



# STUDY ON EMPLOYEES AWARENESS AND EFFECTIVE UTILIZATION TOWARDS ESI BENEFITS.

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## Abstract :

Employee State Insurance (ESI) Scheme is a big Social security for the employees in the organization. ESI is completely different concept as per the insurance that is provided for general public . It support full medical care and cost effectively assistance to the beneficiaries for benefits like Maternity , Sickness , Death due to employment injury . The purpose of the study is to analysis the awarness and effective Utilization of employee State Insurance policy in Health Care industry . The study also attempts to review the varied ESI benefits available to the workers of the hospitals . A study questionnaire was framed and given to the workers to seek out awarness and therefore the effects of utilization of ESI policy in Health Care Industry.

**Key Words :** Employee State Insurance (ESI) , Awareness , Maternity Benefits , Medical Benefits .

## Introduction :

Employees' State Insurance Corporation (ESIC) 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 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. The financial assistance provided by the scheme may replace the employees' loss of salary due to the health conditions.

## APPLICABILITY

Geographically it's applicable overall India including J&K Organizational Applicability The following establishments employing 10 or more persons attract ESI coverage.

- (i) Shops
- (ii) Hotels or restaurants not having any manufacturing activity, but only engaged in 'sales'.
- (iii) Cinemas including preview theater.
- (iv) Road Motor Transport Establishments.
- (v) News paper establishments.(that is not covered as factory under Sec.2(12)
- (vi) Private Educational Institutions (those run by individuals, trustees, societies or other organizations and Medical Institutions (including Corporate, Joint Sector, trust, charitable, and private ownership hospitals, nursing homes, diagnostic centers, pathological labs)
- (vii) All Factories In some states coverage is still for 20 or more persons employed under sec 1(5).

## Literture Review

**Valsamma Paul (1995)**, According to her in 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. She also suggested that administration of medical benefit should be undertaken by the Employees' State Insurance Corporation from the State Government.

**P.B. Kamath (1972)**, According to the Mr. P.B. Kamath in his research ,Secretary to the Government of Maharashtra, in a letter to the MemberSecretary, Committee on Perspective Planning, the Employees' State Insurance Corporation, New Delhi, pointed out that the Corporation should consider financial aid from the Central Government, at least as far as capital expenditure and administrative expenditure on the ESIC is concerned; so that the amount recovered from contribution of employers and employees can be spent purely on their needs for medical benefit and cash benefit.

**Dr. M. Prakash(2000)**, According to him in his 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.

**Sampath Kumar (2000)**,in his research he examined that 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.He Observed that employees are not fully aware about the all benefits of ESIC .

**Mathew Jose. K, (2006)** She examined the working of Employee State Insurance Corporation in Kerala. It is found that the corporation had set up a widespread network of service outlets to provide all kind of benefits to insurer and its dependents. These measures are important from the industry perspective because by this

worker's productivity will improve and industrial disputes can be reduced. Her study found that quality of services and administration functioning of this scheme is not proper.

**G. Muthu Lakshmi (2014)**, He conducted a study on the performance of Employees state insurance scheme with special reference to Tuticorin district, Tamilnadu. The study examines the performance of ESI Corporation and also the perception of employees on ESI hospitals. 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.

**Dr. Umesh Maiya (2016)**, in her study she studied on Nurse's Perception Towards ESI Scheme A Study With Reference Conducted To Select Hospitals In Udupi District. The study describes that the satisfaction regarding ESI Scheme among nurses are satisfactory. The association between level of satisfaction and selected demographic characteristics has no significance.

**C.A Parri And D Ranjithkumar (2016)** conducted a study on employees' problems in utilizing ESI benefits as a special reference to Erode District of Tamil Nadu. In the study, main focus was given to the problems in utilization of ESI benefits and awareness of benefits. She noticed that employees are aware about the ESI benefits but they don't utilize the benefits in an effective way.

**Dr. Lekshmi Bhai (2017)**, according to Dr. Lekshmi Bhai he observed that government should enhance the awareness regarding the schemes. Steps should be taken to enhance the level of awareness among the employees and the employers about ESI benefits & schemes. Improve the quality of medical care ESI the Corporation must take the necessary measures to improve the quality of medical care provided by the ESI dispensaries and hospitals.

**Dr. Mamta Jain(2019)**, according to her study she observed that Employees' State Insurance Scheme has to enhance their services to meet the challenges and demands of the changing environment. The essence of this scheme is beneficiaries' satisfaction, as service quality is essential in today's world. Her study revealed that all identified variables of service quality i.e. responsiveness, assurance, reliability, empathy and tangibility have statistically significant moderate or low positive correlation with the beneficiaries' satisfaction.

data for the study was collected from the books, Magazines, and other sources.

## Research Methodology

**Introduction** Understand the basics of all research on why credentials have been created and what methods (research) are appropriate for generating knowledge in a case study. Therefore, to conduct and evaluate all studies, it is important to know what these estimates are. Before beginning the investigation, the investigator must provide a research structure that will serve as the research leader and will assist throughout the process. Understanding is a clear concept for understanding the importance, role, and purpose of research design.

Descriptive research has been used in this study it involves survey and fact finding enquiries. The purpose of descriptive research are the descriptive of state of affairs as it exists at present.

### Sampling Size :

65 Samples were collected from ESI Employees belonging to Health care industry, division was considered as sample of the study

## Data collection :

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 the study the primary source of data is collected through questionnaire .

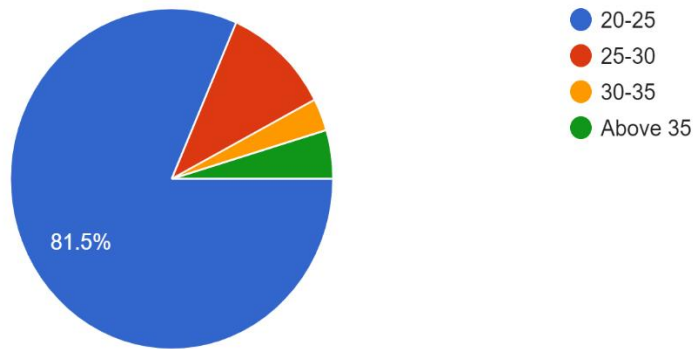
Secondary data means data that are already available i.e., they refer to data which has already been collected and analyzed by someone else. The secondary



## DATA ANALYSIS & INTERPRETATION

What is your Age?

65 responses

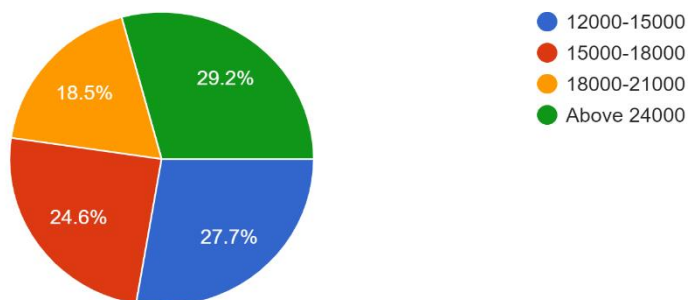


### Interpretation :

From the above Pie Chart , 81.5% of employees comes under 20-25 age.Thus, it means hospitals having more Employees less than age of 35. And age having direct relation with salary & experience .

What is your Salary Scale?

65 responses

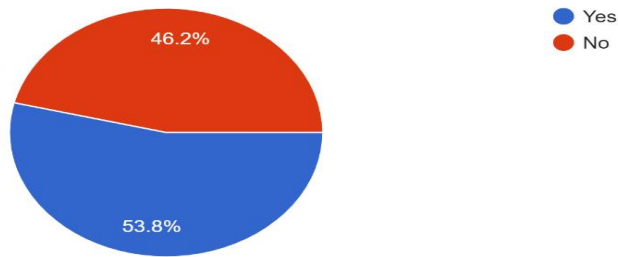


### Interpretation :

According to the above Pie Chart it shows that 18.5% of employees having 18000-21000 salary , 29.2% Employees having salary above then 24000 , and 27.7 % employees having salary between 12000-15000. So its shows Employees having salary above 24000 (29.2% ) not comes under ESI Criteria .

Do you have ESI Card?

65 responses

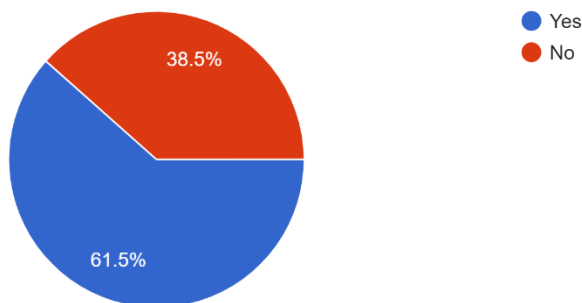


## INTERPRETATION :

Above Mentioned Pie Chart shows that most of the employees are aware about the ESI benefits and utilization because they are the members of ESI .As per our data size 53.8% Employees have ESI card .

Are you satisfied with benefits under ESI Act?

65 responses

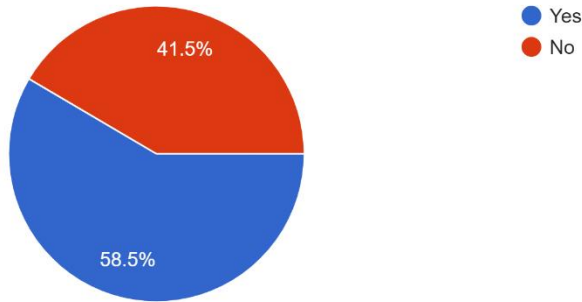


## INTERPRETATION :

As per the mentioned Pie Chart 61.5% of employees are satisfied with ESI benefits . So its means they are effectively using the benefits for their personal reasons .

Are the ESI Benefits easily available to you?

65 responses

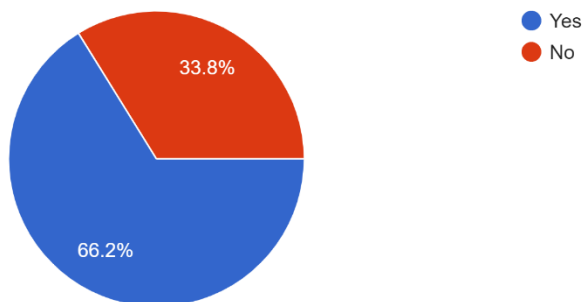


### INTERPRETATION :

As per the Above mentioned Pie Chart 58.5% of employees are not having any issue regarding the availability of ESI benefits but 41.5 % of employees are not having easy availability of ESI near their Residential Area or working area.

Are you aware about utilization of Leave benefit under ESI Scheme?

65 responses

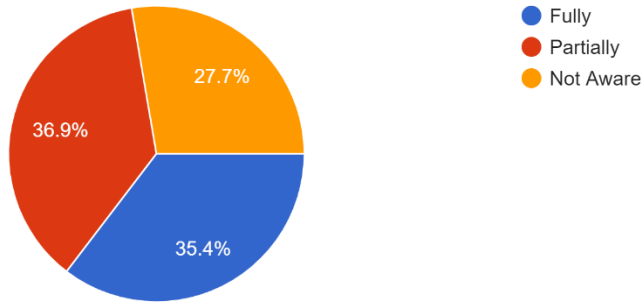


### INTERPRETATION :

As per the above mentioned Chart As per the above mentioned Chart more than 50% of employees are aware and utilising the benefits of ESI membership and Leave benefits under schemes. But 33.8% of employees need to be aware about the benefits and utilization of Leave benefits under schemes.

Are you aware about Maternity benefits?

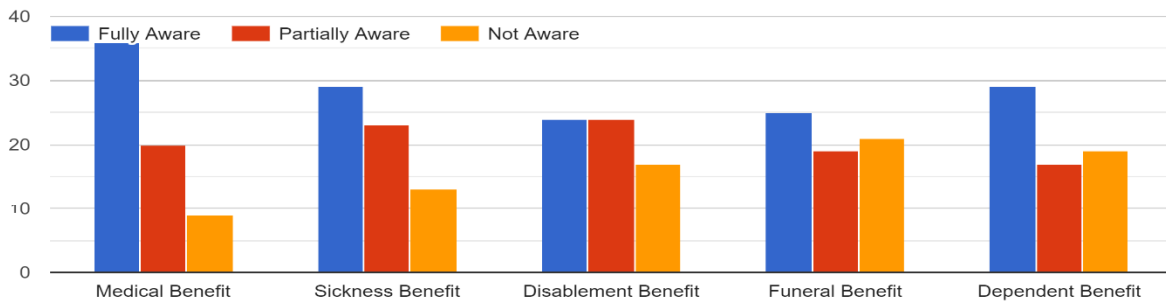
65 responses



**INTERPRETATION :**

As per the above mentioned Chart the most of the female employees are fully aware about maternity benefits but the highest ratio is in partially awarness about the maternity leave benefits , and 27.7% of female employees are not aware about maternity leave .

Aware of all benefits under social security scheme?



**INTERPRETATION :**

As per the above mentioned Chart

In Medical Benefits highest ratio is fully aware so it means employees are aware abuit medical leaves . But some of them are not aware about medical benefits atll .

In Sickness benefits highest ratio is fully aware so it means employees are aware about sicknesse leaves . But some of them are not aware about sickness benefits atll, but as compare to medical leave they are much more aware abot sickness leave benefits.



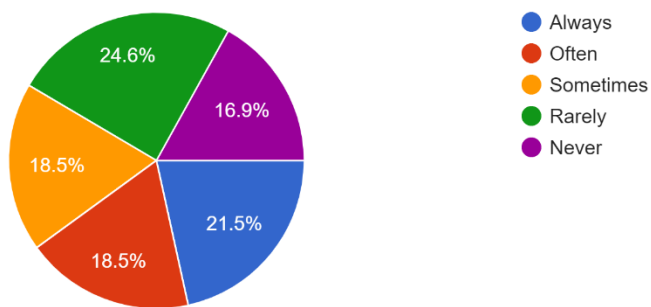
In Disablement Benefits highest ratio is fully aware so it means employees are aware about Disablement leaves and with the same ratio employees are partially aware about disablement leaves. But some of them are not aware about disablement benefits at all .

In Funeral Benefits highest ratio is fully aware so it means employees are aware about Funeral leaves. But in this case employees having higher ratio in not awareness as compare to partial awareness .

In Benefits highest ratio is fully aware so it means employees are aware about Dependent leaves. But in this case employees having higher ratio in not awareness as compare to partial awareness .

Do you effectively Utilise of ESI benefits provide by the ESI schemes?

65 responses



## INTERPRETATION :

As per above mentioned Pie chart we can clearly understand that 24.6% of employees rarely use ESI Schemes Benefits , and 21.5 % of employees always use ESI Scheme Benefits but also 16.9% of Employees don't use ESI ever because of unawareness of Benefits and schemes.

## Finding of the study :

1. The manual process of recording employee information adds time , cost and efforts.
2. Employees need to focus on awarness and utilization of ESI Policy more familiar.
3. Majority of female are aware of employee and employer contribution and women are more interested to claim ESIC Benefits than men .
4. Employees are aware that their family members can also avail the medical benefits and claiming of ESIC is complex.

## CONCLUSION :

The working environment will be healthy only when the Organization and the employees together have a growth so that it will be healthy organization . The present study reviewed the existing available literature on ESI Benefits since1995 to 2019 all employee should aware about ESI so that it will be beneficaly for their medical problems . From the study it is founded that maximum number of worker are aware and majority of worker are utilizing benefits of ESI services . Government has taken appropriate steps towards the welfare of the staff but it should also take necessary steps to increase the advantages to any or all private sector employees. ESIC schemes needs to enhance their services to satisfy the challenges and demands of the changing environment .

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