

Employee Welfare and Retention in Dangote Flour Mills PLC., Apapa Lagos

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ABSTRACT

This study discusses the relationship between welfare programs and employee retention at Dangote Flour Mills Plc., Lagos State. The study identified the types of welfare programs, and also determined the relationship between Work-Life Balance and employees' retention, all with a view to ascertain the relationship between welfare programs and employees' retention. Primary data was used in this study, and the research adopted a descriptive research design. In analyzing the questionnaire, data analytical procedure of frequency and percentages were used as descriptive statistics. Inferential statistics of factor analysis was used to identify the types of welfare programs and Pearson correlation was used to test the two hypotheses in the study.

The findings established that welfare programs have positive but weak relationship with employee's retention having a p value of 36.75 with a correlation significant at 0.01 level (2 tailed). The findings also indicated positive but weak relationship established between Work-life balance and welfare programs having a p value of 32.4% with a correlation significant at 0.01 level (2 tailed). The study recommends that employers should learn to implement and sustain welfare programs already provided to ensure the retention of employees. It also recommends that employers should improve on ensuring that their employees enjoy a good work-life balance to aid performance.

(Keywords: employee welfare programs, work-life balance, employee retention, employee management)

INTRODUCTION

Over the years, employee welfare has been of major concern in organizations, as a result of the solid effect it has on how much an employee

would be willing to contribute and remain in an organization. Morwabe (2009) opines that the work environment should comprise of issues such as working hours, employment policy, worker's health and welfare, workplace design and workers general conduct at the workplace.

The term welfare means fairing or doing well. It refers to those series of effort put in place or designed to promote the basic physical and mental well-being of individuals. The term welfare suggests the state of wellbeing and implies wholesomeness of the human being. It is a comprehensive term and refers to the physical, mental, moral, and emotional wellbeing of an individual (Aswathappa, 2003).

Employee welfare relates to making provisions for the wellbeing of employees by the employers, trade unions and the government. Srinivas (2013) observes that organizations provide welfare measures to their employees to promote the efficiency of the employees, to keep their level of motivation high, to promote healthy industrial relations, to get loyal services from the employees and to add in the real way to the low earnings of the workers.

One of the major objectives of employee welfare is to maintain a safe and sound working environment so that the employees can develop a sense of ownership for the company which would subsequently result in stable productivity, economic development, and sustainability of the business (Odeku and Odeku, 2014).

In Nigeria, both the public and private sectors have become acquainted with different factors that would facilitate and sustain employee retention. Stauss, Chojnacki, Decker, and Hoffman (2001) defined retention as "customer liking, identification, commitment, trust, readiness to recommend and repurchase intentions with the first four being emotional-cognitive retention

constructs and the last two being behavioral intentions". Fitzenz (1990) is of the view that employee retention is not determined by a single issue but a cluster of factors. Some of these factors that are commonly cited are compensation and appreciation of work done, provision of challenging work, promotion and development chances, attractive atmosphere within the organization, relationships with colleagues, work-life balance, communication, and supervision. The long-term health and success of an organization depends upon the retention of valuable employees as such, one of the most important demands on management today in any organization is keeping the most vital and dynamic human resources motivated and dedicated (Cutler, 2001).

Today, employee retention is a top priority in organizations as a result of the increasing competition in the labor market. It is also a technique adopted by businesses to maintain an effective and efficient workforce and at the same time meet operational requirements. Kumar and Mathimaran (2017) asserts that the retention of employees requires a systematic effort by employers to create and foster an environment that motivates employees to remain employed, by establishing policies and practices that addresses the diverse needs of employees.

Hiring people is tough but keeping them can be tougher. In this changing environment, opportunities are ample which motivates the employees to leave (Mandhanya, 2016). Therefore, it is hard to retain the talents within the organization. Offering competitive employee benefits is what will differentiate one business from another and will attract and retain competent employees (Mandhanya, 2016). According to Osteraker (1999) the satisfaction of employees and retention of valuable talents are the key factors for the success of an organization.

Manzini and Gwandure (2011) argued that the concept of employee welfare has been used by many organizations as a strategy to improve the productivity of employees. It is argued that welfare services can be used to secure the workforce by providing proper conditions of work. Moreover, due to the rapid increase in the number of organization mergers and acquisitions, employees have become gall with the companies or organizations that they work with and are haunted by concerns of their overall job security. As such, employers need to work to prevent their staff from

leaving the organization for other companies or competitors. Evidently, employee development programs offered by companies are successfully retaining employees (Drucker, 2010).

STATEMENT OF THE PROBLEM

One of the toughest challenges encountered by organizations in this contemporary business environment is not only how to manage the employees but also how to keep them on the job for as long as possible (Kossivi, Xu, and Kalgora, 2016). Securing and retaining skilled employees plays an important role in the organizational process, because employees "knowledge and skills" are central to companies' ability to be economically competitive".

Welfare facilities can be considered as a method of improving retention in the organization (Premarathna and Perere, 2015). Inadequate and lack of proper welfare facilities and programs has hindered employees from becoming committed, motivated, satisfied and productive with their jobs making it quite difficult for them to help in sustaining a healthy industrial relations system and to remain in an organization that has failed to satisfy and provide them with basic workplace amenities.

While some organizations have been carrying out their responsibility of providing welfare programs, some others have been negligent. In today's competitive environment, it is necessary for valuable employees to be encouraged so as to influence them into remaining with the organization. As a result, the provision of welfare facilities assumes its importance.

Studies have shown that, some organizations find it difficult to retain competent employees as a result of its deficient welfare programs some of which can be attributed to the organizations inability to understand how welfare programs facilitates retention.

RESEARCH METHODOLOGY

The data collected were sorted, processed, and analyzed by using descriptive and inferential statistics. The analysis was in accordance with research hypotheses. The descriptive analysis defined the properties of the data to show the variations in responses and opinions using

frequencies, percentage denotations as well as other descriptive tools. Data collected for the study was analyzed using appropriate descriptive and inferential statistics such as Pearson correlation to test hypotheses and was done using Statistical Package for Social Sciences (SPSS).

RESULTS AND DATA ANALYSIS

The data collected were sorted, processed and analyzed using descriptive and inferential analysis. The descriptive analysis described the data obtained using averages and percentages from the responses obtained from the questionnaire; inferential analysis was used to test for significance of responses obtained from the descriptive analysis. The test of significance employed is the Pearson correlation statistical technique to test the significance of the relationship between employee welfare programs and employees' retention, and also, to test the significance of the relationship between work-life balance and employee retention and factor analysis was used to identify the types of welfare programs existing at Dangote Flour Mills Plc, Lagos, Nigeria.

Socio-Demographic Characteristics of Respondents

Table 1: Gender of Respondents.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Male	25	33.8	33.8	33.8
Female	49	66.2	66.2	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 1, the organization has more female employees than male employees. The percentage of female respondent is 66.2% while that of the male respondent is 33.8%. The findings indicate that majority of the respondents were female and there is a significant difference in the percentages of both respondents. This however implies that the study might be influenced by gender imbalance.

Table 2 : Age Bracket.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
21-30 years	47	63.5	63.5	63.5
31-40 years	20	27.0	27.0	90.5
41-50 years	6	8.1	8.1	98.6
>50 years	1	1.4	1.4	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 2, 90.5% of the employees are less than the age of 41 years, 8.1% of the employees are within the ages of 41 – 50 years, and 1.4% of the respondents are over 50 years of age. The organization has more employees that are below the age of 41 years, implying that there is a larger population of young employees in the organization which invariably could result in these employees remaining in the organization for a longer period due to the need for more working experience and chances of promotion.

Table 3: Marital Status.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Single	41	55.4	55.4	55.4
Married	32	43.2	43.2	98.6
Others	1	1.4	1.4	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 3, 55.4% of the respondents are single, 43.2% are married and others constitute the 1.4%.

Table 4: Educational Qualification.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
'O' Level	8	10.8	10.8	10.8
OND/HND	7	9.5	9.5	20.3
BSC	41	55.4	55.4	75.7
MSC/MBA	17	23.0	23.0	98.6
Ph.D.	1	1.4	1.4	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 4, it is established that 10.8% of the employees in the organization have an 'O' LEVEL, 9.5% with OND/HND, 55.4% with BSC, 23.0% with MSC/MBA and 1.4% with Ph.D.

Table 5: Job Status.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Permanent	50	67.6	67.6	67.6
Temporary/Contract	24	32.4	32.4	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 5, 67.6% are permanent employees in the organization while 32.4% are temporary/contract staff.

Table 6: Service Duration.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
6 Mos-1 Year	18	24.3	24.3	24.3
2 - 7 Years	44	59.5	59.5	83.8
8 - 15 Years	11	14.9	14.9	98.6
>15 Years	1	1.4	1.4	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 6, the data revealed that majority of the employees constituting 59.5% have worked for the organization for 2-7 years, followed by those who have served the organization for 6 months – 1 year bearing (24.3%), then those with 14.9% who have long-term service to the organization between 8-15 years and finally employees with a service duration of 16 years and above having 1.4.

Table 8: Position.

Valid Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Top	6	8.1	8.1	8.1
Middle	54	73.0	73.0	81.1
Lower	14	18.9	18.9	100.0
Total	74	100.0	100.0	

Source: Authors compilation, (2019)

From the Table 8, the organization has 18.9% lower level employees, 73.0% middle level employees, and 8.1% top level employees.

DATA ANALYSIS

Identification of Welfare Programs Existing at Dangote Flour Mills Plc.

Table 9: Communalities.

WELFARE PROGRAMMES	Initial	Extraction
The company provides medical facilities for employees and their dependents	1.000	.487
There is the provision of travel allowances for employees	1.000	.637
The company provides housing allowances for employees	1.000	.674
There are provisions for child welfare services	1.000	.725
There is the provision of a standard canteen	1.000	.687
Conveniences such as (rest rooms, offices, urinals) are adequately provided at the company	1.000	.712
The company provides loan facilities to employees	1.000	.558
Transport facilities/allowances are provided for employees	1.000	.524
The company gives room for maternity and sick leave	1.000	.764
The company provides safe and adequate drinking water facilities for employees	1.000	.661
Employees are given leave from work	1.000	.817
The company makes provision for retirement	1.000	.639
There are bonuses provided for members of staff by the company	1.000	.770
The company provides a balance between work and other aspects of life	1.000	.695

Extraction Method: Principal Component Analysis.

Source: Authors compilation, (2019)

Interpretation

From the factor analysis, Table 9, 10 and 11, the welfare programs identified are those programs with heavy factor load. For instance, in the first rotation of the component matrix, programs such as, bonuses= 79.7%, employees leave = 78.2%, maternity and sick leave = 73.7%, safe and adequate drinking water facilities = 73.1%, loan facilities = 71.7%, retirement benefits = 67.5%, transport facilities/allowance = 63.6%, conveniences = 63.1%, housing allowance = 57.9%, medical facilities =53.4%.

The second rotation includes: standard canteen = 74.0%, work-life balance = 69.2%, child welfare = 56.2%.

Table 10: Total Variance Explained.

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.973	35.522	35.522	4.973	35.522	35.522
2	1.960	14.000	49.522	1.960	14.000	49.522
3	1.326	9.473	58.994	1.326	9.473	58.994
4	1.091	7.792	66.787	1.091	7.792	66.787
5	.857	6.123	72.910			
6	.790	5.640	78.551			
7	.715	5.110	83.660			
8	.552	3.946	87.606			
9	.490	3.499	91.105			
10	.365	2.608	93.713			
11	.318	2.273	95.986			
12	.233	1.667	97.653			
13	.182	1.298	98.951			
14	.147	1.049	100.000			

Extraction Method: Principal Component Analysis.

Source: Authors compilation, (2019)

Table 11: Component Matrix (a).

WELFARE PROGRAMMES	1	2	3	4
The company provides medical facilities for employees and their dependents	.534	.085	-.099	-.430
There is the provision of travel allowances for employees	.411	.385	-.530	.197
The company provides housing allowances for employees	.579	.308	-.256	-.423
There are provisions for child welfare services	-.240	.562	-.213	.553
There is the provision of a standard canteen	-.140	.740	.313	-.149
Conveniences such as (rest rooms, offices, urinals) are adequately provided at the company	.631	-.434	-.079	.345
The company provides loan facilities to employees	.717	.204	-.045	.035
Transport facilities/allowances are provided for employees	.636	.140	-.253	-.189
The company gives room for maternity and sick leave	.737	-.057	.465	.035
The company provides safe and adequate drinking water facilities for employees	.731	-.163	.304	.092
Employees are given leave from work	.782	.111	.439	-.025
The company makes provision for retirement	.675	-.180	.033	.387
There are bonuses provided for members of staff by the company	.797	.210	-.290	.086
The company provides a balance between work and other aspects of life	-.109	.692	.410	.190

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

Source: Authors compilation, (2019)

From the table 11 above, it is obvious that bonuses, employees leave, standard canteen, maternity and sick leave, safe and adequate drinking water and loan facilities, work-life balance are highly provided by the organization.

Hypothesis One

Relationship Between Welfare Programs and Employees' Performance: This study was

carried out to determine the relationship between welfare programs and employees' retention and the Pearson correlation analysis was used to achieve this.

H₀: there is no significant relationship between welfare programs and employee retention.

Table 12: Correlations.

Correlations		Welfare programs	Employee retention
welfare programs	Pearson Correlation	1	.367**
	Sig. (2-tailed)		.001
	N	74	74
Employee retention	Pearson Correlation	.367**	1
	Sig. (2-tailed)	.001	
	N	74	74

** . Correlation is significant at the 0.01 level (2-tailed).

Interpretation

If the significance is < 5% (less than 5%), the alternate hypothesis (**H₁**) is accepted while the null hypothesis (**H₀**) is rejected. If the significance is >5% (greater than 5%) the null hypothesis (**H₀**) is accepted while the alternate hypothesis (**H₁**) is rejected.

The results shown on Table 12 above indicates that there is significant and positive relationship between welfare programs and employees' retention. From the table, correlation is shown to be significant at 0.01 Level which is < 5% (less than 5%). The alternate hypothesis is therefore accepted. There is a weak but positive correlation of 36.7% between welfare programs and employee's retention. This however implies that, the adequate provision of welfare programs such as Bonuses, loan facilities, employee leave, conveniences, housing and transport facilities etc. for employees, would bring about a successful retention of employees.

Hypothesis Two

Relationship Between Work-Life Balance and Employee Retention: This study was carried out to determine the relationship between work-life balance and employees' retention and the Pearson correlation analysis was also used to achieve this.

H₀: there is no significant relationship between work-life balance and employee retention.

Table 13: Correlations.

Correlations		Work-life balance	Employee retention
Work-life balance	Pearson Correlation	1	.324**
	Sig. (2-tailed)		.005
	N	74	74
Employee retention	Pearson Correlation	.324**	1
	Sig. (2-tailed)	.005	
	N	74	74

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Authors compilation, (2019)

From the Table 13, correlation is significant at 0.01 Level which is < 5% (Less than 5%). Therefore, the alternate hypothesis is accepted, and the null hypothesis is rejected. There is a weak positive correlation of 32.4% between work-life balance and employees' retention. The table shows that there is a positive and significant relationship between work-life balance and employees' retention. In other words, a proper work-life balance would facilitate employees' retention.

CONCLUSION

Welfare programs have in one way or the other proven their importance in the successful retention of employees. These welfare programs serve as a driving force that motivates employees and also increases the employee's chances of remaining in the organization for a longer period of time. From this study, it is shown based on the results gotten from the hypotheses testing, that employees regard welfare programs as essential to workplace commitment, loyalty, and job satisfaction. Hence, employers of labor should focus on providing and sustaining these welfare programs in order to keep their employees happy and committed so as to allow them continually to render their services to the organization.

The retention of competent employees is vital for organizational success as such organizations are expected to device measures to ensure that valuable talents are retained especially in our contemporary competitive environment.

The benefits of welfare programs cannot be overly emphasized and the idea behind the provision of these programs is to ensure loyalty, efficiency, effectiveness, satisfaction and improved motivation. Organizations should endeavor to provide good welfare programs which include medical facilities, housing allowances and facilities, transport facilities and allowances, etc., which are not only beneficial to the employee, but also to the organization. This is because, when employees are offered something more than the regular wages and salaries to improve their living standard, they would be willing to put in more effort in ensuring that the organization achieves its objectives.

RECOMMENDATIONS

It is recommended that the organization should work on sustaining this welfare programs already provided such as bonuses, loan facilities, transport allowances/facilities, employees leave, maternity and sick leave, safe and adequate drinking water, etc. as it has proven to be a good strategy in facilitating employee's retention.

The organization should improve on ensuring that employees enjoy a good work-life balance to prevent job stress aid their performance at work.

The organization should communicate with her members of staff so as to get their opinions on matters relating to promoting their welfare. This way, it would be easier for the organization to know the right measures and steps to take concerning the overall wellbeing of their employees.

It is also recommended that every organization should put in place good welfare program policies and procedures and also have a responsible and capable hand to oversee the best implementation of these welfare programs. Human resource managers should be properly vested with knowledge on the formulation and implementation of welfare program practices in order to bring about efficiency and effectiveness.

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