

EMPLOYEES' AWARENESS AND EFFECTIVE UTILIZATION TOWARDS ESI BENEFITS

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ABSTRACT: *Employee State Insurance (ESI) Scheme is a very large social security. It is different from other types of insurance like Health Insurance, that it provides full amount of medical bill irrespectively of the premium contribution. The purpose of the study is to analysis the awareness level of Employee State Insurance (ESI) policy. The study also attempts to review the various benefits available to the employees. The research paper is to find out the effective utilization towards employee state insurance (ESI) policy by using various statistical tools through SPSS software.*

KEY WORDS: *Employee state insurance (ESI), Awareness, Utilization, Medical benefits.*

Introduction:

Employees' state Insurance Corporation of India is a multidimensional social system tailored to provide socio-economic protection to worker population and immediate dependent or family covered under the scheme. Besides full medical care for self and dependents, that is admissible from day one of insurable employment, the insured persons are also entitled to a variety of case benefits in times of physical distress due to sickness, temporary or permanent disablement etc. resulting in loss of earning capacity, the confinement in respect of insured women, Dependents of insured persons who die in industrial accidents or because of employment injury or occupational hazard are entitled to a monthly pension called the dependents benefit.

In the beginning, the ESI Scheme was implemented at just two industrial centers in the country in 1952, namely Kanpur and Delhi. There was no looking back since then in terms of its geographic reach and demographic coverage. Keeping pace with the process of industrialization, the Scheme today, stands implemented at over 830 centers in 31 States and Union Territories. The Act now applies to over 7.23 lakhs factories and establishments across the country; benefiting about 2.03 cores insured persons/family units. As of now, the total beneficiary stands at over 7.89 cores. At an average the ESI Corporation makes 40 lack individual payments each year amounting to about Rs.300 cores through its wide spread network of branch Offices in the implemented areas. For availing cash benefit in different contingencies insured persons or their dependants have to complete some minimal formalities and follow certain set procedures. Therefore, to ensure smooth and straight flow of benefits, an attempt has been made in the following paragraphs about the procedure to be followed by the ESI beneficiaries for claiming the benefits as and when the need arises.

Review of Literature:

1. G. Muthu Lakshmi (2014) conducted a study on the performance of Employees state insurance scheme with special reference to Tuticorin district, Tamilnadu. The study scrutinizes the performance of ESI Corporation and also the perception of employees on 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.
2. Mayer. Brown (2013) "Asia Employment Law" quarterly review 2013 Employee State Insurance revised ESI inspection guidelines, prosecution and survey and complaints updated on 1st April 2012 and in 7th May 2012 disabled employees and dependents: ESI claims procedures also updated as published in the said journal.
3. Richard Mitchell, Petra Mahy and Peter Gahan (2012) worked on "The evolution of labor law in India: an overview and commentary on regulatory objectives and development" In this paper we are aiming to provide a broad overview of the development of labor law in India. Two notes of caution are due. First, the Indian system of labor laws is very extensive and dauntingly complex. Our descriptions of the laws (mainly legislation) are very general, and are intended only to sketch out the broad parameters of Indian government policy in the regulation of employment relationships and labor markets. Secondly, we are drawing basically from secondary sources, and attempting to put the development of the law into a broader socio-political context. In particular we intend to examine the evolution of Indian labor law from two perspectives. The first of these deals with the important time periods through which the law has progressed since the earliest regulation of the nineteenth century. The second deals with the quality, purpose and impact of Indian labor law. Here we are interested not merely in what we think Indian labor law sets out to do, but also particularly in the various uncertainties and ambiguities which seem to characterize the way in which Indian labor law has been perceived by scholars and experts over the course of its development. We conclude with a consideration of what particular aspects of the Indian political economy have meant for Indian labor law, and what this might mean for the study of labor law more generally.

4. Satpathy, I., Patnaik, B.C.M. and Dev Padma (2011) stated that the Employees State Insurance Scheme is an integrated multi-dimensional Health Insurance and Social Security Scheme. It is one of the most effective and sustainable social measures available to the workmen employed in industrial and commercial establishments of varying sizes and nature. It provides comprehensive full medical care and reasonable economic assistance to the insured persons in contingencies like hazards of sickness, maternity, disablement and death due to employment injury. In the present paper, an attempt to understand the ground reality of the role of ESI in the study area has been made. The government spends a lot of money in this direction and how far the benefits are being reached to the insured persons of the scheme is the objective of the paper. For this purpose 14 variables were identified after the pilot study and perception score method was used for the better understanding of the issues related to the ESI.
5. Srinivasan (2006)⁷⁸ has studied the economics of health insurance in India. The author concluded that the increased public health spending and revamping of public health facilities are a must for the success of the community-based health insurance scheme in India.
6. S. Thomas (2005), the editor of 'ESI Samachar', says despite all the endeavors made by the Corporation for the effective functioning of the ESI Scheme in the country, the public perception of the Corporation has not been very positive. The Employees' State Insurance Corporation is a service organization and admittedly, there are pockets of inefficiency, which, to a certain extent, is expected as well. Improving the quality of service at the ground level as is demanded in all for a discussions is a must. A mechanism should be devised to gauge the satisfaction level of the insured persons so that performance gaps are identified and remedial measures were taken.
7. Sampath Kumar (2000) examined the performances of the Employees' State Insurance Corporation during the period 1980-81 to 1987-88. The scope of the scheme in terms of the number of employees and the number of insured persons covered under this scheme had largely remained stagnant and decreased during the period.
8. G.Ramanujam (1996), Veteran trade unionist and the former Governor of Orissa, had voiced his concern about the shoddy working of the ESI hospitals. In a statement, he said "labor has been all along complaining about the poor quality of medical benefits under the Employees' State Insurance Scheme
9. Valsamma Paul (1995), in her study, suggested that the ESI Act, 1948 and the Rules may be amended, binding the employers to provide the employees with necessary information about the employment injury benefits available under the ESI Act, 1948 and the formalities for obtaining the same. This will help the illiterate employees, especially the casual ones avail of employment injury benefits. She also suggested that administration of medical benefit should be undertaken by the Employees' State Insurance Corporation from the State Government
10. A.J.Patel (1972), Secretary of the Government of Gujrat, in a letter to the member secretary, Committee on Perspective Planning, ESIC, New Delhi, pointed out the standard of medical care provided under the ESIS is at present low on account of inadequate ceiling prescribed by the ESIC. If the GOI starts contributing towards the ESIS, it may be possible to improve the standard. He also mentioned that in view of the restraint of the financial resources of the State Government, it is not possible for it to agree to give financial assistance to the ESIC by way of grant/ loans for the construction programmer.

Objectives:

1. To study and to know about the awareness of employee welfare among the employees in the organization.
2. To study the satisfaction level over existing ESI benefits.
3. To evaluate the level of utilization of Employee State Insurance (ESI) Policy.

Research Methodology:

Research design:

Descriptive research

Source of data:

Primary data has been collected for the respondents of employees in Coimbatore city using pre-determined questionnaire. First time and thus are original in character. Secondary sources are also used and they collected from various journals, books, and government websites.

Period of the study:

The study was undertaken for a period of 2 months (i.e.) between (November 2019-january 2020).

Area of the study:

The study mainly focuses on employee's awareness and effective utilization of ESI benefits with special reference to Coimbatore city.

Sampling size:

187 samples were collected from the ESI employees belonging to Coimbatore city was consider as sample of the study.

Tools used for analysis:

- Simple percentage
- Weighted average
- Ranking

DATA ANALYSIS AND INTERPRETATION**Table-1: Demographic profile of the respondent is as follows:**

S.no	Variables	Option	No. of Respondent	Percentage
1.	Age	18 years	17	9%
		18-20 years	56	30%
		20-30 years	114	61%
		Total	187	100%
2.	Gender	Male	98	53%
		Female	89	48%
		Total	187	100%
3.	Marital status	Married	111	60%
		Unmarried	76	40%
		Total	187	100%
4.	Educational Qualification	SSLC	47	25%
		HSC	50	27%
		Diploma	45	24%
		Graduate	32	17%
		Others	13	7%
		Total	187	100%
5.	Work Experience	1 to 3 years	58	31%
		3 to 6 years	76	41%
		More than 6 years	53	28%
		Total	187	100%
6.	Annual Income	up to 50,000	12	6.4%
		50,000-1,00,000	56	30%
		1,00,000-1,50,000	67	36%
		More than 1,50,000	52	28%
		Total	187	100%

The above table1 portrait the results regarding the age of the respondent of the selected units under the study. The result shows that majority of the respondent age group is under 20-30 years, the majority of the respondents are male and majority of the respondent are married and the majority of the respondents education qualification is hsc and majority of the respondents work experience is up to 3 to 6 years and majority of their annual income is under 1, 00,000 to 1, 50,000.

Table-2: The awareness of ESI services among the workers

S.no	Category	No. of. Respondent				Total	
		Aware		Not Aware			
		Total	Percentage	Total	Percentage	Total	Percentage
1	Sickness benefits	187	100%	0	0	187	100%
2	Maternity benefits	176	94.2%	11	5.8%	187	100%
3	Temporary benefits	175	93.6%	12	6.4%	187	100%
4	Permanent benefits	178	95.2%	9	4.8%	187	100%
5	Dependant benefits	187	100%	0	0	187	100%
6	Funeral expenses	169	90.1%	18	9.9%	187	100%
7	Leave expenses	187	100%	0	0	187	100%

The above table2 portrait the results regarding the services provided by ESI Corporation like sickness benefits, dependants' benefits and leave benefits are fully aware. About 95.2% per cent are aware of permanent benefits, 94.2% per cent are aware of maternity benefits, 93.6% per cent are aware of temporary benefits and 90.1% per cent are aware of funeral expense. It is established that all workers are fully aware of sickness benefits, dependant's benefits and leave benefits. Awareness of funeral expense is the least known benefits of ESI.

Table-3: Satisfaction Level of welfare measures in the organization:

S.no	Category	Strongly agree	agree	neutral	disagree	Strongly disagree	Weight	Ranking
1	First-aid treatment	46(230)	47(188)	59(177)	21(42)	14(14)	651	4
2	Insurance	73(365)	53(212)	35(105)	15(30)	11(11)	723	1
3	Gratuity	59(295)	55(110)	23(69)	27(54)	13(13)	541	5
4	Recreation	56(280)	47(188)	50(150)	20(40)	11(11)	669	3
5	Workmen's compensation	67(335)	45(180)	52(156)	18(36)	5 (5)	712	2

The above table3 portrait result regarding the satisfaction level of welfare measures in the organization. It seen that insurance is given first rank, while workmen's compensation is given second rank ,recreation is given third rank, while first-aid treatment is given fourth rank and gratuity is given fifth rank.

Table-4: Utilization of medical benefits:

S.no	Category	No. of. Respondent				Total	
		Utilized		Not utilized			
		Total	Percentage	Total	Percentage	Total	Percentage
1	Sickness benefits	185	98.9%	2	1.1%	187	100%
2	Maternity benefits	163	87.2%	24	12.8%	187	100%
3	Dependents benefits	179	95.7%	6	4.3%	187	100%

The above table4 portrait the results regarding the utilization of medical benefits provided by ESI Corporation, about 98.9% per cent are utilized sickness benefits, 95.7% per cent are utilized dependents benefits and 87.2% per cent are utilized maternity benefits.

Table-5: Utilization of other benefits:

S.no	Category	No. of. Respondent				Total	
		Utilized		Not utilized			
		Total	Percentage	Total	Percentage	Total	Percentage
1	Temporary benefits	165	88.2%	22	11.7%	187	100%
2	Permanent benefits	184	98.4%	3	1.6%	187	100%
3	Funeral expenses	156	83.4%	31	16.5%	187	100%
4	Leave expenses	177	94.6%	10	5.3%	187	100%

The above table5 portrait the results regarding the utilization of other benefits provided by ESI Corporation, about 98.4% per cent are utilized permanent benefits, 94.6% per cent are utilized leave benefits, 88.2% per cent are utilized temporary benefits and 83.4% per cent are utilized funeral benefits.

Findings:

The objectives of the present study can be interpreted from the following findings:

1. Majority 61% of the respondent age group is 20-30 years.
2. Majority 53% of the respondents are male.
3. Majority 60 % of the respondent is married.
4. Majority 27% of the respondent's education qualification is hsc.
5. 41% of the respondents work experience is 3 to 6 years.
6. 36% of the respondent annual income is under 1, 00,000 to 1, 50,000.
7. 100% of the respondents are fully aware of sickness, dependants and leave benefits.
8. 98.9% of the respondent is utilized sickness benefits.
9. 98.4% of the respondent is utilized permanent benefits.

Conclusion:

Social Security measures have introduced an element of stability and production in the midst of distress and strain of modern life. The ESI scheme is financed by the ESI fund consisting of contributions from employers, employees, grants, donations and gifts of Central and State governments and Local authorities. The organization will be healthy only when the employee and the organizations together have a growth so that it will be healthy organization. The present study reviewed the existing available literature on ESI benefits since 1972 to 2014 All the employee's should aware about employee state insurance scheme (ESI) so that it will be beneficiary for their medical problems. From this study it is founded that maximum number of workers are aware and majority of the workers are utilizing the benefits of ESI services.

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