analysis and appropriate statistical techniques for interpretation and drawing meaningful conclusions. The study aims to provide a comprehensive understanding of the role of employee welfare programs in improving workforce performance and organizational effectiveness in the steel industry.

VI. Data Analysis and Interpretation

The present study analyzed the influence of employee welfare programs on workforce performance in selected steel industries in Nagpur. Data were collected from 254 employees through a structured questionnaire and analyzed using percentage analysis, correlation analysis and regression analysis to examine the relationship between employee welfare programs and workforce performance.

Table 1: Demographic Profile of Respondents

Demographic Factors	Categories	No. of Respondents	Percentage
Age Group	21–22 years	62	24%
	23–26 years	92	36%
	27–30 years	52	20%
	31–34 years	32	13%
	Above 35 years	16	7%
	Total	254	100%
Gender	Male	176	69%
	Female	72	28%
	Other	6	3%
	Total	254	100%
Educational Qualification	Diploma	64	25%
	Bachelor’s Degree	122	48%
	Master’s Degree	48	19%
	Other	20	8%
	Total	254	100%
Job Designation	Office Boy	24	9%
	Tele Caller	28	11%
	Junior Staff	96	38%
	Senior Staff	56	22%
	Team Leader	34	13%
	Other	16	7%
	Total	254	100%
Work Experience	Less than 1 year	42	17%
	1–3 years	98	39%
	4–6 years	58	23%
	7–10 years	36	14%
	More than 10 years	20	7%
	Total	254	100%

The demographic analysis reveals that the majority of respondents (36%) belong to the 23–26 years age group, indicating a young and active workforce. Male employees constitute the highest proportion (69%), reflecting the labour-intensive nature of the steel industry. Nearly half of the respondents (48%) possess a bachelor’s degree, showing that the workforce is moderately educated and capable of understanding

organizational welfare policies. Junior staff members account for the largest share of respondents (38%), followed by senior staff (22%), indicating strong representation of operational-level employees. In terms of work experience, most respondents (39%) have 1–3 years of experience, suggesting that employees have sufficient exposure to workplace welfare programs and their influence on job performance.

The analysis reveals that a significant majority of respondents (86%) confirmed that employee welfare programmes are available in the organization, while only 9% reported non-availability of such programmes and 5% expressed uncertainty regarding the welfare facilities provided. The availability of welfare programmes reflects the organization’s commitment toward employee care, occupational health and human resource development. In industrial sectors such as steel manufacturing, employee welfare initiatives play an important role in improving employee morale, reducing workplace stress and enhancing operational efficiency. Therefore, the findings suggest that the organization recognizes employee welfare as an essential component for improving workforce performance and overall organizational effectiveness.

Table 2: Types of Employee Welfare Programs Provided

Welfare Programs	No. of Respondents	Percentage
Medical Facilities	188	74%
Provident Fund	176	69%
Paid Leave	194	76%
Maternity/Paternity Benefits	102	40%
Health and Safety Benefits	206	81%
Training and Development Programs	168	66%
Financial Support/Advances	124	49%
Time-off for Personal Needs	138	54%
Insurance Benefits	182	72%

The analysis indicates that health and safety benefits (81%) are the most commonly provided employee welfare program, followed by paid leave (76%), medical facilities (74%) and insurance benefits (72%). These findings show that the organization gives significant importance to employee health, safety and social security. Training and development programs (66%) also reflect the organization’s focus on employee skill enhancement and professional growth. However, maternity/paternity benefits (40%) and financial support schemes (49%) were comparatively less available, indicating areas requiring improvement. Overall, the findings suggest that employee welfare programs positively support employee well-being, satisfaction and workforce performance.

Table 3: Employee Opinion on Welfare Programs and Workforce Performance

Statements	Mean Score	Standard Deviation	Interpretation
Welfare programs improve employee motivation	4.12	0.74	High Agreement
Welfare measures help in reducing stress	4.05	0.79	High Agreement
Safety facilities improve work efficiency	4.28	0.68	Very High Agreement
Training programs improve productivity	4.19	0.71	High Agreement
Welfare programs increase employee loyalty	4.1	0.76	High Agreement

Above analysis indicates that employees strongly agree that welfare programs positively influence workforce performance. Among all factors, safety facilities recorded the highest mean score (4.28), showing that employees consider workplace safety as the most important welfare measure contributing to efficiency and performance. Training and development programs also received a high mean score (4.19), indicating their significant role in improving employee productivity and skills. Welfare initiatives related to motivation, stress reduction and employee loyalty also showed high levels of agreement with mean values above 4.0. The low standard deviation values indicate consistency in employee responses. Overall, the findings confirm that effective employee welfare programs positively contribute to workforce motivation, productivity, efficiency and organizational commitment.

Table 4: Correlation between Welfare Programs and Workforce Performance

Variables	Correlation Coefficient (r)	Significance (p-value)
Employee Welfare Programs & Workforce Performance	0.742	0.001

The correlation coefficient value ($r = 0.742$) indicates a strong positive relationship between employee welfare programs and workforce performance. The p-value is less than 0.05, which shows that the relationship is statistically significant. This implies that improved employee welfare practices lead to higher employee productivity, better work commitment and enhanced organizational performance.

Table 5: Regression Analysis

Variables	Beta Value	t-value	Significance
Employee Welfare Programs	0.681	14.372	0

The beta coefficient (0.681) indicate a positive impact of welfare practices on employee performance. Since the significance value is less than 0.05, the relationship is statistically significant.

VII. Conclusion

The present study examined the influence of employee welfare programs on workforce performance in selected steel industries in Nagpur. The findings clearly indicate that employee welfare measures play a significant role in improving employee productivity, motivation, job satisfaction and organizational commitment. Welfare facilities such as health and safety benefits, medical assistance, paid leave, insurance schemes, provident fund benefits and training and development programs were found to positively influence employee performance and overall organizational efficiency. The statistical analysis revealed a strong positive relationship between employee welfare programs and workforce performance. The results of correlation and regression analysis confirmed that effective welfare practices significantly contribute to improved employee efficiency, reduced workplace stress, increased work commitment and better industrial relations. Employees who receive adequate welfare support tend to develop a positive attitude toward the organization, resulting in higher loyalty, lower absenteeism and reduced employee turnover.

The study further highlights that health and safety measures are among the most important welfare initiatives in labour-intensive industries such as the steel sector, where employees work under physically demanding conditions. Training and development programs were also identified as important factors that enhance employee skills, confidence and productivity. The findings suggest that organizations investing in employee welfare not only improve employee well-being but also achieve sustainable organizational growth and competitive advantage. Therefore, employee welfare should not be viewed merely as a statutory obligation, but as a strategic human resource practice that strengthens workforce performance and organizational effectiveness.

Future Scope of the Study

The present study focused on employee welfare programs and workforce performance in selected steel industries in Nagpur. Future research can be conducted in different industries and larger geographical areas to obtain broader findings. Further studies may also examine the impact of specific welfare measures such as work-life balance, mental health support and flexible working arrangements on employee performance and job satisfaction. Additionally, comparative studies between public and private sector organizations can provide deeper insights into the effectiveness of employee welfare practices.

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