



A Study On Employee Benefits And Allowances In Vijaya Dairy Pvt Ltd., Nellore

* K.ABINANDANA,

**DR K.HARITHA

*Student,II MBA ,Department of MBA, Annamacharya Institute of Techonology
&Sciences:Tirupathi(Autonomous), k.Abinandana, No: 8121241982,Email: kakumuriabhi@gmail.com

**Associate Professor &HOD Department Of MBA , Annamacharya Institute Of Techonology &
Sciences : Tirupathi(Autonomous).

ABSTRACT :

Employee benefits and allowances are important components of employee compensation provided by organizations in addition to basic salary. These benefits include medical facilities, travel allowances, housing allowances, bonuses, insurance, and other welfare facilities that improve employees' financial security and job satisfaction. The main objective of providing these benefits is to motivate employees, increase productivity, and improve employee retention in the organization.

Vijaya Dairy provides various benefits such as salary packages, health insurance, free meals, transportation facilities, and training programs to support employee well-being. These benefits help in maintaining a positive work environment and increasing employee retention. However, some employees express moderate satisfaction regarding salary and career growth, indicating scope for improvement in compensation policies.

The analysis shows that employee benefits and allowances in Vijaya Dairy positively impact employee satisfaction and productivity. However, improvements are needed in salary structure and growth opportunities to achieve higher employee engagement.

Keywords: Employee benefits &allowances, provident fund benefit, ESI benefit

INTRODUCTION :

Employee benefits and allowances are an important part of an organization's compensation system. In addition to wages and salaries, organizations provide various benefits and allowances to motivate employees, improve job satisfaction, and enhance overall productivity. These benefits help in attracting, retaining, and motivating skilled employees.

Employee benefits include both monetary and non-monetary facilities such as provident fund, gratuity, medical facilities, leave benefits, insurance, and retirement benefits. Allowances are additional payments given to employees to meet specific expenses such as house rent allowance, travel allowance, dearness allowance, and overtime allowance.

Effective employee benefit and allowance policies contribute to employee welfare, reduce turnover, and create a positive work environment. Therefore, a well-structured benefit system plays a vital role in the success of any organization.

REVIEW OF LITERATURE:

According to Gupta (2018), employee benefits play a crucial role in motivating employees and increasing job satisfaction. The study revealed that non-monetary benefits like health care and retirement plans significantly influence employee performance. Employees who receive comprehensive benefits demonstrate higher levels of commitment toward their organization.

Rao and Sharma (2019) studied the impact of allowances on employee welfare and found that allowances such as house rent allowance, travel allowance, and dearness allowance are effective in reducing financial stress among employees. Their research emphasized that allowances help employees meet the rising cost of living and create a stable financial environment.

According to Patel (2020), there is a positive relationship between employee benefits and productivity. The study highlighted that organizations offering better benefit packages witnessed reduced absenteeism and higher retention rates. Benefits like provident fund, insurance, and paid leave contributed to employee loyalty.

Kumar (2021) conducted a study on employees' perception of benefit programs and concluded that employees value benefits that provide security and long-term financial support.

***Singh and Verma (2022)** examined the effect of employee benefits on organizational performance. Their findings stated that employee benefit programs significantly impact organizational culture and efficiency. Better benefits and allowances improve employee morale and create a positive organizational climate.*

***Gupta (2018)** stated that employee benefit programs significantly enhance job satisfaction and reduce attrition. Employees with better benefits showed greater organizational commitment.*

OBJECTIVES OF THE STUDY :

- 1.To understand the existing salary system followed by Vijaya Dairy for different categories of employees.
- 2.To identify the various benefits and allowances offered to employees.
- 3.To assess the level of employee satisfaction with salaries and benefits
4. To examine the role of benefits and allowances in motivating employees.

SCOPE OF THE STUDY

Employee Benefits & Allowances is a multi dimensional aspect, associated with adequate and fair compensation, safe and healthy working conditions, opportunity to use and develop human capacities, opportunity to growth and security, social integration in the work organization, constitution in the work organization, work and total life span and social relevance of work life.

NEED FOR THE STUDY:

This study covers the employee benefits and Allowances offered by Vijaya Dairy. To know the level of employee satisfaction towards benefits and allowances. To identify gaps or problems in the present benefit system. And evaluate the effectiveness of benefits in motivating employees. To improve employee welfare policies.

RESEARCH METHODOLOGY :**Research Design:**Descriptive research**Sample size :**

$$n = \frac{N}{1 + N(e^2)}$$

$$n = \frac{200}{1 + (0.10 * 0.10)}$$

$$= \frac{200}{1 + 200(0.01)}$$

$$= \frac{200}{3}$$

$$= 67$$

Data Collection Methods:**Primary data :**

Data collected directly from respondents through questionnaires, interviews, surveys, or observations.

Secondary data:

Data collected from existing sources such as books, journals, company records, reports, websites, and newspapers.

SAMPLING PLAN :

- ✓ **Sample unit** : Employees of vijaya Dairy
- ✓ **Population** : 200 Employees of vijaya Dairy
- ✓ **Sampling frame** : Employees of vijaya Dairy
- ✓ **Sample size** : 100
- ✓ **Sampling method** : Simple Random Sampling method
- ✓ **Contact method** : Questionnaire

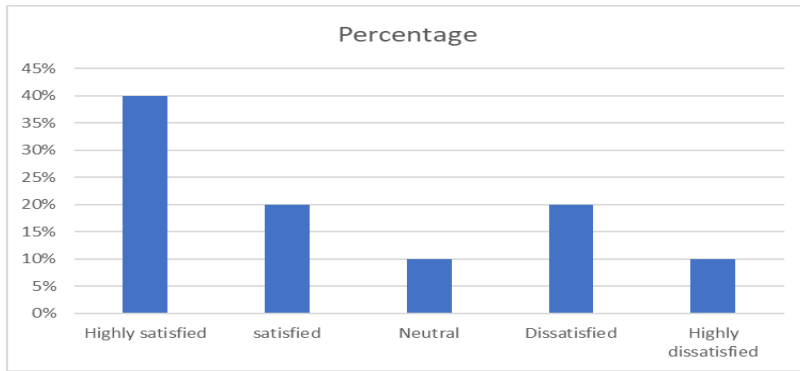
LIMITATIONS OF THE STUDY :

1. The study was conducted with a limited number of employees.
2. Some employees may not have given accurate information.
3. The study is limited to Vijaya Dairy Pvt Ltd only.

DATA ANALYSIS AND INTERPRETATION**Table 1: Are you satisfied with all employee benefits & allowances provided by the company**

Response	No.of Respondents	Percentage
Highly satisfied	27	40%
satisfied	13	20%
Neutral	7	10%
Dissatisfied	13	20%
Highly dissatisfied	7	10%
Total	67	100%

GRAPH:

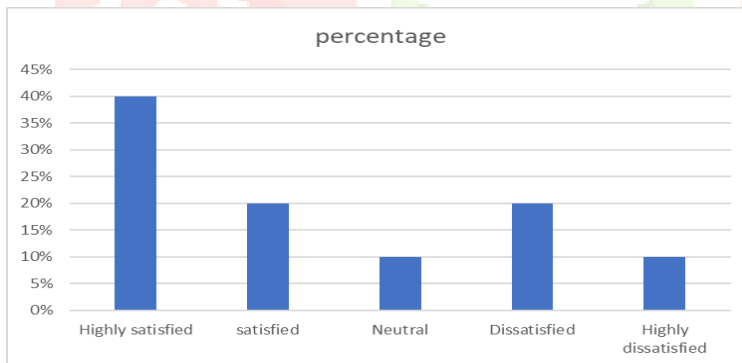


INTERPRETATION: From the above table, 40% of the respondents highly satisfied with the employee benefits and allowances, 20% are satisfied, 10% are neutral, 20% are dissatisfied and 10% are highly dissatisfied.

Table 2. Are you satisfied with the provident fund benefit provided by the company

Response	Respondents	percentage
Highly satisfied	27	40%
satisfied	13	20%
Neutral	7	10%
Dissatisfied	13	20%
Highly dissatisfied	7	10%
total	67	100%

GRAPH:



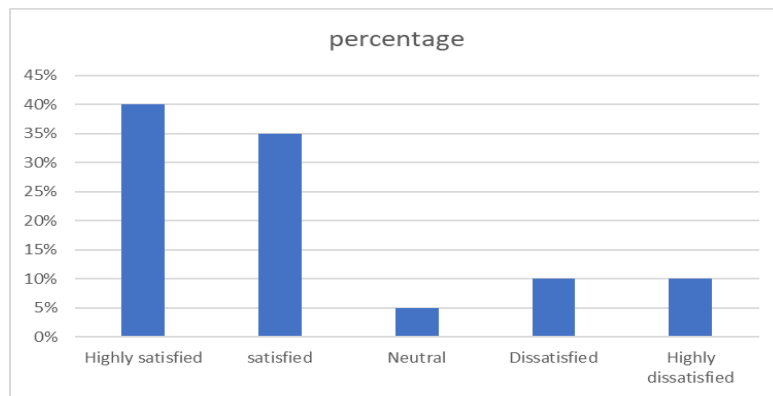
INTERPRETATION: From the above table, 40% of the respondents highly satisfied with the employee provident fund, 20% are satisfied, 10% are neutral, 20% are dissatisfied and 10% highly dissatisfied.

Table 3. Are you satisfied with the ESI benefit provided by the company

Response	Respondents	percentage
Highly satisfied	27	40%
satisfied	23	35%
Neutral	3	5%
Dissatisfied	7	10%
Highly dissatisfied	7	10%

total	67	100%
-------	----	------

GRAPH:

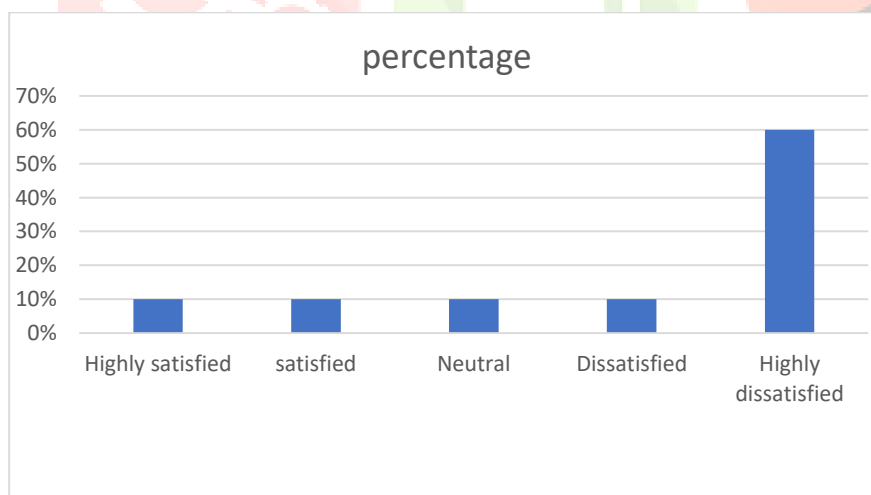


INTERPRETATION: From the above table,40% of the respondents highly satisfied with the ESI benefits, 35% are satisfied, 5 are neutral, 10% are dissatisfied and 10% are highlyly dissatisfied.

Table 4.Are you satisfied with the bonus benefits provided by the company

Response	Respondents	percentage
Highly satisfied	7	10%
satisfied	7	10%
Neutral	7	10%
Dissatisfied	6	10%
Highly dissatisfied	40	60%
total	67	100%

GRAPH:



INTERPRETATION: From the above table,10% of the respondents highly satisfied with the Bonus benefits, 10% are satisfied, 10% are neutral, 10% are dissatisfied and 60% are highlyly dissatisfied.

FINDINGS

- 1.60% of the Respondents are Highly dissatisfied with bonus benefits.
2. with paid leaves60% of the Respondents are Highly dissatisfied
- 3.50% of the Respondents are dissatisfied with the house rent allowances.

4.60% of the respondents are said No their benefits motivate your work better.

Suggestions

- 1.The company should provide the good amount of bonus to all employees fairly.
2. Increase the number of paid leaves and ensure a flexible, transparent leave approval process to improve employee satisfaction.
- 3 . Company should Revise the House Rent Allowance to match with current market rental rates and city cost of living to improve employee satisfaction.
- 4.Company should Improve employee benefits by offering fair performance rewards and recognition to motivate and increase job satisfaction.

CONCLUSION:

The company is providing proper employee benefits and allowances to satisfy the employees. The data analysis on employee benefits and allowances shows that overall dissatisfaction is mainly related to low bonus amounts, insufficient paid leaves, inadequate house rent allowance, and lack of performance-based incentives.

Bibliography :

- 1.Gupta (2018) – Role of Employee Benefits in Motivation
- 2.Rao & Sharma (2019) – Allowances and Employee Welfare
- 3.Patel (2020) – Benefits and Productivity.
- 4.Kumar (2021) – Employee Perceptions of Benefit Programs

WEBSITE:

<https://www.justdial.com/Nellore/Dairy-Product-Retailers-Vijaya-in-Kovur/nct-11183971>