

“Role of Government Welfare Programmes and Employee Engagement in MSMEs: A case of North Karnataka region, India”

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Abstract

Employee Engagement is a significant activity in organizations. The focus of this paper is to know the relationship between employee engagement activity and government welfare programs. This study is of interest as the government's policy on employees of MSME has made a significant influence on employees. Hence, the objective of paper is to determine whether an association exists between employee engagement activities carried out by MSME and policies of the Government. The study adopts a qualitative and quantitative approach. A structured questionnaire is distributed among respondents who are employees of MSMEs identified through snowballing. Data collected is processed and analyzed through IBM SPSS and a chi-square test is performed. Results indicate government policies and employee engagement activities are correlated. Interpretive Structural Modeling has been used to identify the relationship between factors affecting Employee Engagement. The study revealed that creating the willingness among employees about assisting the organization during crisis is crucial to the productivity of the organization.

Keywords: *Employee Engagement, Government, Welfare Programs, Small Scale Industries, India*

I. Introduction

The goal of an economy is to develop small and medium enterprises (SME), and in turn, SMEs contribute to the nation's development. One of the distinguishing traits of SME is that they are flexible to fluctuating supply and demand in the market. Further, SMEs are essential in providing employment opportunities to minorities, women and backward-class people. SME segment significantly showing its results in manufacturing output, employability and exports of the nation. It is projected that SMEs are contributing around 37.54 % towards GDP. The assessment showed that SMEs provide employment opportunities to around 1,171.32 lakh people in more than 510.57 lakh units in the nation. Further, this sector has enrolled 18.74% development rate. The SME division gives the most extreme

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changes to being an entrepreneur and employment. (SME Annual report 2015-16)

SMEs should understand the importance of HRM. Formulation of the right Human Resources in SMEs will undoubtedly develop an organization. The more significant organization's HR team will seek the consultants/agencies' help and training of fresh employees, but in case of SMEs, this job is executed by owner or manager (Slobodan Ceranic' and BlaženkaPopovic). The key to the continued survival and successful organization is not rational or quantitative approaches but differs significantly in employee activities and managers based on the support and mutual loyalty (Ronald R.Sims). The excellence of the organization is being seen more and more dependent on the effectiveness of human resources.(Cantele, Silvia). The effectiveness of Human Resources depends on the level of employee engagement.

In the globalized era, employee engagement is a buzz word for any company. Engaged employees contribute more to the productivity of the organization, along with higher levels of commitment. Employee Engagement reflects the level of involvement and participation of employee's towards their organization and its values. The success of an organization depends on employee productivity, which is accelerated through employee commitment to hisorganization.

In this situation, any type of disturbance in the ecosystem of SMEs will affect such organizations' smooth management. Lack of facilities, low monetary benefits to employees, and less job satisfaction among employees may create unrest among employees, changing the working environment. But if employees start getting more benefits from outside the organization than what they need, then as per the economic theory i.e., Backward bending labor supply curve, an employee may work less. Hence, it is essential to study the relationship between Government welfare programs and employee engagement in SMEs.

II. Literature Review

Industrialization is a viable means to explain economic and social development issues in developing countries in the world. Gunwar researched that the manufacturing industries are the backbone of the developed countries in economic development and rise in the livelihood. One more factor which increases the industrialization is entrepreneurship. For entrepreneurship development Small & Medium Enterprises (SMEs) are playing a vital role. The solutions to problems like poverty, unemployment, and overpopulation in the modern world are the development of Small industries. (Dr.P.Uma (2013).SudhaVenkatesh, KrishnaveniMuthiah (2012) highlighted that the SMEs' contribution is minimal; however, different SME sectors have risen as a significant player in the national economies. The remarkable significance of SMEs in India is the most extreme number of units providing employment opportunities and contributing to an increase in exports. RajibLahiri (n.d) thinks that MSMEs are labor-intensive sectors; their contribution towards employability and industrialization in rural areas is noteworthy. This sector is emphasizing on the development of conventional abilities and information. As this sector is a major contributor towards employability and given the support through technology, capital and novel marketing strategies etc can yield more results towards the employability and industrial sector. The SMEs are always labor dependent, Kuo-Tai Cheng andKirk Chang,2019 says that a high level of employee engagement in the SMEs leads to high

productivity. The employee engagement concept in management theory appeared in the 1990s (Kahn, William A 1990); in the 2000s, it was widely practiced in management. Although academicians criticized employee engagement, still there are well-established practices in internal communication and human resource management." The engaging character of employees to their work roles will help employees to express themselves physically, cognitively and emotionally during role performances." It also says that (Ajayi, OluseyiMoses, Odusanya, Kayode, and Morton, Susan 2017) the appropriate environment of the organization will increase the employee skills and employee engagement.

As per the Harvard Business review analytics "The Impact of Employee Engagement on Performance" 71% of employee were of the opinion that engagement is critical in overall success of organisation. Recognition has significant impact on employee engagement as expressed by 72% of employees. Findings of study revealed 24% of employees believed that their organizations are highly engaged.

Mike Rickheim explained engagement "is not just a warm, fuzzy thing. It's about giving people the tools they need to succeed in their careers, which drives the outcomes that we're seeking in the market place. When you look at it through that lens, when people have the tools they need to succeed, feel good about their growth opportunities, and receive the appropriate rewards and recognition for their contributions, it's a win-win proposition."

The most impactful employee engagement drivers, as cited in Harvard Business Review are as follows:



Engagement means employees' satisfaction and pride in their employer. It is the extent to which people enjoy the work what they do. High employee engagement leads to high employee performance. Engaged employees stay with the organization for longer period.

Psychologist William Kahndrew used the terms "personal engagement" and "personal disengagement". At the "personal engagement" end, individuals fully occupy themselves with the job. At the "personal disengagement" end, they will not take the ownership of the work.

An emotional commitment of employee followed by actions that leads to the success of the organization is referred as employee engagement. Accountability, dedication, care and result oriented focus are qualities of engaged employees.

Passion drives the engaged employees and get connected with their organization along with innovation leading the organization. Engaged employees exhibit traits such as productive, result oriented, heightened sense of loyalty and commitment. Those of the employees who execute what is being told at the work place with negligible energy and passion towards work are considered to be not engaged employees. Their is absence of feel factor and attachment towards the organization and are attracted by job vacancies in other establishments.

Disengaged employees demonstrate negativity and unhappiness at work place. Hostile behavior and attitude, exhibit non – cooperation are prominently observations. This gets reflected while working in teams undermining business. Hence, it is crucial to have an environmental set up for the employees. In a general setting organization environment comprises of economical, political, social and technological factors. Organisations operation will get affected in case of any variation in the specified environment.

The Government of India and State Governments have brought many Government welfare programs for the well being of the weaker section of the society. Many of the employees are the beneficiaries of these welfare programs either availed free or on nominal charges. Providing these welfare programs is part of the political, economical and social environment.

ShilpVerma and TushaarShah(2012) observed that the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) had changed the rural work markets. Other than wages, it provides a small amount of employment security, an unbiased wage rate, and more bargaining power under the control of the working class. Further, medium and huge agriculturists would see MGNREGA as an adversary, making top season work deficiencies, increasing agriculture wage rates, and making agriculture considerably unviable. MCCIA Survey on Labor Shortage in Pune industry (2014): The researcher said that in the Indian manufacturing sector, there is a scarcity of labor and skilled labor. It is one of the severe problems in the Pune manufacturing industries. There are many reasons which are causes to this issue. To name a few: the nature of job, schemes such as MGNREGA, contract labor, and political issues that avoid interstate labor movement. These are the few reasons impacting on the availability of workers in Pune manufacturing industries. Based on the survey done by the researcher, received a mixed opinion from the respondents. Around 17% of respondents unsure about the MGNREGS scheme would impact labor shortage, and 13% mentioned that it would have some impact on the availability of labor.

Government Programmes:

Economic development means an increase in National income or national output. At the beginning of economic planning in India, the 1950-57 increase in revenue or output was given top priority, considering that the fruits of development would automatically percolate down to the lower strata of society and improve their socio-

economic well-being.

In 1970, however, experience showed that the 'trickledown theory/approach' does not work to progress the socio-economic well-being of the weaker section of society. It is because of the volume of poverty and unemployed instead of declining had increased to a large proportion.

Hence, in 1980 "Direct attack on poverty" by implementing anti-poverty and social security Programme like

- IRDP - 1978 "Integrated Rural Development program"
- NREP – 1979 "National Rural employment programme"
- TRYSEM – 1980 "Training of Rural Youth for self-employment."
- RLEAP – 1983 "Rural landless employment guarantee program etc.. became top priorities of economic development."

Nevertheless, people's socio-economic conditions did not change as expected due to a lack of people's capabilities and their active participation in development. So in 1990, 'Human

Development' was given priority. Therefore, the importance of development has shifted from Economic growth based on the 'Trickle-down mechanism' to Economic Development based on 'basic minimum needs' approach and Human Development, which is based on the 'capability approach' in the 1990s. Accordingly, Per capita GDP and GNI were considered to be inadequate to measure the well-being of people.

Instead, economists like Amartya Sen & Mohab UL Haque went beyond national income and national output and developed a composite Human Development Index(HDI) to measure the quality of life.

Today economists are talking about "sustainable development (SD)." For India, growth to be sustainable and must be inclusive to cover issues related to inequalities between casts, color, gender, religion, and more.

As per the directive principles of state policy, governments should create good socio- economic conditions under which the citizens can lead a good life. In this regard, the central Government and Karnataka governments have introduced many government-sponsored programs to meet the socio-developmental objectives of poverty elimination and inclusive growth. Both Governments have implemented many benefits programs to the Below Poverty Line people. These programs majorly fulfill the fundamental needs of poor people like Food, Shelter, and Health. Some of the programs which satisfy the basic requirements are mentioned below.

The Karnataka Government had launched various Government Welfare Programmes for the benefit Below Poverty Line people. Below mentioned are some of the welfare programs. (<http://www.karnataka.gov.in>)

1. Anna BhagyaProgramme
2. Vajpayee Arogyashree (VAS)
3. Janani Suraksha Yojane (JSY)

4. PrasootiAraike
5. Madilu
6. Bhagyalakshmi
7. NIRAMAYA (Health Insurance Scheme)
8. Housing Programmes:
 - Rural Ashraya:
 - Urban Ashraya:
 - Dr. Ambedkar Housing Programme:
 - Special Occupation Groups:
 - House Sites: a. Rural House Sites b. Urban House Sites
 - Gram Panchayat Housing Programme
 - Navagrama Housing Programme
 - Central Government Programmes:

The government of India had implemented various welfare programs towards the Below Poverty Line people. Some of the plans have been highlighted below ([www.india.gov.in/my- government](http://www.india.gov.in/my-government)).

1. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
2. Pradhan MantriAwasYojana
3. RashtriyaSwasthyaBhimaYojana (RSBY)
4. Pradhan MantriUjjwalaYojana
5. Swarnajayanti Gram SwarojgarYojana

III. Need for the Study:

During the discussion with entrepreneurs in SME conclaves held in Hubli- Dharwad region, the researcher observed that some of the entrepreneurs expressed apprehension towards the government welfare programs for lack of labor productivity in their organization. With this, the researcher under took a pilot study to understand relationship between Government welfare programs and employee engagement with the organization.

This study concentrates on finding out whether the Government welfare programs are the reasons for employee-related issues in MSME. The sample consist of 50 promoters/managers of various MSMEs in Hubli was

used for pilot study.

The study found that:

- The majority of respondents believed that government programs have a negative impact on organizational performance.
- The majority of respondents agreed that the interest level of the employees had been reduced. Hence, the number of mistakes is increasing, and indiscipline is also increasing among the employees.
- The study also shows that these programs have impacted negatively on employee engagement.
- The study also revealed that employee's expectations are increasing because of government programs. The majority of respondents said that because of the Government programs the expectation of employees towards the facilities to be provided by the organization has increased.
- The respondents believe that these programs have affected the co-operation between employees and management.
- The respondents believe that before implementing government programs, the employee's attitude towards the job and organization was good. Still, in present conditions, employees had started finding reasons to fight with the management.

As mentioned above, the findings revealed that Government programs are creating a problem in managing the Human Resource (HR) in the SMEs and negatively affecting organizational performance. Hence, the proposed study is focused on finding the answer to whether Government welfare programs are playing a role in employee disengagement with the organization.

IV. Research Design:

4.1 Study Area Profile

Dharwad districts consist of 18.47 lakhs of the population (Census 2011). The per capita income is Rs. 1,05,667/-. The significant concentration is on the Valve cluster. The total population of the Belagavi district is 47.79 Lakhs (Census 2011). The per capita income is Rs. 72,428/-. This district consists of Foundry clusters. The total population of Gulbarga is 25.66 Lakhs (Census 2011), and per capita income is Rs. 67,886/-. Gulbarga is known for Dal mills (Economic survey 2015). The population of Koppal district is 13.89 Lakhs (Census 2011), and per capita income is Rs. 82,954/- (Invest Karnataka, 2016). This district is known for Rice mills and steel industries.

Table No. 1 No. of Small Scale Industries in the study area and No. of employees

Districts	No. of Units	Employment
Dharwad	25265	132012
Belagavi	15414	75087
Kalburgi	4292	19580
Koppal	3781	18474
Total	48752	245153

(Source: Directorate of Economics and Statistics, Karnataka Government)

4.2 Statement of the problem:

The above studies pointed out that the closer interpersonal relations between employers and employees are the SMEs' hallmarks. Without the proper and on time contribution from the employees, any organizations cannot perform. During the interaction with some of the SMEs, owners have expressed that the government benefit programs to the Below Poverty Line (BPL) people are negatively affecting the working environment. It is said that after the implementation of government programs, employee absenteeism, attrition rate, etc. has been increased and the attitude of employees towards the work is not favorable. This creates a problem in managing the Human Resource (HR) in the organization and negatively affecting organizational performance. Hence the study aims to determine the relation of government welfare programs with Employee Engagement in SMEs of the North Karnataka region.

4.3 Scope of the study:

The North Karnataka has consisted of two revenue divisions, namely Belagavi and Kalburgi. These revenue divisions have been chosen for the study. Two districts in each revenue division have been chosen for the survey i.e., Dharwad and Belagavi in Belagavi division, Gulbarga, and Koppal in Gulbarga division. These districts have been chosen on the below- mentioned grounds.

4.4 The objective of the study:

- To investigate the relationship between government programs and employee engagement.
- To identify the relationship between the factors affecting employee engagement.

4.5 Hypotheses:

1. Ho: There is no association between having or not having the BPL card and doing overtime work if the job requires

2. Ho: There is no association between having or not having the BPL card and considering organizations problem as own problems

3. Ho: There is no association between having or not having the BPL card and considering organizations as own organization

4. Ho: The employee is not ready to avoid organization work for the sake of Govt. benefits

5. Ho: The Govt. welfare programs have not made BPL card employees work less

4.6 Sampling Technique:

In this research, multi-stage sampling is used, where four districts were selected from two revenue divisions of North Karnataka for the study. In the next stage, each district was allotted an appropriate quota.

In Karnataka, there are four revenue divisions, of which two divisions cover the whole of North Karnataka. These two revenue divisions are Belagavi and Kalburgi, covering 13 districts. Four districts were selected using a lottery system, namely Dharwad, Belagavi, Kalburgi, and Koppal.

The BPL and Non-BPL Cardholder employees were interviewed in business areas of Gulbarga, Koppal, Belagavi, and Dharwad districts. The respondents were from the manufacturing and service sectors. Also, the study covered both registered & unregistered Small Scale Enterprises to get better representation.

4.7. Sample Size:

Table No. 2 Distribution of Sample data

Sr. No	Districts	Responses collected	Correct responses
1	Kalburgi	320	299
2	Koppal	320	300
3	Belagavi	320	299
4	Dharwad	320	312
5	Total	1280	1210

320 respondents were randomly selected from each district by using convenient sampling, which amounts to 1280 respondents across the study area. Due to the response error, 70 questionnaires were not considered for

further analysis.

Primary Data:

The data collection is through a questionnaire.

Secondary data:

The secondary data is collected from various Books, Journals, Government documents, Websites, North Karnataka Management Associations, and government agencies. Tools and techniques for analysis of data:

In this study, the chi-square test is used to find the association between Government programs and Employee Engagement. Further, Interpretative Structural Modeling (ISM) has been used. ISM is an approach wherein it represents of systematic, iterative application of graph theory and outcome is a directed graph generated for a complex system defined by contextual relationship amongst the variables. Objective of ISM is to transform unclear and poorly articulated mental models of systems into visible, well-defined models.

V. Data Analysis and Interpretation

The bonding between the organization and human resources is an essential aspect for the success of any organization. As long as the employee doesn't take ownership of organization success is challenging. In the present scenario, more than a 'satisfied' employee, the 'best' employee in terms of loyalty and productivity is required. It is only an 'engaged employee' who is mentally and psychologically connected with the organization and is committed to its values and goals. Such employees go beyond their primary job responsibility and execute the tasks.

5.1 Analysis for both BPL and Non-BPL Cardholders:

Table No. 3 Relationship between the attitude of working overtime if a job requires and Beneficiary status

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29.868a	2	0
Likelihood Ratio	29.302	2	0
Linear-by-Linear Association	29.781	1	0
N of Valid Cases	1160		

Hypothesis Testing

- **Ho:** There is no association between having or not having the BPL card and doing overtime work if the job requires
- **H1:** There is an association between having or not having the BPL card and doing overtime work if the job requires

Since $\chi^2 = 29.86$, $d.f=2$, $p=0.00$, H_0 is rejected. Hence, there is a significant association between whether the respondent was a BPL Cardholder and doing overtime work if the job requires. The BPL Cardholders are hesitant to do the overtime work even if the job demands the extra work.

Table No. 4 Cross tabulation between the attitude of working overtime if job requires and Beneficiary status

Statement	Opinion	Measurement	Are you BPL Cardholder Yes / No		Total
			Yes	No	
Working overtime if the job requires	No	Count	526	134	660
		% within Are you BPL Cardholder Yes / No	61.40%	44.20%	56.90%
	Neutral	Count	126	52	178
		% within Are you BPL Cardholder Yes / No	14.70%	17.20%	15.30%
	Yes	Count	205	117	322
		% within Are you BPL Cardholder Yes / No	23.90%	38.60%	27.80%
Total		Count	857	303	1160

	% within Are you BPL Cardholder Yes / No	100.00%	100.00%	100.00%
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The study shows that among the respondents who are saying they will not do overtime work if the job requires (660), the BPL Cardholder's percentage (61.4%) is more comparatively the Non- BPL Cardholders (44.2%). And among the respondents who are saying they will do overtime work if the job requires (322) the Non- BPL Cardholder's percentage (38.6%) is more comparatively the BPL Cardholders (23.9%). The 15.3% respondents are neutral.

Table No. 5 Relationship between the attitude of considering organization problem as respondent's problem and Beneficiary status

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.283a	2	0.002
Likelihood Ratio	11.97	2	0.003
Linear-by-Linear Association	10.78	1	0.001
N of Valid Cases	1160		

Hypothesis Testing

- Ho: There is no association between having or not having the BPL card and considering organizations problem as own problems
- H1: There is an association between having or not having the BPL card and considering organizations problem as own problems

Since $\chi^2 = 12.28, d.f=2, p=0.002$, Ho is rejected. Hence, there is a significant association between whether the respondent was a BPL Cardholder and their attitude of considering problems of organizations as their problem. The BPL Cardholders are hesitant to feel as organization problems are their problems.

Table No. 6 Cross tabulation between the attitudes of considering organization problem as respondent's problem and Beneficiary status

Statement	Opinion	Measurement	Are you BPL Cardholder Yes / No		Total
			Yes	No	
Employees considering organization problems as their problems	No	Count	467	139	606
		% within Are you BPL Cardholder Yes / No	54.50%	45.90%	52.20%
	Neutral	Count	154	48	202
		% within Are you BPL Cardholder Yes / No	18.00%	15.80%	17.40%
	Yes	Count	236	116	352
		% within Are you BPL Cardholder Yes / No	27.50%	38.30%	30.30%
Total		Count	857	303	1160
		% within Are you BPL Cardholder Yes / No	100.00%	100.00%	100.00%

The study shows that among the respondents who are saying they will not feel problems of the organization as their problems (606), the BPL Cardholder's percentage (54.5%) is more comparatively the Non-BPL Cardholders (45.9%). And among the respondents who are saying they will feel the problems of the organization as their problems (352) the Non-BPL Cardholder's percentage (38.3%) is more comparatively the BPL Cardholders (27.5%). The 17.4% respondents are neutral.

Table No. 7 Relationship between the attitude of respondent considering the organization as his/her own and Beneficiary status

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.257a	2	.000
Likelihood Ratio	15.248	2	.000
Linear-by-Linear Association	14.703	1	.000
N of Valid Cases	1154		

Hypothesis Testing

- Ho: There is no association between having or not having the BPL card and considering organizations as own organization
- H1: There is an association between having or not having the BPL card and considering the organization as its own organization

Since $\chi^2 = 15.25, d.f=2, p=0.00$, Ho is rejected. Hence, there is a significant association between whether the respondent was a BPL Cardholder and their feeling as an organization is their own. The BPL Cardholders are hesitant to feel the organization as their own.

Table No. 8 Cross tabulation between the attitude of respondent considering organization as his/her own and Beneficiary status

Statement	Opinion	Measurement	Are you BPL Cardholder Yes / No		Total
			Yes	No	
Employee's feeling as organization is their own organization	No	Count	467	126	593
		% within Are you BPL Cardholder Yes / No	54.70%	41.90%	51.40%
	Neutral	Count	123	51	174
		% within Are you BPL Cardholder Yes / No	14.40%	16.90%	15.10%
	Yes	Count	263	124	387
		% within Are you BPL Cardholder Yes / No	30.80%	41.20%	33.50%
Total		Count	853	301	1154
		% within Are you BPL Cardholder Yes / No	100.00%	100.00%	100.00%

The study shows that among the respondents who are saying they will not feel the organization is their own (593), the BPL Cardholder's percentage (54.7%) is more comparatively the Non-BPL Cardholders (41.9%). And among the respondents who are saying they will feel the organization is their own (387) the Non-BPL Cardholder's percentage (41.2%) is more comparatively the BPL Cardholders (30.8%). The 15.1% respondents are neutral.

5.2 Analysis only for BPL Cardholders:

Table No. 6 BPL Cardholder employee’s opinion towards losing of government benefits for the sake of organization job

One-Sample Test						
	Test Value = 2					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Losing of Govt. benefits	6.675	856	0	0.20303	0.1433	0.2627

Hypothesis Testing

- Ho: The employee is not ready to avoid organization work for the sake of Govt. benefits
- H1: The employee is ready to avoid organization work for the sake of Govt. benefits

Since $t=-6.67$, $df=856$ $p=0.00$, Ho is rejected. Hence, the study shows that the BPL cardholder is ready to avoid organization work for the sake of Govt. benefits.

Table No.7 BPL Cardholder employee’s opinion towards working less because of Govt. welfare programs

One-Sample Test						
	Test Value = 3					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Government welfare						

programs have made	2.42	85				
me work less	6	6	0.015	0.10618	0.0203	0.1921

Hypothesis Testing

- Ho: The Govt. welfare programs have not made BPL card employees work less
- H1: The Govt. welfare programs have made BPL card employees work less

Since $t=-2.42$, $df=856$ $p=0.015$, Ho is rejected. Hence, the study shows that The Govt. welfare programs have made BPL card employees work less.

5.3 Interpretive Structural Model

Based on the literature review, the following constructs/ variables have been selected in defining the variables that would lead to employee engagement. Interpretative structural modeling is used to identify the level of variables that would lead to employee engagement. The variables and the contextual relationship between them is represented in Self-Structural Interaction matrix as given below

Table 8 Self Structural Interaction Matrix

	Ownership	Belongingness	Sacrifice	Commitment	Mistakes	Quality	R&R	Responsibility	Motivation	Handling Emergency
Ownership		X	V	V	O	V	V	V	V	V
Belongingness			X	X	V	X	X	X	X	X
Sacrifice				V	X	O	O	V	X	O
Commitment					O	X	X	X	A	X
Mistakes						V	V	A	X	X
Quality							X	X	X	V
Rules and Regulations								V	A	V

Responsibility										X	X
Motivation											V
Handling Emergency											

Table 9 Reachability Matrix

	Ownership	Belongings	Sacrifice	Commitment	Mistakes	Quality	R&R	Responsibility	Motivation	Handling Emergency	Driving
Ownership	1	1	1	1	0	1	1	1	1	1	9
Belongings	1	1	1	1	1	1	1	1	1	1	10
Sacrifice	0	1	1	1	1	1	1	1	1	1	9
Commitment	0	1	0	1	0	1	1	1	0	1	6
Mistakes	0	0	1	0	1	1	1	0	1	1	6
Quality	0	1	1	1	0	1	1	1	1	1	8
Rules and Regulations	0	1	1	1	0	1	1	1	1	1	8
Responsibility	0	1	1	0	1	1	1	1	1	1	8
Motivation	0	1	1	1	1	1	1	1	1	1	9
Handling Emergency	0	1	1	1	1	0	0	1	0	1	6
Dependency	2	9	9	8	6	9	9	9	8	10	

Table 10 Level Partitioning

Variable	Reachability	Antecedent	Intersection	Level
1	1,2,3,4,6,7,8,9,10	1,2	1,2	
2	1,2,3,4,5,6,7,8,9,10	1,2,3,4,6,7,8,9,10	1,2,3,4,6,7,8,9,10	
3	2,3,4,5,6,7,8,9,10	1,2,3,5,6,7,8,9,10	1,2,3,5,6,7,8,9,10	
4	2,4,6,7,8,10	1,2,3,4,6,7,9,10	2,4,6,7,10	
5	3,5,6,7,9,10	2,3,5,8,9,10	3,5,9,10	
6	2,3,4,6,7,8,9,10	1,2,3,4,5,6,7,8,9	2,3,4,6,7,8,9	
7	2,3,4,6,7,8,9,10	1,2,3,4,5,6,7,8,9	2,3,4,6,7,8,9	
8	2,3,5,6,7,8,9,10	1,2,3,4,6,7,8,9,10	2,3,6,7,8,9,10	
9	2,3,4,5,6,7,8,9,10	1,2,3,5,6,7,8,9	2,3,5,6,7,8,9,	
10	2,3,4,5,6,8,9	1,2,3,4,5,6,7,8,9,10	2,3,4,5,6,8,9	I

Variable	Reachability	Antecedent	Intersection	Level
1	1,2,3,4,6,7,8,9	1,2	1,2	
2	1,2,3,4,5,6,7,8,9	1,2,3,4,6,7,8,9	1,2,3,4,6,7,8,9	
3	2,3,4,5,6,7,8,9	1,2,3,5,6,7,8,9	1,2,3,5,6,7,8,9	
4	2,4,6,7,8	1,2,3,4,6,7,9	2,4,6,7	
5	3,5,6,7,9	2,3,5,8,9	3,5,9	
6	2,3,4,6,7,8,9	1,2,3,4,5,6,7,8,9	2,3,4,6,7,8,9	II
7	2,3,4,6,7,8,9	1,2,3,4,5,6,7,8,9	2,3,4,6,7,8,9	II
8	2,3,5,6,7,8,9	1,2,3,4,6,7,8,9	2,3,6,7,8,9	

9	2,3,4,5,6,7,8,9	1,2,3,5,6,7,8,9	2,3,5,6,7,8,9	
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Variable	Reachability	Antecedent	Intersection	Level
1	1,2,3,4,8,9	1,2	1,2	
2	1,2,3,4,5,8,9	1,2,3,4,8,9	1,2,3,4,8,9	
3	2,3,4,5,8,9	1,2,3,5,8,9	1,2,3,5,8,9	
4	2,4,8	1,2,3,4,9	2,4	
5	3,5,9	2,3,5,8,9	3,5,9	III
8	2,3,5,8,9	1,2,3,4,8,9	2,3,8,9	
9	2,3,4,5,8,9	1,2,3,5,8,9	2,3,5,8,9	

Variable	Reachability	Antecedent	Intersection	Level
1	1,2,3,4,8,9	1,2	1,2	
2	1,2,3,4,8,9	1,2,3,4,8,9	1,2,3,4,8,9	IV
3	2,3,4,8,9	1,2,3,8,9	1,2,3,8,9	
4	2,4,8	1,2,3,4,9	2,4	
8	2,3,8,9	1,2,3,4,8,9	2,3,8,9	IV
9	2,3,4,8,9	1,2,3,8,9	2,3,8,9	

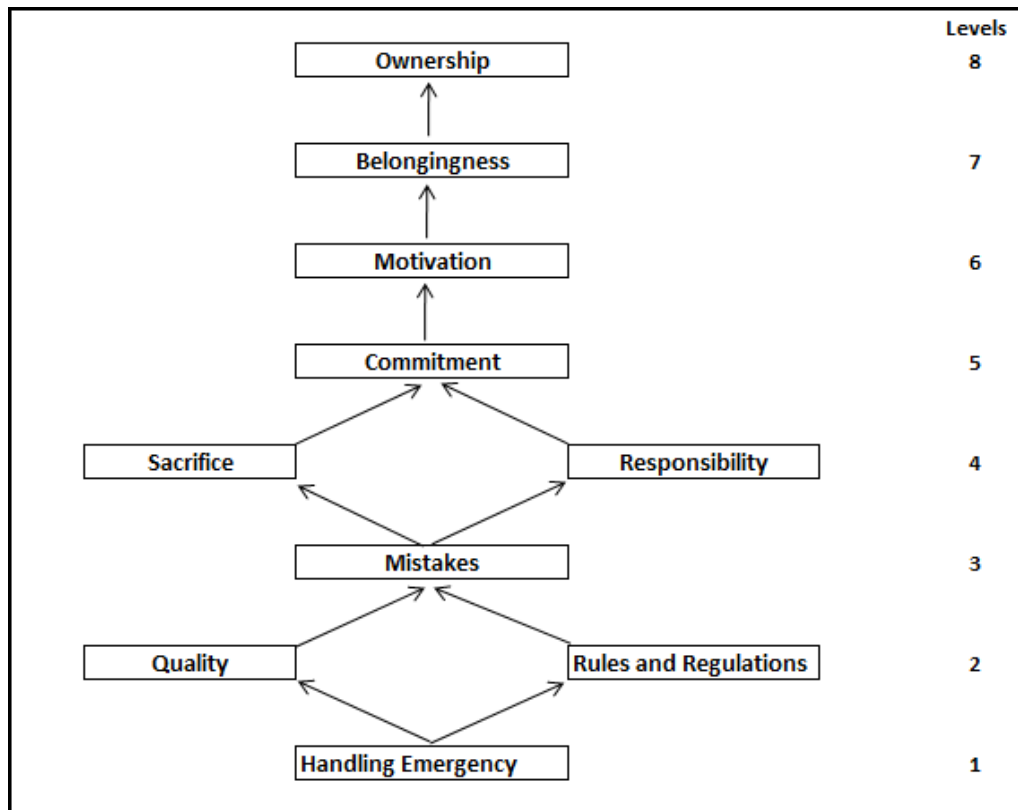
Variable	Reachability	Antecedent	Intersection	Level
1	1,3,4,9	1	1	
3	3,4,9	1,3,9	1,3,9	

4	4	1,2,3,4,9	4	V
9	3,4,9	1,3,9	3,9	

Variable	Reachability	Antecedent	Intersection	Level
1	1,3,9	1	1	
3	3,9	1,3,9	1,3,9	
9	3,9	1,3,9	3,9	VI

Variable	Reachability	Antecedent	Intersection	Level
1	1,3	1	1	
3	3	1,3	3	VII

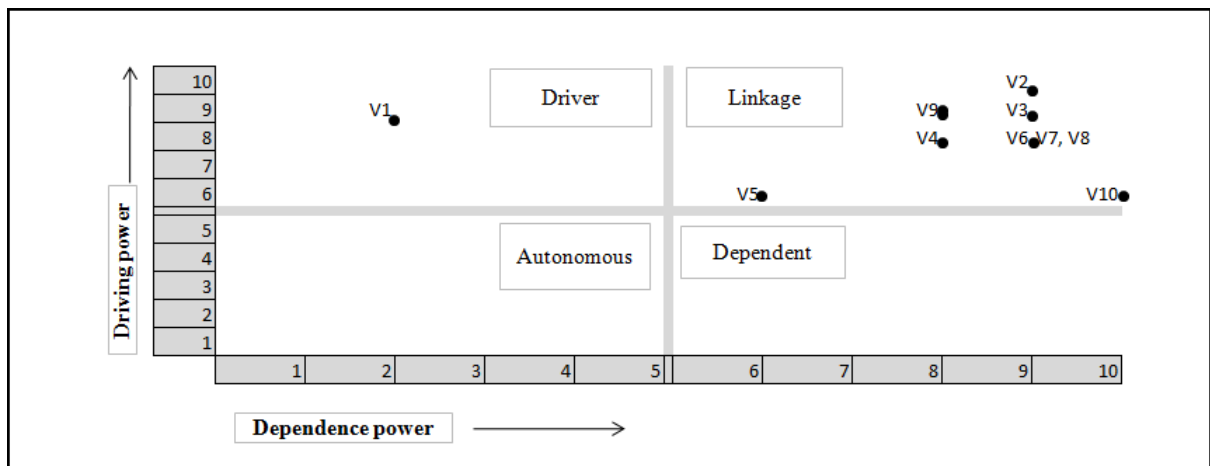
Variable	Reachability	Antecedent	Intersection	Level
1	1	1	1	VIII



Digraph 1

Table 11 MIC MAC Analysis

	Driving	Dependence
1	9	2
2	10	9
3	9	9
4	6	8
5	6	6
6	8	9
7	8	9
8	8	9
9	9	8
10	6	10



The Mic Mac analysis highlights the nature of the variables as mentioned below

- Autonomous: Weak dependence and weak driver power, these variables remain disconnected from the system, but possesses only a few links.
- Dependent: Strong dependence but weak driver power
- Linkage: strong dependence and also strong driving power. These variables are unstable because any action on these will have an effect on others and feedback/results.
- Independent: variables exhibit weak dependence and strong driving power

VI. Findings

The analysis shows that the Non-BPL Cardholders are more engaged with the organization in doing the overtime work than the BPL Cardholders. This may be because the BPL Cardholders are getting more benefits from Govt. welfare programs and they don't need extra earning from the organization. In contrast, Non-BPL Cardholder employees require extra earning, so they are ready to do overtime work. It shows that the Govt. welfare programs influence the employee attitude towards performing overtime work. This attitude of BPL Cardholder employees will create problems for the employer of Small Scale Enterprises. Management of employees will be a tough task for an employer to meet customer's expectations.

The study reveals that the BPL Cardholder employees are not closely connected with the organization than Non-BPL Cardholders. This may be because of their less dependency on the organization to fulfill their needs. But this type of attitude of employees will create problems for owners of Small Scale enterprises because such employees will never consider organizations' problems are their problems. There may not be any ownership of tasks and responsibilities. They may not be concerned with the success and failure of an organization.

It shows that the BPL Cardholders are not much attached to the organization as compared to Non-BPL Cardholders. BPL Cardholders feel that the organization's problem is to be dealt by owner's and is no way concern to them. In this situation, employee participation will reduce in solving organizational problems. Hence, the concept

of quality circle teams may lose importance as the employer alone cannot handle all the issues. He requires an employee's help. So in this situation, managing employees will become difficult for the employer.

BPL employees will give more priority to avail of Government benefits rather than the work priorities in the organisation. Hence, this induces absenteeism among BPL employees.. Such situation poses challenge to the employer.

Government welfare programs are influencing the working attitude of the employees in organizations. This may be because Government programs will fulfill all the basic needs of employees without being much dependent on the employer. Hence, employees attention or priority for the organization's work will be reduced impacting organizational performance.

Interpretive Structural Modeling will shed light on the crucial factors that need to be addressed by the owners/managers in the situations mentioned above. Based on the ISM, owners/managers can focus on critical factors of employee engagement and make the strategies to improve employee engagement. As per ISM, Handling Emergency is an Autonomous variable. It means that employees should be trained in the organization in such a way that they should be preparedness to handle any kind of emergencies. This will reflect the quality of human resources in the organization. It also indicates that the employees in the organization comply with the rules and regulations of the organization. In turn, it aids in the minimization of mistakes in the organization. There is a possibility of enhancing the level of taking responsibility bringing about an attitude of sacrifice towards the organization. This also reflects the commitment of the employees towards their jobs or organizations. A heightened sense of commitment motivates employees to drive the organization in the achievement of organizational objectives. It indicates employees get themselves identified with their job, which is nothing but belongingness. Ultimately employees will take ownership of the job irrespective of any of the schemes provided by the government.

VII. Conclusion:

From the above findings, it can be concluded that the maximum number of BPL Cardholder employees shows less engagement towards organization comparatively with Non- BPL Cardholder employees. It infers Government welfare programs are influencing on the engagement level of employees with the organization. The stakeholders have to take this as an indicator of employee management in Small Scale enterprises because employee engagement plays a vital role in organizational performance.

The study reveals that the BPL Cardholder employees are less engaged. They are hesitant to do overtime work and reluctant in solving organizational problems, exhibit lack of willingness to take ownership of tasks, meeting deadlines, hesitate to help others and work in teams.

The study shows that creating willful desire among employees to help organizations in emergencies is crucial and will lead employees to take ownership of their work. Ultimately this will lead to better employee engagement in such organizations.

In the above context, the employer will face challenges manage such employees. Since Small Scale

enterprises are highly dependent on employees, and owners will have to find out alternative ways to handle these challenges. Even the Policymakers in government also need to consider the side effects of such welfare programs before implementing it.

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