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# Awareness and satisfaction of employee among employees state insurance services in Poondi Panchayat, Avinashi

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### Abstract

Employee State Insurance (ESI) benefit is very large Social Security in India. The Employee State Insurance Passed in the Indian Parliament in the year 1948. It aiming to providing social security to the organized sector employee and their family sector. It is multi-dimensional Health Insurance benefits providing medical facility to the employee. ESIC Provide for certain benefits to employees in case of sickness, maternity and medical benefit to employee of factories and establishments and dependents benefits to the dependents such employees. The Purpose of the study is to find out the awareness of ESI benefits, utilization and preference of hospital while utilizing the ESI benefits were analyzed. The data used for this study is collected from primary and secondary sources. The survey through questionnaire was conducted among selected 100 employees of four garments in Poondi Panchayat in Avinashi. To Finding the study reveals those employees are not aware about the ESI benefits, only limited facilities are available in ESI dispensaries and most of employees utilize the major treatments only. So the study suggests that the employer only create awareness about ESI benefits among their employee and lack of doctors, delay in settle disputes.

**Keywords:** ESI benefits, awareness, utilization, satisfaction

### 1. Introduction

Employee's State Insurance is a self financing social security and health insurance benefits for Indian employee. The fund is managed by Employee State Insurance Corporation (ESIC) in the Act 1948. At first Health insurance is discusses in 1927 by Indian legislature. Originally called workmen's state insurance in 1946. Then it came into force on 19 Apr 1948. ESIC is a Statutory Body and Administrative Ministry is Ministry of Labor and Employment, Government of India. ESIC Provide for certain benefits to employees in case of sickness, maternity and medical benefit to employee of factories and establishments and dependents benefits to the dependents such employees. The corporation can raise loans and take measures for discharging such loans providing in the central government and it can acquire both movable and immovable property and all incomes from the property with the corporation. The corporation can set up hospitals collaboration with state government or other private entities, but most of the dispensaries and hospitals are run by concerned state governments. Social security measures have introduced an element of stability and protection of stresses and strains of modern life. It is a major aspect of public policy today and the extent of its prevalence is a measure of the progress made by a country towards the ideal of a welfare state.

### 1.1 Benefits of ESI

The benefits of Employee State Insurance Corporation (ESI) Sickness Benefit: Sick leave is not leave of earning. ESIC provides 70% of daily wages in cash during medical leave up to 91 days in benefit periods. Dependents Benefit: Those who demand on you also have us to depend on. ESIC provides monthly payment apportioned among dependents in case of death due to employment injury. Maternity Benefit: Welcome your baby in our benefits. ESIC Provides 100% of average daily wages in cash up to 26 week and 6 week in case of miss carriage during maternity leave and 12 week for caring mother and adopting mother. Retirement Benefits: We take care of your healthy life. ESIC provides reasonable medical case for self and family from day one of entering into insurable employment after their retirement period also.

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Unemployment Allowance: Loss of Job Does not mean loss of income. ESIC provides cash allowance for a period of maximum 24 months in case loss of employment or permanent due to non employment injury. Disablement Benefit is does not mean to be not ability to earn. ESIC provides continuous monthly payment till injury lasts for temporary disablement and whole life for permanent disablement.

### 1.2 Applicability of ESIC

The ESI Act 1948 is introducing a compulsory integrated system of social insurance covering health, maternity and accident benefits. The ESI fund is applicable to all the corporate companies and establishments which engage a minimum of 20 employees. The ESI act extended partially or wholly to any establishment, industrial, commercial, agricultural. It must be covered only notified area under the ESI benefits.

### 1.3 Contribution of ESIC

Before the 1 Oct 2006 all employees whose wages dose not exceeds Rs.7,500 per month become coverable under the ESI Act, 1948. In 1 Oct 2006 the wage limit for coverage of an employee under Employees State Insurance Act has been enhanced from Rs.10,000 to Rs.15,000 with effect from 1 May 2010. The ESI benefits which is maintained by ESIC was implement for only to the employees or employee who earn Rs. 15,000 or less per month as wages.

ESI is basically a contributory fund in which both the employer and employee contribute 4.75% and 1.75% respectively to make it a total of 6.5%. In January 1<sup>st</sup> 2017 the Employees' State Insurance Corporation (ESIC) issued the notification, they increase the wage limit of the employee under the ESIC benefits from the existing limit of 15,000 to 21,000

Both employer and employee contribute 3.25% and .75% respectively to make it a total of 4% of gross salary payable to each employee. Percentage of the contribution of employee wage is less than that of the contribution of the employer. The employer who is payable of contributions in relation to any worker or employee shall make the payment of that contribution within a period of every month before 21<sup>st</sup>. This new amendment aimed to bring an estimate of 50 lakhs employee under the social security benefits of ESIC and also to facilities of medical and health care benefits to not just for the employee and employees but also to their dependent family members. The financial aspect need for this benefits is mainly from the employees and the employer.

## 2. Review of Literature

Ricard Mitchell, Petra Mahy and Peter Gahan (2012) worked on "The evolution of labour law in India. In this Paper we are aiming to provide a broad overview of social security for developing labour law providing the medical facilities through the Government.

Mayer, Brown (2013)" Asia Employment Law" quarterly review 2013 Employee state insurance revised ESI inspection guidelines, prosecution and survey and complaints updated on 1<sup>st</sup> April 2012 and in 7<sup>th</sup> may 2012 disabled employees and dependents. ESI claims procedures also updated as published in the journal.

G. Muthu Lakshmi (2014) conducted a study on the performance of Employees state insurance benefits with

special reference to Tuticorin district, Tamilnadu. The study find out the ESI sponsored were not satisfaction of insured person. They using various statistical measures like chi – square. In that scope of study reveals to improve its functions and implementing better services

Rasidha K.N. (2015) in their paper study found that all employees are aware and majority is utilizing the benefits of ESI Services, it was also found that source of information about ESI Benefits for employee. The results also reveals that a large majority of employee feels that bottlenecks in procedure and lack of medicine facility as the main barrier in getting services from ESI dispensary.

### 3. Scope of the Study

The ESI act is a major role in social security for workers in India. The ESI Act provides medical facilities to employees in the industrial sector and their dependents. The Present study has been undertaken to examine the workers level of awareness and satisfaction about the ESI Benefits. ESI benefits and its effectiveness for achieving to implementation in all factories.

### 4. Objectives of the Study

1. To find the Employee awareness about various ESI Benefits.
2. To review the preferences of Hospitals while utilizing the ESI Benefits

To find out the Various ESI Benefits utilization and satisfaction by Employee.

### 5. Research Methodology

Research Methodology is the philosophical framework within which the research is conducted or the foundation upon which the research is based. The methodology includes publication research interview, survey and other research technique. It describes methods, techniques, approaches and designs in details highlighting those used throughout the study.

#### 5.1 Research Design

Research design can be considered as the structure of research. It is the arrangements of data which be collected and analysis the data to combine the research process with structure and procedure of strategy.

#### 5.2 Source of Data

The study used both primary data and secondary data. The primary data were survey from employee based on proper questionnaire schedule. The secondary data were collected from the publication of ESI benefit in ESIC Govt web site. The scope of the study is present in four organizations in Poondi Panchayat. The data collected were analyzed on the basis of employee about the Medical benefits. The survey detailed explains in using appropriate significance test to determine the Workers level of Awareness and Satisfaction about the ESI Benefits

#### 5.3 Sampling Size

Sampling size for the study is 100.

#### 5.4 Tools for Data Collection

Questionnaire is used for collection of Data.

**5.5. Tools for Data Analysis**

The Statistical tools used for analysis the data like Simple Percentage Analysis and Chi-square.

**6. Limitation of Study**

1. The Sample Size is limited to 100 respondents, so finding the result of study is not correct.
2. The opinion about the data will be change day by day in the various employee.
3. The study was conduct only in limited area, so finding may not applicable to any other area

**7. Result and Discussion**

In order to study the awareness and use of Employees State

Insurance Services in Poondi Panchayat, the data collected were from employee as a employee in four Organization. The employee joining in the Organization the Employer should explain about the deduction of their income like ESI, PF etc. So most of Employee knows about the ESI Benefit through Organization. And Co workers. Most Employees prefer to utilize the ESI Benefits in ESI Dispensary and Private Hospital. Most limit of them prefer Government Hospital.

**7.1 The Sample Details**

The data was collected in four organization of Employee at poondi panchayat. The Survey data collected from 100 employees.

**Table 1:** Sample details of various factories at poondi panchayat.

Name of Industry	Total Number of Employee	No of Workers in Poondi Panchayat	No of Beneficiaries surveyed
AKR Textile (1 unit)	215	52	49
Robo Garments	62	23	23
Priyaraj Garments	33	12	12
Lakshmi Garments	42	16	16
Total	352	103	100

**7.2. Awareness and Satisfaction about ESI Benefits**

They Provide for certain benefits to employees in case of sickness, maternity and medical benefit to employee of factories and establishments and dependents benefits to the dependents such employees. Most of Organization following as per the provisions of the ESI act 1948. ESI

benefit providing for all workers in their organization. Most of respondents are aware about the ESIC system and also well knowledge about claim settlement system. Majority of respondents are utilizing the ESI benefits providing in ESI Corporation and also most respondent are satisfied the ESI benefits.

**Table 2:** Workers Awareness about ESI Benefits

S. No	Variables	Option	Aware	Fully Aware	Not Aware	Total %	Result
1	Gender	Male	19	36	10	65	6.3431
		Female	5	18	12	35	
2	Age	19 – 25	4	9	3	16	1.4727
		25 – 35	9	12	4	25	
		36 – 45	11	18	9	38	
		above 45	5	11	5	21	
3	Education	below 12 <sup>th</sup>	12	54	9	75	18.029
		Technical	1	4	3	8	
		UG	1	6	7	14	
		PG	1	1	1	3	
4	Marital Status	Married	25	44	17	86	5.8591
		Single	1	12	1	14	
5	Dependent	below 2	5	2	1	8	9.5841
		2 – 4	20	41	19	80	
		5 – 6	3	2	1	6	
		above 6	4	1	1	6	
6	Nature of Employee	Temporary	30	43	21	94	0.1481
		Permanent	2	3	1	6	
7	Nature of Payee	Wages	25	37	23	85	3.4239
		Salary	7	7	1	15	
8	Monthly Income	below 5000	5	3	4	12	8.2891
		5000 -10000	13	26	13	52	
		10000-15000	6	15	3	24	
		above 15000	7	4	1	12	

**7.3 Working Hypothesis**

In the above table 2 we discuss about awareness of employee about the ESI Benefits using technical tools chi-square. The value of  $\chi^2 = 6.3431$  is greater than the table value (5.99), the hypothesis is rejected. The gender variables are dependent. The value of  $\chi^2 = 1.4727$  is lesser than the table value (11.07), the hypothesis is accepted. The age

variables are independent. The value of  $\chi^2 = 18.029$  is greater than the table value (11.07), the hypothesis is rejected. The Education variables are dependent. The value of  $\chi^2 = 5.8591$  is lesser than the table value (5.99), the hypothesis is accepted. The Martial status variables are independent. The value of  $\chi^2 = 9.5841$  is lesser than the table value (11.07), the hypothesis is accepted. The family

member variables are independent. The value of  $\chi^2 = 0.1481$  is lesser than the table value (5.99), the hypothesis is accepted. The nature of employment variables are

independent. The value of  $\chi^2 = 8.2591$  is lesser than the table value (11.07), the hypothesis is rejected. The Monthly income variables are independent.

**Table 3:** Workers Satisfaction about the ESI Benefits

S. No	Variables	Option	Satisfied	Ext.Satisfied	Not Satisfied	Total	Result
1	Gender	Male	26	41	3	70	0.72
		Felame	13	15	2	30	
2	Age	19 - 25	7	8	1	16	2.4786
		25 - 35	10	13	2	25	
		36 - 45	15	19	4	38	
		above 45	6	11	4	21	
3	Education	Below 12th	28	37	5	70	8.9371
		Techinal Edu	6	5	1	12	
		UG	10	2	2	14	
		PG	2	1	1	4	
4	Marital Status	Married	32	40	14	86	4.9573
		UnMarried	2	11	1	14	
5	Dependent	Below 2	5	2	1	8	11.1912
		2 - 4	21	42	17	80	
		5 - 6	4	1	1	6	
		Above 6	4	1	1	6	
6	Nature of Employment	Temporary	4	1	1	6	2.1577
		Permanent	34	50	10	94	
7	Nature of Payee	Wages	24	38	23	85	2.9579
		Salary	5	9	1	15	
8	Monthly Income	below 5000	6	5	1	12	8.8019
		5000 -10000	11	32	9	52	
		10000-15000	7	14	3	24	
		abow 15000	7	4	1	12	

#### 7.4 Working Hypothesis

In the above table 3 we discuss about Satisfaction of employee about the ESI Benefits using technical tools chi-square. The value of  $\chi^2 = .072$  is lesser than the table value (5.99), the hypothesis is accepted. The gender variables are independent. The value of  $\chi^2 = 2.4786$  is lesser than the table value (5.99), the hypothesis is accepted. The age variables are independent. The value of  $\chi^2 = 8.9371$  is greater than the table value (11.07), the hypothesis is accepted. The Education variables are independent. The value of  $\chi^2 = 4.9573$  is lesser than the table value (5.99), the hypothesis is accepted. The Martial status variables are independent. The value of  $\chi^2 = 11.1912$  is greater than the table value (11.07), the hypothesis is rejected. The family member variables are dependent. The value of  $\chi^2 = 2.1577$  is lesser than the table value (5.99), the hypothesis is accepted. The nature of employment variables are independent. The value of  $\chi^2 = 8.8019$  is lesser than the table value (11.07), the hypothesis is rejected. The Monthly income variables are independent.

#### 8. Finding the Solution

In this we study about the level of Employee Awareness and Utilization about the ESI Benefit Which Provided by Employee State Insurance Corporation (ESIC). The Result of study is given below:

1. When the employee joining in the Organization, the Employer should explain about the deduction of their income like ESI, PF etc. So most of Employee knows about the ESI Benefit through Organization. And Co workers.
2. Most Employees prefer to utilizing the ESI Benefits in ESI Dispensary and Private Hospital under ESI Sponsored Hospital and limit of them prefer Government Hospital.

3. Majority of Employee are fully aware in sickness, Dependent, Maternity benefit provided in ESIC. Limit of aware in Leave Benefit and Retirement Benefit.
4. They prefer mostly ESI Dispensary when they sick in minor diseases like Cold, fever, etc and Occupational Disease like seasonally vaccination.
5. Majority of Employee are fully utilizing in sickness, Dependent, Maternity benefit provided in ESIC. Limit of knowledge about Leave Benefit and Retirement Benefit.
6. Most employee satisfaction about facilities and formalities about the various benefits providing the ESI Scheme.
7. In this study, the employee facing difficulties in the ESI Sponsored hospital is most Lack of Doctor. Because the Employee don't know when the doctors available in Dispensary.
8. ESI Scheme is one of the medical benefits among the Employee and their Dependent

#### 9. Conclusion

ESIC has played a significant role in providing social security million of employees. We finding the study and it is providing inadequate information about ESI benefit amount the employee quality of medical care provided to employee through the ESI dispensaries and hospital is rather poor amount of cash benefits is meager. There also delay in disbursement of cash benefits, the working of machinery of the corporation for the admistration of the ESI Benefits is not up to the expectation of the employers, due to ineffective the concern is not taking decisions related to the admistration of the ESI Benefits.

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