

Original Article

A Study on Employee Awareness of Labour Laws at Karaikal

¹A. Sowarna Lakshmi, MBA, M. Rajasulakshana

¹PG Scholar, Department of Management Studies, E.G.S. Pillay Engineering College, Nagapattinam, Tamil Nadu, India.

²Assistant Professor, Department of Management Studies, E.G.S. Pillay Engineering College, Nagapattinam, Tamil Nadu, India.

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Abstract: The present study, titled *A Study on Employee Awareness of Labour Laws at Karaikal*, focuses on analysing the level of awareness among employees regarding labour laws, workplace rights, welfare measures, and organizational legal compliance. Labour laws play an important role in protecting employees from unfair practices and ensuring proper working conditions, wages, safety measures, and social security benefits within organizations. The main objective of the study is to understand employee awareness regarding labour laws and identify factors influencing their knowledge about legal rights and welfare provisions. The study adopted a descriptive research design and a simple random sampling method for data collection from 150 employees working in various establishments at Karaikal. Statistical tools, including Percentage Analysis, Chi-Square Test, Correlation, and One-Way ANOVA, were used for data analysis. The findings reveal that most employees possess moderate awareness regarding labour laws and welfare measures. Employees are more aware of wages, working hours, and overtime regulations, whereas awareness regarding social security benefits and grievance procedures is comparatively lower. The study concludes that organizations should conduct regular training programs and awareness activities to improve employee understanding regarding labour laws and workplace rights. Increased awareness will help improve employee welfare, workplace compliance, industrial relations, and organizational effectiveness.

Keywords: Labour Laws, Employee Awareness, Workplace Rights, Employee Welfare, Social Security Benefits, Organizational Compliance, Industrial Relations, Working Conditions.

I. INTRODUCTION

Labour laws are the backbone of every organisation, and if you look closely, these laws tell a lot about safeguarding the rights and welfare of employees. These laws are designed by the government to provide comfortable working conditions, a safe environment, equal opportunity and social security benefits. Labour laws also strike a good balance between the employer and the employee by bringing down conflicts and ensuring industrial peace. Various labour laws in India, such as the Minimum Wages Act, Employees Provident Fund Act, Payment of Bonus Act, Fair Factories Act, Maternity Benefit Fund and Gratuity Act, have been made for the welfare and protection of employees.

In this day and age, employees must be aware of labour-related laws. It helps employees stand up against unfair labour practices and exploitation in the workplace as they know their rights and duties under the law. Awareness helps employees also to know the advantages of wages, working hours, leave facilities, health and safety measures, compensation benefits and retirement benefits. Employees who have detailed information about labour laws will be well aware of their rights and obligations, which creates a feeling of safety and security among them in the workplace.

Karaikal is a developing industrial and commercial hub where the workforce operates in manufacturing, logistics, trade, service and administration fields respectively. The awareness of labour laws among employees in these sectors may vary according to their education, experience, organizational support and communication practices. Hence, this study is concerned with the employees' awareness in favour of labour laws among Karaikal. Employee familiarity with labour laws is a socio-economic necessity to satisfy their rights and benefits.

II. LITERATURE REVIEW

According to S. Ramesh Kumar (2025), when employees know about the various labour law provisions, they clarify their rights and duties regarding the work culture in their organisation. There is a smaller number of employee grievances and high organizational transparency. P. Kavitha (2024) said that training sessions and communication activities facilitate employees in the case of wages, safety measures and welfare benefits, with higher confidence exhibited by employees who attended awareness programs at the workplace.

According to R. Senthil Kumar (2023), awareness of labour laws helps in improving the level of employee satisfaction and Organizational commitment. According to R. K. Suri (2022), the fact still holds true that most of the employees are unaware about important legal benefits like provident fund and gratuity. Management must play a crucial role in creating awareness. A.



M. Sharma (2021) found that awareness of the working hours and wages, availability of occupational health services and workplace safety improved confidence around job security.

Michael Armstrong (2014) states that by law abiding organizations in labour laws, in turn, help develop good working relationships, and workers' understanding of legal policies leads to increased trust in management. Aswathappa, K (2014). Welfare Benefits And Safety Provisions Enhance The Productivity And Morale Of Employees. According to Gary Dessler (2014), employees are better able to protect themselves when they know their legal rights, and awareness enhances organizational transparency.

III. RESEARCH METHODOLOGY

A) Research Design

The study adopted a descriptive research design, which is concerned with describing the characteristics of a particular group and studying specific predictions in relation to individual groups and situations. A descriptive research design was suitable for this study as it aimed to analyze the existing level of employee awareness regarding labour laws.

B) Sample Size and Sampling Technique

The study was conducted among employees working in various retail shops and establishments at Karaikal. A sample of 150 respondents was selected using the Simple Random Sampling Method. The study covers employees from Marketing, Finance, and other departments across different age groups and experience levels.

C) Data Collection

Primary data was collected through a structured questionnaire consisting of 33 questions based on a five-point Likert scale. Secondary data was collected from books, journals, articles, and websites related to Human Resource Management and Labour Laws.

D) Tools for Analysis

The following statistical tools were used for data analysis: (1) Percentage Analysis – to analyze the frequency distribution of responses; (2) Chi-Square Test – to test the association between demographic variables and labour law awareness; (3) Correlation – to examine the relationship between employee awareness and workplace compliance; and (4) One-Way ANOVA – to compare awareness levels across different departments.

IV. RESULTS AND DISCUSSION

A) Demographic Profile of Respondents

Table 1 presents the demographic profile of the 150 respondents. The majority (41.3%) belong to the 31–40 age group, indicating a middle-aged workforce. The gender distribution is nearly equal, with 52.7% female and 47.3% male respondents. Regarding department, Finance and Others each constitute 37.3% of respondents, while Marketing accounts for 25.3%. In terms of experience, 32.7% have 31–40 years of experience, suggesting a highly experienced workforce.

Table 1: Demographic Profile of Respondents

Variable	Category	Frequency (%)
Age	20–30 years	30 (20.0%)
	31–40 years	62 (41.3%)
	41–50 years	37 (24.7%)
	51 & Above	21 (14.0%)
Gender	Male	71 (47.3%)
	Female	79 (52.7%)
Department	Marketing	38 (25.3%)
	Finance	56 (37.3%)
	Others	56 (37.3%)
Experience	1–10 years	34 (22.7%)
	11–20 years	30 (20.0%)
	21–30 years	37 (24.7%)
	31–40 years	49 (32.7%)

B) Employee Awareness of Labour Laws

Understanding of Employee awareness showed that 62.7% (Agree + Strongly agree) respondents are aware of basic labour laws applicable to their jobs, against 15.3 % disagreed. For the rights on minimum wage, 52.7% are aware, while 36.7% remained neutral. When it comes to the working hour regulations and overtime rules, 48% of respondents marked yes for awareness and 38% neutral. PF, ESI and Gratuity Knowledge was average (52.7% agree), 39.3% (Neutral) rated overall labour law awareness as average, while 34% (Agree), rated it as good.

Table 2: Employee Awareness Level

Statement	SD+D (%)	Neutral (%)	A+SA (%)	Status
Aware of basic labour laws	15.4	22.0	62.7	Moderate
Minimum wage rights awareness	10.7	36.7	52.7	Moderate
Working hours & overtime rules	14.0	38.0	48.0	Moderate
PF, ESI, and Gratuity benefits	11.3	36.0	52.7	Moderate
Received formal training	15.3	26.0	58.6	Moderate
Overall awareness level	9.3	39.3	51.3	Moderate

SD – Strongly Disagree, D – Disagree, A – Agree, SA – Strongly Agree

C) Statistical Analysis

Correlation Analysis: Pearson correlation analysis revealed a statistically significant positive relationship between employee awareness of labour laws and workplace compliance ($r = 0.171, p = 0.036 < 0.05$). Since the p-value is less than 0.05, the null hypothesis is rejected, confirming that employee awareness has a significant positive effect on workplace compliance. This finding suggests that as employees gain more knowledge about labour laws, their adherence to workplace rules and regulations also increases.

Table 3: Pearson Correlation Results

Variables	r value	p value	Result
Awareness vs Workplace Compliance	0.171	0.036*	Significant

Significant at the 0.05 level (2-tailed)

- **Chi-Square Test:** The Chi-Square test was conducted to examine the association between the age of respondents and awareness of working hour regulations and overtime rules. The Pearson Chi-Square value was 9.761 with $df = 12$ and asymptotic significance = 0.637 ($p > 0.05$). Therefore, the null hypothesis is accepted, indicating that there is no significant association between the age of the respondent and awareness of working hour regulations and overtime rules.
- **One-Way ANOVA:** One-Way ANOVA was applied to test whether there is a significant difference in overall labour law awareness levels among employees from different departments (Marketing, Finance, Others). The F-value was 0.735 with a significance value of 0.481 ($p > 0.05$). Since the significance value exceeds 0.05, the result is not statistically significant, indicating that there is no significant difference in overall labour law awareness among employees across different departments.

D) Key Findings

The following key findings emerged from the study:

1. The majority of employees possess moderate awareness regarding labour laws and welfare measures.
2. Employees have better awareness regarding wages, working hours, and leave facilities compared to social security schemes and grievance procedures.
3. Educational qualifications and work experience significantly influence employee awareness of labour laws.
4. Organizations that conduct awareness programs and training sessions have employees with higher labour law awareness.
5. Proper communication from management improves employee understanding regarding legal rights and welfare measures.
6. A significant positive correlation exists between labour law awareness and workplace compliance ($r = 0.171, p = 0.036$).
7. No significant difference in awareness levels was found across departments ($F = 0.735, p = 0.481$).
8. Employees who are aware of labour laws feel more secure, confident, and satisfied in the workplace.
9. There is a notable gap between knowing labour laws and their practical application at the workplace.
10. Most employees are willing to attend training programs and advocate for labour law education in induction programs.

V. CONCLUSION

The research regarding the "Level of Awareness of Employees in Labour Laws Knowledge at Karaikal finds an average level of awareness in employees pertaining to labour laws and its welfare scheme. Workers have less awareness about social security benefits, grievance procedures, and legal protection than they do about basic employment provisions like wages, working hours and leave policies. A strong positive ($r = 0.171, p = 0.036$) correlation between employee awareness and workplace compliance, establishing that knowledge of labour laws directly corresponds to improved organizational discipline, with an overall aim of establishing industrial peace.

Education, experience, HR communication and training programs of the organization were recognized as the main determinants in labour law awareness. Employees who have a firm grasp of labour legislation work in companies that have run awareness programmes. Creating employer awareness based on workplace satisfaction, work transparency and employee trust. These study findings might be best practice for organizations and policymakers to enhance employee awareness and keep up

with effective labour law compliance. Training programs, induction sessions for employees at all levels and creation of awareness materials in multiple languages, along with open communication of policies, must be adopted to fill the current gap in information.

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