



A Study of Employee Welfare Facilities at HDFC Bank in India

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ABSTRACT

In this research paper researcher tried to study and analyse the welfare facilities provided by HDFC bank for their employees. The Housing Development Finance Corporation Limited (HDFC) was among the first financial institutions in India to receive an "in principle" approval from the Reserve Bank of India (RBI) to set up a bank in the private sector. This was done as part of RBI's policy for liberalisation of the Indian banking industry in 1994. HDFC Bank is a young and dynamic bank, with a youthful and enthusiastic team determined to accomplish the vision of becoming a world-class Indian bank. This research paper highlights the various employee welfare schemes and facilities provided by HDFC Bank to their employees. This research paper also studies the awareness among the employees of HDFC Bank about various welfare facilities. It has been observed that the employees are satisfied with the various schemes provided by the bank for their wellbeing. This in turn increases their motivation and morale and hence their job satisfaction.

KEYWORDS: *welfare facilities, job satisfaction, morale*

1. INTRODUCTION

Employee welfare means anything done for the comfort and (intellectual or social) improvement of the employees, over and above the wages paid. In simple words, it means "the efforts to make life worth living for workmen." It includes various services, facilities and amenities provided to employees for their betterment. These facilities may be provided voluntarily by progressive entrepreneurs, or statutory provisions may compel them to provide these amenities; or these may be undertaken by the government or trade unions, if they have the required funds. The objectives of employee welfare are to improve the life of the working class, to bring about holistic development of the worker's personality and so on. Employee welfare is in

the interest of employee, employer and the society as a whole. It enables workers to perform their work in healthy and favorable environment. Hence, it improves efficiency of workers and keeps them content, thereby contributing to high employee morale. It also develops a sense of responsibility and dignity amongst the workers and thus makes them good citizens of the nation. Apart from the wages and salary, anything done by the organization to improve the living standard of employees and keep them contented comes under the realm of employee welfare. All those services, benefits and facilities offered to employees by the employer to make his life worth living, are included in employee welfare. According to International Labor Organization (ILO), "Employee welfare should be understood as such

service, facilities and amenities which may be established in or in the vicinity of undertakings to enable the persons employed in them to perform their work in healthy and peaceful surroundings and to avail of facilities which improve their health and bring high morale". Employee welfare is for the betterment of the workers. It involves adjustment of an employee's work life and family life to the community and social life. Welfare measures may be both voluntary and statutory (prescribed under labour laws). The need and importance of employee welfare is being increasingly appreciated throughout the civilized world. The concept of welfare is a dynamic one and has different connotations in different countries and at different times in the same country, according to the prevailing value system, social institution, degree of industrialization, and the general level of social and economic development. Some describe employee welfare or labour welfare as 'an attitude of mind' while others merely catalogue the schemes and measures which should be included in labour welfare. There are some who emphasize the voluntary nature of measures and include the measures that are undertaken by the employers beyond what is required by law. Some interpret labour/employee welfare measures to mean only measures which are legally obligatory.

The basic features of employees' or labour welfare are as follows:

- i. Labor welfare includes various facilities, services and amenities provided to workers for improving their health, efficiency, economic betterment and social status.
- ii. Welfare measures are in addition to regular wages and other economic benefits available to workers due to legal provisions and collective bargaining.
- iii. Labor welfare measures are flexible and ever-changing. New welfare measures are added to the existing ones from time to time.
- iv. Welfare measures may be introduced by the employers, government, employees or by any social or charitable agency.
- v. The purpose of labor welfare is to bring about the development of the whole personality of the worker to make him a good worker and a good citizen.

Employee welfare work assumes great importance because of the following reasons:

- i. *Lack of Strong Trade Union Movement*– In the absence of strong trade unions and effective leaders, welfare work helps the workers in the industry to stand on their own feet, think properly and systematically of their interests, progress hand in hand and participate in the nation's development.
- ii. *Illiteracy*– In India, the number of educated workers is low. Being illiterate, they are unable to receive advanced industrial training, understand the problems in industries, and understand their own interests and those of nations.
- iii. *Low Level of Health and Nutrition*– Due to poverty and illiteracy, the Indian workers remain unhealthy and ill fed. This reduces their productivity and efficiency.
- iv. *Lack of Healthy Recreation*– Due to lack of healthy recreation, the workers indulge in crime and other wrong activities. The employer should provide means of healthy recreation in order to maintain their efficiency.
- v. *Lack of Training*– The number of trained workers in India is very low. Thus, it is necessary to have training facilities for such a vast workforce.

The statutory welfare benefits schemes include the following provisions:

- i. *Drinking Water*- At all the working places safe hygienic drinking water should be provided.
- ii. *Facilities for Sitting*- In every organization, especially factories, suitable seating arrangements are to be provided.
- iii. *First Aid Appliances*- First aid appliances are to be provided and should be readily assessable so that in case of any minor accident initial medication can be provided to the needed employee.
- iv. *Latrines and Urinals*- A sufficient number of latrines and urinals are to be provided in the office and factory premises and are also to be maintained in a neat and clean condition.
- v. *Canteen Facilities*- Cafeteria or canteens are to be provided by the employer so as to provide hygienic and nutritious food to the employees.
- vi. *Spittoons*- In every work place, such as ware houses, store places, in the dock area and office premises spittoons are to be provided in convenient places and same are to be maintained in a hygienic condition.

- vii. *Lighting*- Proper and sufficient lights are to be provided for employees so that they can work safely during the night shifts.
- viii. *Washing Places*- Adequate washing places such as bathrooms, wash basins with tap and tap on the stand pipe are provided in the port area in the vicinity of the work places.
- ix. *Changing Rooms*- Adequate changing rooms are to be provided for workers to change their cloth in the factory area and office premises. Adequate lockers are also provided to the workers to keep their clothes and belongings.
- x. *Rest Rooms*- Adequate numbers of restrooms are provided to the workers with provisions of water supply, wash basins, toilets, bathrooms, etc.
- xi. *Maternity & Adoption Leave*- Employees can avail maternity or adoption leaves. Paternity leave policies have also been introduced by various companies.
- xii. *Mediclaim Insurance Scheme*- This insurance scheme provides adequate insurance coverage of employees for expenses related to hospitalization due to illness, disease or injury or pregnancy.
- xiii. *Sexual Harassment Policy*- To protect an employee from harassment of any kind, guidelines are provided for proper action and also for protecting the aggrieved employee. For more information go through - Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Many non-statutory welfare benefits may include the following schemes:

- i. *Personal Health Care (Regular medical check-ups)*- Some of the companies provide the facility for extensive health check-up.
- ii. *Flexi-time*- The main objective of the flexi-time policy is to provide opportunity to employees to work with flexible working schedules. Flexible work schedules are initiated by employees and approved by management to meet business commitments while supporting employee personal life needs.
- iii. *Employee Assistance Programs*- Various assistant programs are arranged like external counselling service so that employees or members of their

immediate family can get counselling on various matters.

- iv. *Employee Referral Scheme*- In several company's employee referral scheme is implemented to encourage employees to refer friends and relatives for employment in the organization.

Approaches to employee welfare refer to the beliefs and attitudes held by agencies which provide welfare facilities. Some agencies provide welfare facilities inspired by religious faith, others as a philanthropic duty and the like. The various approaches to labor welfare reflect the attitudes and beliefs of the agencies which are engaged in welfare activities. Welfare facilities may be provided on religious, philanthropic or some other grounds. Moreover, the different approaches to labor welfare reflect the evolution of the concept of welfare. In bygone days, the government of the land had to compel the owner of an industrial establishment to provide such basic amenities as canteens, rest rooms, drinking water, good working conditions, and so forth, for their employees. Such compulsion was necessary because the employer believed in exploiting labor and treating it in an unfair manner. But times have changed, and the concept of welfare, too, has undergone changes. Many progressive managements today provide welfare facilities, voluntarily and with enlightened willingness and enthusiasm. In fact, welfare facilities are not restricted to the workers alone. They have now been extended to the society in general. In other words, labor welfare has been extended to include social welfare. Tata Steel Works at Jamshedpur, for example, spends Rs 10 crore each year on social welfare. Brooke Bond have set up a free animal welfare clinic at Gevrai, Aurangabad, under the direct charge of a qualified veterinary doctor. Jindal Aluminium, Bangalore, maintains the famous Naturopathy and Yogic Sciences Centre and a public school for the benefit of the public. The Jindal Scholarship Trust has been set up, under which deserving students are given scholarships. The Hindustan Machine Tools has a big playground and a community hall, which are let out for competitions and functions. A study of the approaches to labor welfare is desirable for the management, the workers and the general reader. For the general reader, a study of approaches is essential because his/her knowledge of

the subject is incomplete without a knowledge of these approaches, and a knowledge of approaches enables the manager and the worker to have a better perspective on welfare work.

OBJECTIVES

- i. To study the various employee welfare facilities in HDFC Bank.
- ii. To study the awareness among the employees about the various welfare schemes prevailing in HDFC Bank.
- iii. To study the impact of welfare facilities on motivation and morale of the employees

2. RESEARCH METHODOLOGY

A. Introduction

D. Slesinger and M. Stephenson in the Encyclopedia of Social Sciences define research as “the manipulation of things, concepts or symbols for the purpose of generalizing to extend, correct or verify knowledge, whether that knowledge aids in construction of theory or in the practice of an art.” Research is, thus, an original contribution to the existing stock of knowledge making for its advancement. It is the pursuit of truth with the help of study, observation, comparison and experiment. In short, the search for knowledge through objective and systematic method of finding solution to a problem is research. The systematic approach concerning generalization and the formulation of a theory is also research.

B. Research Type

The present research is a Descriptive Research. This includes surveys and fact-finding enquiries with help of different kinds of data collection tools. The major purpose of this descriptive research is description of the state of affairs as it exists at present. The employee welfare schemes of HDFC Bank in India has been studied as prevailing in the Bank.

C. Sample Design

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. There are many sample designs from which a researcher can choose. For the present research, the universe constitutes all the

employees of HDFC Bank in India. There is total 30 employees in this branch. Out of these 30 employees 17 employees are selected randomly by using simple random sampling. Hence, the sample size is 17 selected employees of HDFC Bank Sadar Branch.

D. Data Collection

The researcher used two methods of data collection viz., primary and secondary. The primary data are those which are collected afresh and for the first time, and thus happen to be original in character. The secondary data, on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. The researcher collected the primary data with the help of interview. The secondary data has been collected from Books, e-journals, world wide web, etc.

3. HDFC BANK PROFILE

E. Introduction

The Housing Development Finance Corporation (HDFC Bank Limited) is an Indian banking and financial services company, headquartered in Mumbai, Maharashtra. HDFC Bank is India's largest private sector bank by assets and world's 10th largest bank by market capitalization as of April 2021. It is the third largest company by market capitalization of \$122.50 billion on the Indian stock exchanges. It is also the fifteenth largest employer in India with nearly 120,000 employees. HDFC Bank was incorporated in 1994 as a subsidiary of the Housing Development Finance Corporation, with its registered office in Mumbai, Maharashtra, India. Its first corporate office and a full-service branch at Sandoz House, Worli were inaugurated by the then Union Finance Minister, Manmohan Singh. As of 30 June 2019, the Bank's distribution network was at 5,500 branches across 2,764 cities. The bank also installed 430,000 POS terminals and issued 23,570,000 debit cards and 12 million credit cards in FY 2017. It has a base of 1,16,971 permanent employees as of 21 March 2020.

F. Products and Services of HDFC Bank

HDFC Bank provides a number of products and services including wholesale banking, retail banking, treasury, auto loans, two-wheeler loans, personal loans, loans against property, consumer durable loan, lifestyle

loan and credit cards. Along with this various digital product are Payzapp and SmartBUY.

4.EMPLOYEE WELFARE FACILITIES IN HDFC BANK

- i. Family health insurance is given to employees.
- ii. Home loan provided at 2% rate of interest to employees.
- iii. Cultural programmes are organized for the employees and their families where lunch, arrangement is made for them once in a year.
- iv. Sports events is being organized for the employees once in a year.
- v. Tours are organized for the employees once in a year.
- vi. Higher Educational loans at lower rate of interest are given to the employee's children.
- vii. Maternity benefits are given to female employees as per the Maternity Benefit Act.
- viii. Incentives are also given to the employees as per their performance.
- ix. Travelling allowances, mobile allowances, are also given to employees.

5.FINDINGS

- i. It is studied that most of the respondents are aware of welfare facilities provided by HDFC bank, India.
- ii. Some of the respondents are aware of all the facilities given to them like educational facilities, medical facilities and Housing facilities etc.
- iii. It is observed that most of the respondents felt employee's welfare measures gives a sense of security to them.

6.FUTURE SCOPE AND CONCLUSION

The foundation of any business organization is its motivated, satisfied, well developed employees. These motivated employees lead to the higher productivity. As the productivity increases, it leads to increase the profit and profit maximization with minimum resources is the major objective of any business. The employee welfare facilities create belongingness on the part of employees. This also leads to employee retention. From the present research, it is evident that the employees are satisfied with the employee welfare facilities prevailing in the HDFC Bank India.

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