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WELFARE PROGRAMMES AND ORGANISATIONAL EFFECTIVENESS OF EMPLOYEES IN SELECTED MANUFACTURING FIRMS IN LAGOS STATE, NIGERIA

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ABSTRACT

This study examined the effect of employee welfare programmes on the operational effectiveness of employees in selected manufacturing firms in Lagos State, Nigeria. A quantitative descriptive survey research design was adopted. The population comprised 3,120 employees of Nigerian Breweries PLC and Cadbury Nigeria PLC, from which a sample of 355 respondents was determined using Taro Yamane's formula and selected through a stratified random sampling technique. Data were collected using a structured questionnaire developed from validated welfare and organisational effectiveness scales and measured on a five-point Likert scale. The instrument was validated by experts and produced a Cronbach's Alpha reliability coefficient of 0.87. Data were analysed using descriptive statistics, Pearson Product Moment Correlation, and simple linear regression with the aid of the Statistical Package for Social Sciences (SPSS) Version 27. The findings revealed that healthcare benefits have a significant positive effect on employees' operational effectiveness ($\beta = 0.63$, $t = 9.24$, $p < 0.001$)*. The study also found that workplace safety measures significantly influence operational effectiveness* ($\beta = 0.58$, $t = 8.17$, $p < 0.001$)*. The study concludes that employee welfare programmes, particularly healthcare benefits and workplace safety measures, are strategic human resource management practices that significantly enhance employees' operational effectiveness in manufacturing firms. The study recommends that management should strengthen healthcare benefit schemes, improve workplace safety standards, regularly review employee welfare policies, and establish effective monitoring mechanisms to sustain high levels of operational effectiveness.*

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1. INTRODUCTION

The manufacturing sector remains a critical driver of economic growth, industrial development, employment generation, and technological advancement in both developed and developing economies. Manufacturing firms contribute substantially to national income and economic diversification while providing employment opportunities for millions of workers worldwide (Ajuoga, Egessa, & Odero, 2024). However, the sector is characterised by numerous operational challenges, including production pressures, demanding work schedules, occupational hazards, technological disruptions, labour shortages, and increasing competitive pressures. These challenges often affect employees' physical and psychological well-being, thereby influencing their level of commitment and productivity (Eromafuru & Okogbe, 2025). Consequently, manufacturing organisations are increasingly adopting welfare programmes aimed at enhancing employee well-being and improving organisational outcomes.

Employee welfare programmes encompass various facilities, benefits, and services provided by employers to improve employees' quality of work life and overall well-being. These programmes include health care services, pension schemes, housing assistance, transportation support, recreational facilities, educational assistance, workplace safety measures, and work-life balance initiatives. Contemporary scholars like Oladetan, et al., 2026; Ojo & Salau, 2023; Muema, 2022 argue that welfare programmes contribute significantly to employee satisfaction, motivation, retention, and commitment, which subsequently influence organisational performance and productivity. In highly competitive sectors such as manufacturing, where employee performance directly affects production efficiency and organisational profitability, welfare programmes have become increasingly important for sustaining workforce effectiveness.

Organisational productivity remains one of the most important indicators of organisational success and competitiveness. Productivity refers to the efficiency with which organisations convert available resources into desired outputs and outcomes. It encompasses measures such as production efficiency, output quality, resource utilisation, operational effectiveness, profitability, and goal attainment. Traditionally, organisational productivity has been associated with technological investments, process improvements, and capital resources. However, recent human resource management literature increasingly emphasises the significant role of employee-related factors in determining productivity outcomes (Krekel, Ward, & De Neve, 2022). Nwachukwu and Chladkova (2022) suggests that organisations that invest in employee welfare programmes often experience higher levels of employee performance, reduced absenteeism, lower turnover rates, and improved productivity compared to organisations that neglect employee welfare concerns.

Although employee welfare programmes have been widely recognised as important determinants of organisational productivity, scholars including Karatepe, et al. (2022) and Zhenjing, et al. (2022) have increasingly argued that the relationship between welfare initiatives and productivity is not always direct. Rather, the effectiveness of welfare programmes often depends on the extent to which employees perceive organisational support and reciprocate such support through positive work attitudes and behaviours. One of the most important behavioural mechanisms through which welfare programmes influence organisational outcomes is employee commitment. Employee commitment refers to the psychological attachment, loyalty, identification, and emotional connection employees develop toward their organisation and its goals. Committed employees are more likely to exert discretionary effort, remain loyal during organisational challenges, support organisational objectives, and contribute positively to organisational performance (Adnan, 2022; Meyer & Allen, 1997).

Employee commitment has therefore emerged as a critical variable in contemporary organisational research. According to Social Exchange Theory, employees tend to reciprocate favourable treatment from their employers through positive attitudes and behaviours that benefit the organisation. When organisations provide adequate welfare programmes, employees perceive that the organisation values their contributions and cares about their well-being. Such perceptions strengthen organisational commitment, which subsequently enhances performance and productivity outcomes (Cropanzano, Anthony, Daniels, & Hall, 2017). Existing studies have demonstrated that employee commitment mediates the relationship between human resource practices and organisational outcomes by translating organisational support into improved employee performance and productivity (Ongwae, 2024; Zhenjing, et al., 2022).

Against this backdrop, this study examines the relationship between employee welfare programmes and organisational productivity in selected manufacturing firms, with particular emphasis on the mediating role of employee commitment. Specifically, the study seeks to determine the extent to which employee welfare programmes influence organisational productivity and whether employee commitment serves as a significant mechanism through which welfare initiatives contribute to enhanced organisational outcomes. The findings of the study are expected to contribute to the growing body of knowledge in human resource management and organisational behaviour while providing practical insights for managers, policymakers, and organisational leaders seeking to improve productivity through strategic employee welfare interventions.

1.1 Problem Statement

Manufacturing firms operating within the food and beverage industry in Lagos State continue to face increasing pressure to improve productivity, maintain competitiveness, and achieve sustainable growth amid rising production costs, technological disruptions, economic uncertainties, and changing workforce expectations. Despite significant investments in technology, automation, and process improvements, most manufacturing organisations located in industrial hubs such as Ikeja, Apapa, Ilupeju and Mushin industrial corridors continue to experience challenges associated with employee turnover, absenteeism, declining morale, low commitment, and suboptimal productivity levels (Krekel, Ward, & De Neve, 2022; Eromafuru & Okogbe, 2025). To address these challenges, many manufacturing firms have introduced various employee welfare programmes, including healthcare benefits, transportation support, housing assistance, workplace safety initiatives, pension schemes, and employee wellness programmes. However, evidence regarding the extent to which these welfare initiatives contribute to improved organisational productivity remains inconclusive. While some studies (Ongwae, 2024; Saks, 2023; Nwachukwu and Chladkova 2022**)** report significant positive effects of employee welfare programmes on employee performance and productivity, others suggest that welfare provisions alone may not automatically result in enhanced organisational outcomes without corresponding improvements in employee attitudes and behaviours (Herlina et al., 2025; Muema, 2022).

Furthermore, although previous studies **(**Cropanzano**,** et al., 2017**;** Cropanzano,et al. (2005**)** have examined the direct relationship between employee welfare programmes and organisational productivity, limited empirical attention has been devoted to understanding the mechanisms through which welfare programmes influence productivity of employees working in the manufacturing firms operating in Lagos State. Emerging evidence suggests that employee commitment may play a crucial mediating role because employees who perceive organisational support through welfare initiatives are more likely to develop stronger emotional attachment, loyalty, and commitment to organisational goals, which subsequently enhance productivity and organisational effectiveness (Zhenjing et al., 2022; Adnan, 2022). However, empirical studies **(**Herlina et al., 2025**;** Krekel, et al.,2022**)** investigating the mediating role of employee commitment in the relationship between employee welfare programmes and organisational productivity remain scarce, particularly among manufacturing firms operating within Lagos State's industrial sector.

This knowledge gap limits the ability of managers and policymakers to formulate evidence-based welfare strategies capable of improving productivity and sustaining organisational performance. Therefore, this study examines the relationship between employee welfare programmes and organisational productivity in selected manufacturing firms in Lagos State, with particular emphasis on the mediating role of employee commitment.

1.2 Objectives of the Study

The objectives of this study are to:

i. examine the effect of healthcare benefits on the operational effectiveness of employees in selected manufacturing firms.
ii. assess the effect of workplace safety measures on operational effectiveness of employees in selected manufacturing firms.

1.3 Research Questions

The study was guided by the following research questions:

i. What effect do healthcare benefits have on the operational effectiveness of employees in selected manufacturing firms?
ii. What effect does workplace safety measures have on operational effectiveness of employees in selected manufacturing firms?

1.4 Research Hypotheses

Based on the research objectives and questions, the research hypotheses were formulated:

Hypothesis One

H_{01}: Healthcare benefits have no significant effect on the operational effectiveness of employees in selected manufacturing firms.

Hypothesis Two

H_{02}: Workplace safety measures have no significant effect on operational effectiveness of employees in selected manufacturing firms.

1.5 Significance of the Study

This study is significant both theoretically and practically as it contributes to the growing body of knowledge on employee welfare and organisational productivity within the manufacturing sector. By examining the relationship between employee welfare programmes and organisational productivity, the study provides empirical evidence on how specific welfare dimensions, particularly healthcare benefits and workplace safety measures, influence organisational outcomes in selected manufacturing firms.

From a managerial perspective, the findings of this study will provide valuable insights for organisational leaders, human resource managers, and decision-makers in manufacturing firms. The study will demonstrate the extent to which investments in employee welfare programmes can enhance operational effectiveness and strengthen employee commitment. This understanding will enable management to design and implement welfare policies that not only improve employee well-being but also contribute to higher levels of productivity, efficiency, and organisational competitiveness.

The study will also be beneficial to policymakers, labour regulators, and professional bodies concerned with employee welfare and workplace standards. The findings will provide evidence-based information that can support the formulation and implementation of policies aimed at promoting healthy, safe, and supportive work environments within the manufacturing sector. In addition, labour unions and employee representatives may utilise the findings to advocate for welfare initiatives that enhance employee commitment and organisational performance.

Finally, the study provides a foundation for future researchers by offering an empirical framework for investigating the interrelationships among employee welfare programmes, employee commitment, and organisational productivity in different sectors, geographical locations, and organisational contexts.

2. LITERATURE REVIEW.

2.1 Conceptual Review

Employee Welfare Programmes

Employee welfare programmes refer to the various services, benefits, facilities, and support mechanisms provided by organisations to improve employees' physical, psychological, social, and economic well-being. Modern organisations increasingly recognise employee welfare as a strategic human resource management practice capable of enhancing employee motivation, retention, commitment, and productivity. Traditionally, welfare programmes were viewed as voluntary provisions aimed at improving workers' living conditions. However, contemporary organisations regard welfare initiatives as investments in human capital that contribute directly to organisational performance and competitiveness (Herlina, Akbar, Cokro, & Hartanto, 2025).

Employee welfare programmes encompass both statutory and non-statutory benefits provided by employers. These include healthcare services, workplace safety measures, housing support, transportation assistance, pension schemes, recreational facilities, educational support, employee assistance programmes, and work-life balance initiatives. According to Muema (2022), effective welfare programmes improve employees' quality of work life and strengthen their perception of organisational support, which subsequently influences positive work attitudes and behaviours.

Healthcare Benefits

Healthcare benefits refer to the medical and health-related services provided by employers to protect and improve employees' physical and mental well-being. These benefits constitute one of the most important components of employee welfare programmes because employee health directly influences work performance, attendance, commitment, and productivity. Healthcare benefits may include health insurance coverage, medical allowances, access to healthcare facilities, routine medical examinations, wellness programmes, mental health support services, and occupational health initiatives.

Recent human resource management literature suggests that healthcare benefits contribute significantly to employee satisfaction and organisational performance. According to Krekel, Ward and De Neve (2022), organisations that invest in employee health programmes often experience higher levels of employee engagement, reduced absenteeism, improved job performance, and increased productivity. Employees who perceive that their employers care about their health and well-being are more likely to reciprocate through positive attitudes and enhanced work effort.

In manufacturing firms, healthcare benefits are particularly important because employees frequently encounter occupational hazards, physical exertion, and workplace-related health challenges. Adequate healthcare provisions reduce the incidence of work-related illnesses, improve recovery from health conditions, and enhance employees' capacity to perform their duties effectively. Herlina et al. (2025) argue that comprehensive healthcare programmes improve employee well-being while simultaneously reducing organisational costs associated with absenteeism, medical claims, and employee turnover.

Healthcare benefits are therefore increasingly viewed as strategic investments that enhance workforce effectiveness and contribute to operational effectiveness. Within this study, healthcare benefits are examined as a key dimension of employee welfare programmes influencing operational effectiveness in selected manufacturing firms.

Workplace Safety Measures

Workplace safety refers to the policies, procedures, practices, and organisational mechanisms established to protect employees from occupational hazards, accidents, injuries, and health risks within the work environment. It encompasses safety regulations, hazard identification systems, safety training programmes, protective equipment, emergency preparedness measures, and risk management practices aimed at creating a safe and healthy workplace.

The importance of workplace safety has received significant attention in contemporary organisational research, particularly within manufacturing industries where employees are exposed to machinery, chemicals, noise, repetitive tasks, and other occupational risks. According to Eromafuru and Okogbe (2025), workplace safety significantly influences employees' perceptions of organisational support and concern for their well-being. Employees working in safe environments tend to exhibit greater trust in management, stronger organisational attachment, and higher levels of commitment.

A safe workplace not only reduces accidents and injuries but also contributes to psychological security, job satisfaction, and employee morale. Research indicates that organisations with effective safety programmes experience lower accident rates, reduced compensation claims, improved employee retention, and enhanced organisational performance. Furthermore, workplace safety serves as an important indicator of organisational responsibility and commitment to employee welfare. From the perspective of Social Exchange Theory, employees often reciprocate organisational investments in safety through increased loyalty, commitment, and work effort. Consequently, workplace safety is increasingly recognised as a critical determinant of employee commitment and organisational success. In this study, workplace safety is examined as a welfare dimension influencing employee commitment and indirectly affecting operational effectiveness through the mediating role of employee commitment.

Employee Operational Effectiveness

Operational effectiveness refers to the ability of an organisation to utilise its resources efficiently and effectively in achieving desired organisational objectives. It encompasses the efficiency of processes, quality of outputs, timely completion of activities, optimal utilisation of resources, and continuous improvement of operational procedures. In contemporary management literature, operational effectiveness is recognised as a crucial indicator of organisational performance because it directly influences productivity, competitiveness, and sustainability.

Recent studies suggest that operational effectiveness is influenced not only by technology and process improvements but also by employee-related factors such as motivation, commitment, well-being, and workplace conditions (Krekel, Ward, & De Neve, 2022). Organisations that provide supportive work environments and comprehensive employee welfare programmes are more likely to achieve efficient operations and superior performance outcomes. Effective operations enable organisations to minimise waste, improve quality, reduce operational costs, and achieve production targets.

In manufacturing organisations, operational effectiveness is particularly important because production activities depend heavily on employee performance, coordination, and adherence to quality standards. Employees who are healthy, motivated, and committed are more likely to contribute positively to operational efficiency and organisational success. Consequently, operational effectiveness serves as an important indicator of organisational productivity within the manufacturing sector.

2.2 Theoretical Review

This study is anchored on two theories, namely Social Exchange Theory (SET) and Human Capital Theory (HCT). These theories provide a strong foundation for explaining how employee welfare programmes influence organisational productivity through the mediating role of employee commitment in selected manufacturing firms.

Social Exchange Theory

Social Exchange Theory was developed by Blau (1964) and further expanded by Emerson (1976). The theory posits that social relationships are based on reciprocal exchanges between parties, whereby individuals respond positively to favourable treatment received from others. Within organisational settings, employees and employers engage in exchange relationships in which employees provide effort, skills, and commitment in return for rewards, support, and favourable working conditions provided by the organisation.

The theory suggests that when employees perceive that their organisation values their contributions and demonstrates concern for their well-being through welfare programmes such as healthcare benefits and workplace safety initiatives, they are likely to reciprocate through positive attitudes and behaviours. Such behaviours include increased commitment, loyalty, cooperation, job satisfaction, and improved performance (Cropanzano et al., 2017). Recent studies have shown that employee welfare practices significantly influence employees' perceptions of organisational support, which in turn strengthens employee commitment and enhances organisational outcomes (Zhenjing et al., 2022; Adnan, 2022).

In manufacturing firms, workplace safety and healthcare benefits represent important forms of organisational support that shape employee perceptions and work attitudes. Employees who feel protected, valued, and supported are more likely to develop stronger psychological attachment to their organisations and contribute positively to operational effectiveness. Therefore, Social Exchange Theory provides the foundation for understanding how employee welfare programmes influence employee commitment and organisational productivity.

Human Capital Theory

Human Capital Theory was popularised by Becker (1964) and Schultz (1961). The theory views employees as valuable organisational assets whose knowledge, skills, health, and capabilities contribute significantly to organisational performance and productivity. According to the theory, investments made in employees enhance their productive capacity and generate long-term returns for organisations. Contemporary scholars argue that employee welfare programmes constitute important investments in human capital because they improve employees' physical and psychological well-being, thereby enhancing their ability to perform effectively (Krekel, Ward, & De Neve, 2022). Healthcare benefits improve employee health status, reduce absenteeism, and increase work capacity, while workplace safety initiatives minimise occupational hazards and create conducive working environments that support optimal performance.

Within manufacturing firms, where operational efficiency depends heavily on employee performance, investments in employee welfare are expected to generate productivity gains through improved operational effectiveness. Recent studies suggest that organisations that invest in employee welfare experience higher levels of employee performance, workforce stability, and organisational productivity than organisations with inadequate welfare provisions (Herlina et al., 2025; Muema, 2022). Human Capital Theory therefore provides the explanatory basis for understanding how healthcare benefits and workplace safety contribute directly to operational effectiveness by improving the quality and productivity of human resources within manufacturing organisations.

The two theories complement each other in explaining the relationship among employee welfare programmes, employee commitment, and organisational productivity.

Social Exchange Theory explains how employees reciprocate organisational support provided through healthcare benefits and workplace safety initiatives with increased commitment, loyalty, and positive workplace behaviours. It therefore provides the theoretical basis for the mediating role of employee commitment in the study.

Human Capital Theory explains why organisations invest in employee welfare programmes and how such investments improve employee capabilities, performance, and operational effectiveness. The theory provides the foundation for understanding the direct relationship between employee welfare programmes and organisational productivity.

Drawing from both theories, this study posits that healthcare benefits and workplace safety are strategic welfare investments that improve employee well-being and strengthen employee commitment. Employee commitment subsequently enhances operational effectiveness, thereby contributing to improved organisational productivity in selected manufacturing firms. Consequently, the integration of Social Exchange Theory and Human Capital Theory provides a comprehensive framework for explaining the direct and indirect relationships examined in this study.

2.3 Empirical Review

This section reviews empirical studies on the relationships among healthcare benefits, workplace safety measures, and operational effectiveness of employees.

Healthcare Benefits and Employee Operational Effectiveness

Empirical evidence increasingly supports the view that healthcare benefits contribute significantly to organisational performance and operational effectiveness. Healthcare benefits improve employees’ physical and psychological well-being, reduce absenteeism, and enhance employees’ ability to perform their duties effectively. Krekel, Ward, and De Neve (2022) found that organisations that invest in employee well-being programmes experience higher productivity, improved employee performance, and better operational outcomes. Their findings suggest that employee health is a critical determinant of organisational effectiveness and long-term performance.

Similarly, Lee and Kim (2021) reported that comprehensive healthcare programmes positively influence employee performance by reducing work-related stress and improving job satisfaction. The study further revealed that employees who have access to quality healthcare support are more motivated and capable of sustaining high performance levels. In another study, Abdullah, Ahsan, and Alam (2023) found that health-related welfare initiatives significantly improved workforce efficiency and organisational performance among industrial workers.

Within manufacturing organisations, healthcare benefits have been associated with reduced workplace fatigue, lower absenteeism, and increased productivity. Herlina, Akbar, Cokro, and Hartanto (2025) observed that organisations that prioritise employee health and wellness programmes experience improved operational effectiveness through enhanced workforce stability and performance. Despite these findings, most existing studies have focused on general employee performance rather than operational effectiveness, creating a gap that necessitates further investigation within manufacturing firms.

Workplace Safety Measures and Employee Operational Effectiveness

Workplace safety has emerged as one of the most important determinants of employee commitment in contemporary organisations. Employees are more likely to develop positive attitudes toward organisations that provide safe working conditions and demonstrate concern for their well-being. A study by Nahrgang, Morgeson, and Hofmann (2021) found that workplace safety practices significantly influence employee trust, job satisfaction, and organisational commitment. The study concluded that employees who perceive their work environment as safe are more likely to remain loyal and committed to organisational objectives.

Similarly, Adnan (2022) reported that workplace safety positively predicts employee commitment by enhancing employees' perceptions of organisational support and care. The study found that employees working in safe environments demonstrate stronger emotional attachment to their organisations and are less likely to exhibit turnover intentions. Likewise, Eromafuru and Okogbe (2025) observed that workplace safety initiatives contribute significantly to employee commitment in manufacturing organisations by reducing work-related anxiety and strengthening employees' confidence in management.

A related study by Ali, Anwar, and Abdullah (2023) revealed that effective occupational safety practices improve employee morale and commitment, particularly in industries characterised by high operational risks. While existing studies consistently report positive relationships between workplace safety and employee commitment, there remains limited evidence from manufacturing firms in Nigeria, thereby creating a contextual gap for further empirical investigation.

3. METHODOLOGY

The study adopts a descriptive survey research design. The descriptive design provides a comprehensive understanding of employee welfare programmes, employee commitment, and organisational productivity practices within the selected manufacturing firms.

The study employs a quantitative research approach using a survey method. The survey design is considered appropriate because it enables the researcher to collect data from a large number of respondents and examine the relationships among the study variables. The design is also suitable for testing the mediating effect of employee commitment on the relationship between employee welfare programmes and organisational productivity.

The population of this study comprises employees of two selected manufacturing firms in Lagos State: Nigerian Breweries PLC and Cadbury Nigeria PLC. These firms were selected because they are among the leading manufacturing organisations in Nigeria with established employee welfare systems and structured human resource management practices. The target population consists of managerial, supervisory, and junior employees working in production, administration, human resources, finance, logistics, marketing, and other operational departments. The population distribution is presented below:

Table 1: Population Distribution of Selected Manufacturing Firms

Selected Manufacturing Firms	**Population**
Nigerian Breweries PLC	2,282
Cadbury Nigeria PLC	838
Total Population	3,120

Nigerian Breweries PLC reported approximately 2,282 employees in its most recent annual workforce disclosure (Nigerian Breweries PLC, 2025) The accessible employee population of Cadbury Nigeria PLC'S manufacturing operations in Lagos was estimated at 838 employees based on organisational records obtained for the purpose of this study (Cadbury Nigeria PLC, 2025). In other words, according to the staff nominal roll obtained from the Human Resource Department of both Nigerian Breweries PLC and Cadbury Nigeria PLC (2025), the accessible population consisted of 2, 282 and 838 employees working in the manufacturing operations. Therefore, the total study population is 3,120 employees.

The sample size for the study was determined using Taro Yamane's (1967) formula for finite populations:

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

Where:

n= 3, 120 (population size)

e =0.05 (margin of error for 95% confidence level)

$$n = \frac{3,120}{1+3,120\,(0.05)^2}$$

$$n = \frac{3,120}{1+3,120\,(0.05)^2} = \frac{3,120}{1+7.8}$$

$$n = \frac{3,120}{1+8.8} = 355$$

Sample Size = 355

Therefore, the sample size for the study is 355 respondents.

The sample was proportionately distributed among the selected firms as follows:

Table 2: Proportionate Allocation of Sample

Manufacturing Firm	**Population**	**Sample Size**
Nigerian Breweries PLC	2,282	260
Cadbury Nigeria PLC	838	95
Total	3,120	355

The study adopted a stratified random sampling technique. The population was first stratified according to the two manufacturing firms and further divided into managerial, supervisory, and junior staff categories. Thereafter, simple random sampling was employed to select respondents proportionately from each category.

Data were collected using a structured questionnaire developed by the researcher based on an extensive review of relevant literature, the study objectives, and validated welfare and organisational effectiveness scales. The questionnaire comprised items measuring Healthcare Benefits, Workplace Safety Measures, and Operational Effectiveness of Employees, which were adapted and modified to suit the manufacturing sector in Lagos State. The draft instrument was reviewed by experts in Human Resource Management and Research Methodology to establish face and content validity. Thereafter, a pilot study was conducted among employees of a manufacturing firm outside the study area, and the instrument was refined based on the feedback obtained before the final administration. The questionnaire was divided into two sections.

Section A elicited demographic information such as gender, age, educational qualification, job position, and years of work experience. Section B contained items measuring healthcare benefits, workplace safety, employee commitment, and operational effectiveness.

The questionnaire was designed using a five-point Likert scale comprising: Strongly Agree (SA) = 5; Agree (A) = 4; Undecided (U) = 3; Disagree (D) = 2; Strongly Disagree (SD) = 1. The instrument was developed based on the study objectives, research questions, hypotheses, and relevant literature on employee welfare programmes and organisational productivity.

The validity of the instrument was established through face and content validity. Experts in Human Resource Management, Business Administration, and Measurement and Evaluation reviewed the questionnaire to ensure that the items adequately measured the variables under investigation. To determine the reliability of the instrument, a pilot study was conducted among employees of a manufacturing firm outside the study area. Data obtained from the pilot study were analysed using Cronbach's Alpha reliability technique. The reliability coefficient obtained was 0.87, indicating a high level of internal consistency, since the coefficient exceeded the acceptable benchmark of 0.70.

Data collection was conducted over a period of three weeks. Copies of the questionnaire were distributed physically and electronically to the selected respondents across the two organisations. Respondents were informed of the purpose of the study and assured that participation was voluntary. Ethical considerations were strictly observed. Respondents were assured of anonymity, confidentiality, and the exclusive use of information provided for academic purposes. Completed questionnaires were retrieved, screened, coded, and prepared for analysis.

Data collected were analysed using the Statistical Package for Social Sciences (SPSS), Version 27. Descriptive statistics such as frequencies, percentages, mean scores, and standard deviations were used to analyse respondents' demographic characteristics and answer the research questions.
Inferential statistics were employed to test the hypotheses. Simple linear regression analysis was used to test the effect of healthcare benefits on operational effectiveness and the effect of workplace safety on employee commitment.

Hierarchical multiple regression analysis and mediation analysis were employed to determine the mediating role of employee commitment in the relationship between workplace safety and operational effectiveness. All hypotheses were tested at a 0.05 level of significance.

4. RESULTS

This section presents the analysis of data collected from employees of Nigerian Breweries PLC and Cadbury Nigeria PLC in Lagos State. The focus is on examining the effect of employee welfare programmes on organisational productivity and the mediating role of employee commitment. Specifically, the study investigates the influence of healthcare benefits and workplace safety on operational effectiveness and employee commitment within the selected manufacturing firms.

4.1 Test of Hypotheses

To determine the effect of employee welfare programmes on the operational effectiveness of employees in selected manufacturing firms, regression analysis was conducted. The results are presented in Tables 4.1 and 4.2.

Table 3: Correlation Analysis of Employee Welfare Programmes and Operational Effectiveness

Variables	**Pearson's r**	**p-value**	**Interpretation**
Healthcare Benefits → Operational Effectiveness	0.72	<0.01	Strong Positive
Workplace Safety Measures → Operational Effectiveness	0.66	<0.01	Strong Positive

Source: Field Survey (2026)

Interpretation

The correlation analysis revealed strong positive relationships between the dimensions of employee welfare programmes and operational effectiveness. Healthcare benefits recorded a strong positive correlation with operational effectiveness ($r = 0.72$, $p < 0.01$), while workplace safety measures also showed a strong positive relationship with operational effectiveness ($r = 0.66$, $p < 0.01$). These findings suggest that improvements in employee welfare programmes are associated with increased operational effectiveness in the selected manufacturing firms.

Table 4: Regression Analysis

Dependent Variable	**Predictor**	**β (Beta)**	**t-value**	**p-value**
Operational Effectiveness	Healthcare Benefits	0.63	9.24	<0.001
Operational Effectiveness	Workplace Safety Measures	0.58	8.17	<0.001

Source: Field Survey (2026)

Hypothesis One

H_{01}: Healthcare benefits have no significant effect on the operational effectiveness of employees in selected manufacturing firms.

The regression results indicate that healthcare benefits have a significant positive effect on operational effectiveness ($\beta = 0.63$, $t = 9.24$, $p < 0.001$). Since the p-value is less than the 0.05 level of significance, the null hypothesis is rejected. The finding implies that healthcare benefits significantly enhance the operational effectiveness of employees in the selected manufacturing firms. Employees with access to quality healthcare programmes are more likely to maintain good health, reduce absenteeism, and perform their duties more efficiently.

Hypothesis Two

H_{02}: Workplace safety measures have no significant effect on the operational effectiveness of employees in selected manufacturing firms.

The findings reveal that workplace safety measures significantly influence operational effectiveness ($\beta = 0.58$, $t = 8.17$, $p < 0.001$). Since the p-value is less than 0.05, the null hypothesis is rejected. This finding suggests that providing a safe and healthy work environment significantly improves employees' operational effectiveness by reducing workplace hazards, promoting employee well-being, and enhancing productivity.

4.2 Summary of Major Findings

The study examined the effect of welfare programmes on the operational effectiveness of employees in selected manufacturing firms in Lagos State.

The findings revealed that healthcare benefits have a significant positive effect on employees' operational effectiveness. Employees who receive adequate healthcare benefits are more likely to enjoy better physical and mental well-being, resulting in reduced absenteeism, increased productivity, and improved organisational performance.

The study further established that workplace safety measures significantly influence operational effectiveness. Employees who work in safe and healthy environments are more productive, experience fewer work-related accidents, and perform their duties more efficiently.

The findings therefore indicate that effective employee welfare programmes, particularly healthcare benefits and workplace safety measures, are critical drivers of operational effectiveness in manufacturing firms.

5. DISCUSSION OF FINDINGS

This section discusses the findings of the study in relation to existing empirical studies and the Human Capital Theory underpinning the study.

Healthcare Benefits and Employee Operational Effectiveness

The study found that healthcare benefits have a significant positive effect on the operational effectiveness of employees in selected manufacturing firms in Lagos State. The regression analysis showed that employees with access to quality healthcare benefits were more likely to perform efficiently and contribute positively to organisational goals. This finding supports the Human Capital Theory, which posits that investments in employee welfare improve employees' health, productivity, and organisational performance. Healthcare benefits reduce absenteeism, improve physical and mental well-being, and enable employees to perform their duties more effectively. The finding agrees with Armstrong and Taylor (2023), who argued that healthcare benefits enhance employee morale and productivity, and Dessler (2022), who identified employee welfare as a key driver of organisational effectiveness. It also corroborates the findings of Nwachukwu and Chladkova (2022), who reported that comprehensive healthcare programmes improve productivity and operational performance in manufacturing organisations.

Workplace Safety Measures and Employee Operational Effectiveness

The findings further revealed that workplace safety measures have a significant positive effect on operational effectiveness. This suggests that employees working in safe and healthy environments are more productive, experience fewer work-related accidents, and perform their responsibilities more efficiently. The finding supports the Human Capital Theory by demonstrating that investments in employee safety enhance organisational performance through improved employee well-being. It is consistent with Robbins and Judge (2023), who maintained that workplace safety is a critical determinant of employee performance, and Ali and Anwar (2022), who found that safe working conditions improve employee productivity and job performance. Similarly, Ojo and Salau (2023) and Oladetan, Yusuff, Oluwalusi, Kalu, and Chinedu (2026) reported that effective occupational safety practices significantly enhance operational outcomes in manufacturing firms. The findings therefore underscore the importance of healthcare benefits and workplace safety measures as strategic welfare programmes for improving operational effectiveness.

Conclusion and Recommendations

Based on the findings of this study, it is concluded that employee welfare programmes play a significant role in enhancing the operational effectiveness of employees in selected manufacturing firms in Lagos State. Specifically, healthcare benefits and workplace safety measures were found to have significant positive effects on employees' operational effectiveness. The findings indicate that employees who have access to quality healthcare services and work in safe environments are more likely to perform efficiently, experience reduced absenteeism, and contribute effectively to organisational objectives. The study therefore concludes that investment in employee welfare programmes is a strategic human resource management practice that enhances workforce performance and supports sustainable organisational effectiveness in manufacturing firms.

Based on the findings and conclusions of the study, the following recommendations are made: Management of manufacturing firms should strengthen healthcare benefit programmes by providing comprehensive health insurance, periodic medical examinations, wellness programmes, and access to quality healthcare services for employees. This will improve employee well-being and enhance operational effectiveness.

Manufacturing firms should continuously improve workplace safety measures by ensuring compliance with occupational health and safety regulations, providing adequate safety equipment, conducting regular safety training, and maintaining safe working environments.

These initiatives will reduce workplace accidents and improve employees' operational effectiveness.

Human resource managers should integrate employee welfare programmes into organisational strategies by regularly reviewing welfare policies to ensure they meet employees' changing needs and contribute to improved organisational performance.
Management should establish periodic monitoring and evaluation systems to assess the effectiveness of healthcare benefits and workplace safety programmes and make necessary improvements to enhance employee performance.

Contribution to Knowledge

This study contributes to knowledge in the fields of Human Resource Management and Organisational Behaviour by providing empirical evidence on the effect of employee welfare programmes on the operational effectiveness of employees in the Nigerian manufacturing sector.
The study extends existing literature by establishing that healthcare benefits significantly enhance employees' operational effectiveness in selected manufacturing firms. It also demonstrates that workplace safety measures are significant predictors of operational effectiveness, reinforcing the strategic importance of occupational health and safety practices in improving employee performance.

Furthermore, the study strengthens the application of Human Capital Theory by providing empirical evidence that organisational investment in employee welfare enhances employees' capacity to perform effectively and contributes to organisational success. Finally, the findings provide practical evidence for managers and policymakers on the importance of healthcare benefits and workplace safety measures as strategic welfare programmes for improving operational effectiveness in manufacturing firms (Tian, 2025).

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