

## A STUDY ON AWARENESS AND EFFECTIVE UTILIZATION OF ESI BENEFITS AMONG EMPLOYEES IN DHARMAPURI DISTRICT

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### ABSTRACT

It Is One Of The Most Effective And Continual Social Measures Available To The Employees In Working Environment. The Purpose Of The Study Is To Analysis The Awareness And Satisfaction With The Level Of Utilization Of Employee State Insurance (ESI) Policy.

### 1. INTRODUCTION

Employees' State Insurance Corporation (ESIC) act 1948 is a government organisation that manages the Employees' State Insurance (ESI) scheme. The scheme basically provides medical and financial assistance to the employees and their families.

The assistance is provided when an employee is unable to perform his duties due to sickness, employment injury, or maternity.

ESI provides full medical care till the employee is back to a normal healthy condition. As per the scheme, any organization with more than 10 employees (in some states 20 employees) who have a maximum compensation of INR 15,000/- has to register with the ESIC. It provides financial support to compensate for the loss that occurred due to sickness or any other medical reason.

In March 1943, Prof. B.P. Adarkar was appointed by the Government of India to create a report on the health insurance scheme for industrial workers. The report became the basis for the Employment State Insurance (ESI) Act of 1948. The promulgation of Employees' State Insurance Act, 1948 envisaged an integrated need based social insurance scheme that would protect the interest of workers in contingencies such as sickness, maternity, temporary or permanent physical disablement, death due to employment injury resulting in loss of wages or earning capacity.

The Act also guarantees reasonably good medical care to workers and their immediate dependents. Following the promulgation of the ESI Act the Central Govt. set up the ESI Corporation to administer the Scheme. The Scheme thereafter was first implemented at Kanpur and Delhi on 24 February 1952.

The Act further absolved the employers of their obligations under the Maternity Benefit Act, 1961 and Workmen's Compensation Act 1923. The benefits provided to the employees under the Act are also in conformity with ILO conventions.

### MEANING OF ESI

ESI is a social security scheme offered by the Government of India as per the Employees' State Insurance Act, 1948. The scheme provides protection to employees against disablement/death due to employment injury, sickness, and maternity. Employees must be subscribed for the scheme to get the medical care and other benefits.

### 2. OBJECTIVES OF THE STUDY

To Understand the Level of Awareness Towards Employee State Insurance ESI Policy

1. To find out the level of satisfaction of the beneficiary employee towards employee state insurance ESI policy
2. To understand the ESI policy in the organization
3. To evaluate the level of utilization of employee's state insurance ESI policy
4. To Study the Awareness and Utilisation of ESI Benefits Among Employees
5. To Study the Satisfaction Level of Employees for The Benefits Enjoyed From ESI.

### NEED FOR THE STUDY

To know about the importance of Employee State Insurance (ESI) policy.

- To know the level of maturity towards the employee state insurance (ESI) policy.
- To study on the concern benefits utilized by the employees in organization.

- The preference given within the organization rules and regulations.

### 3. RESEARCH METHODOLOGY

Research methodology is a systematic way to solve research problem. Researcher has to design his methodology. Research methodology deals with research methods and takes into consideration the logic behind the method. It also deals with objective of the research study, the method of defining the problem, type of data collected, methods used for collecting and analyzing data. It also deals with objectives of research study; the method is defining the problem, type of data collected and the methods used for collecting the data.

#### Meaning of Research

Research in simplest terms is searching for knowledge and searching for truth. In a formal sense, it is a systematic study of a problem attacked by a deliberately chosen strategy which starts with choosing an approach to preparing a blueprint (design) and acting upon it in terms of designing research hypotheses, choosing methods and techniques, selecting or developing data collection tools, processing the data, interpretation and ends with presenting solution/s of the problem.

#### 3.1 RESEARCH DESIGN

Research design refers to the overall strategy utilized to carry out research that defines a succinct and logical plan to tackle established research question through the collection, interpretation, analysis, and discussion of data.

**SAMPLE METHOD-** The sampling method used is simple random sampling to find out the training and development of employees in the organization.

**POPULATION OF THE STUDY-** The population of the random 105 employees.

**SAMPLE TECHNIQUE-** To study the Project, a simple random sampling technique is used. Sampling helps a lot in research. It is one of the most important factors which determine the accuracy of your research/survey result. If anything goes wrong with your sample then it will be directly reflected in the final result.

There are a lot of techniques which help us to gather sample depending upon the need and situation.

**SAMPLING SIZE-** Sample size is the number of an item to be selected from the population to constitute the sample for the research, for this research a sample of 105 employees was taken.

**DATA COLLECTION-** Source of data the source of data can be classified into

- Primary data
- Secondary data

#### Primary Data

Primary data are original sources of data from which the researcher directly collects data that have not been previously collected. Primary data are first-hand information collected through various methods such as observation, interviewing, mailing, through questionnaire, etc. In this study the primary source of data is collected through questionnaire.

#### Secondary Data

Secondary data means data that are already available i.e., they refer to data which has already been collected and analysed by someone else. The secondary data for the study was collected from book, websites, magazines and other sources.

### 4. DATA ANALYSIS AND INTERPRETATION

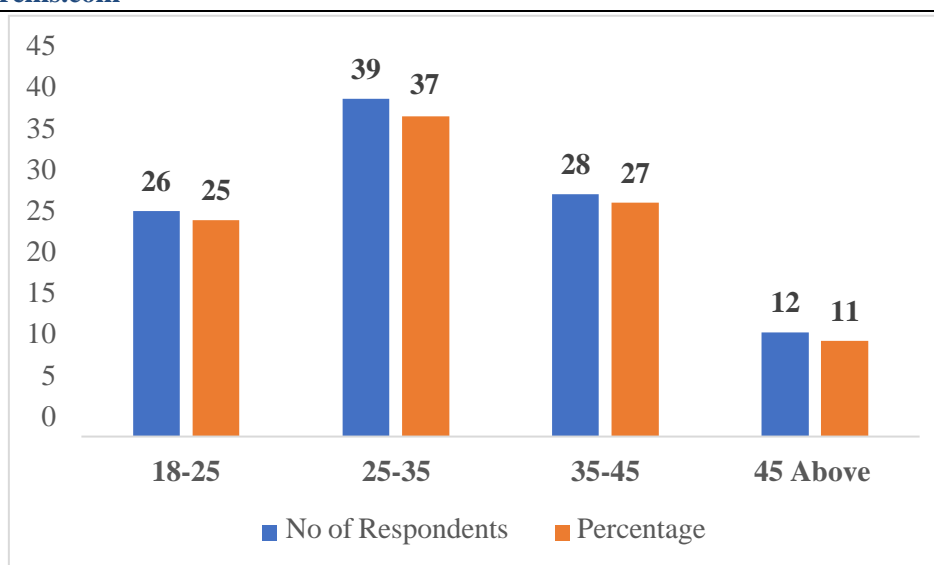
TABLE 1 - AGE OF THE RESPONDENTS

S.NO	Particular	No of Respondents	Percentage
1	18-25	26	25
2	25-35	39	37
3	35-45	28	27
4	45 Above	12	11
Total		105	100

Source: Primary Data

#### Interpretation:

In the above table, 25% of the respondent on the age of 18-25 years, 37% of the respondent on the age of 25-35 years, 27% of the respondent on the age of above 35-45 years, 11% of the respondent on the age of 45 years above.



CHARTS .1- Age Of The Respondents

## 5. FINDINGS

- Employees are aware about the medical benefit which are provided by the social security scheme.
- Employees are aware of the maternity benefit provided by the organization.
- Employees are aware of the sickness benefit provided in the organization.
- Most of the employees in the organization are extremely aware of the ESI benefits provided.
- The source of ESI benefits for the employees are mostly from the employers in the organization.
- 60% of the employees are aware about all the benefits provided by the organization.
- 40% of the respondents are neutral with the service for claiming of ESI benefits in the organization.
- Most of the employees in the organization are highly satisfied with the medical benefit.
- 36% of the respondents feel that there is delay in giving the benefits, majority of respondents feel there is no opinion in high delay.
- The majority of the employees are partially aware about the formalities for claiming various benefits provided by the ESI Corporation.
- The employees believe that procedure for claiming the benefits is simple.
- 37% of the respondents are between the age group 25 to 35.
- 54% of the respondents collected are female.

## 6. SUGGESTIONS

- The organization is supposed to place the details of ESI benefits in the noticeboard.
- Employees should get the benefits even after the retirement.
- The company needs to focus under the benefits of Employee State Insurance (ESI) policy to the Employee of the company.
- The organization should give more awareness about the funeral benefits to the employees.
- Most of the employees know about all the benefits under ESI but those who all joined new in the organization they are not aware about all benefit under ESI, so, employer should give them proper knowledge about all the benefits.

## 7. CONCLUSION

The contribution from the employees is the main sources of funds of the ESI corporations. There are no financial assistances either from the governments or other bodies toward the ESI funds. The Corporation is successful in its efforts. As far as the fund raising is concerned and collected are more than that of the estimated. The Corporation is also successful in its efforts as far as the utilization is concerned and managed to limit its expenditure lower than that of its estimate but lower utilization of the funds is allocated for the medical benefits cannot be taken as positive. The corporation makes huge amount of surplus of income over expenditure and the surplus of the corporation is very much higher than the estimation. The corporation is maintaining sufficient reserves in all years. The annual growth rates of the total reserves fund are encouraging. But the return on reserves funds investment is very low.

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