

# A Study on Determinants of Welfare Benefits (Funding Support, Cultural Support, Life Support, Facility Support, Health Support)

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### **Abstract**

The elderly population needing care is rapidly increasing in Korea due to the rapidly aging population, where a long-term care insurance system is fully implemented, and nursing homes have replaced the traditional care role of the family. Despite of visualizing social effects, accident rates are high in falls, bedsores and first aid. Therefore, it is necessary to systematically manage elderly care by strengthening the long-term service and professionalism of nursing caregivers, who are the core personnel of elderly care. This research empirically examined the effect of welfare benefits on the turnover intention of elderly nursing homes. Hypothesis 1 is partially adopted. First, funding support of welfare profit does not give significant influence on increasing trends of the job satisfaction. Second, cultural support of welfare profit gives significant effect on increasing trends of the job satisfaction. Third, life support of welfare profit gives significant influence on the increasing trends of job satisfaction. Fourth, facility support of welfare profit gives significant influence on increasing trends of the job satisfaction. Fifth, health support of welfare profit does not give significant influence on job satisfaction. Hypothesis 2 was adopted. Sixth, job satisfaction of caregivers gives significant influence on the reducing trends of turnover intention.

Keywords: Funding Support, Cultural Support, Welfare Benefits, Job

Satisfaction, Turnover Intention

# 1. INTRODUCTION

Long-term care services for the elderly are service programs that take care of the elderly using human resources. Various occupations such as social workers, physiotherapists, occupational therapists, etc. provide nursing care services directly as service personnel. In particular, caregivers take part in a key position in determining the value of lasting concern services for old man in that they plan physical, mental and psychological care and provide systematic and final services based on their expertise (Yoon et al. 2011, Lee 2019). There is a need for the implementation of various welfare benefit measures and the improvement of

work satisfaction to strengthen the motivation to work and induce long-term service for the professional performance of the caregiver. The point of this research is to analyze the property of welfare benefits for caregivers to suggest effective human source management plans for them.

The intention of report is to examine the effects of welfare benefits on job satisfaction and turnover intention. Numerous previous studies divided welfare benefits into funding support, cultural support, life support, and facility support. Welfare benefits focused on job satisfaction for caregivers and reducing of turnover intention in many previous studies. Empirical analysis was conducted after reviewing previous studies on welfare benefits, job



satisfaction for caregivers, reducing of turnover intention. It is selected funding support, cultural support, life support, and facility support as welfare benefits. The importance of this study is as follows. First, this paper empirically analyzed whether welfare benefits give significant influence on job satisfaction. Second, this paper empirically analyzed whether job satisfaction for caregivers gives significant emotional impact on reducing of turnover intention.

### 2. THEORETICAL BACKGROUND

### 2.1. WELFARE BENEFITS

Welfare benefits differ in terminology. There are welfare schemes in which the company bears all or part of the expenses in addition to cash benefits, regardless of the legal force. Welfare benefits can be divided into statutory benefits mandated by law, benefits provided by companies voluntarily. Good welfare benefits are known to have a helpful result on work efficiency and value of life (Hwang and Park 2018, Kim 2018). Based on the before study, the measurement tool modified according to the characteristics of the caregiver, and the benefits were divided into funding support, cultural support, life support, facility support, and health support.

The welfare system in social welfare facilities has mainly been dealt with in research on the work environment and treatment of social workers. The welfare benefits provided by domestic social welfare institutions to workers included overtime allowances, housing expense assistance, health support, meal expense assistance, recreational assistance, and resilient employment (Kang 2009, Choi, C. 2018). In a study by Kim, it was found that domestic social welfare facilities operate an average of 2.2 welfare programs (Kim et al. 2014). However, many people could not use the legally guaranteed benefit system. Many workers in social welfare facilities still receive insufficient welfare benefits.

# 2.2. JOB SATISFACTION

Job satisfaction of previous studies is the basic way to measure employment performance. The concept of job satisfaction is variously defined by scholars as an overall emotional attitude of attitudes, beliefs, and desires related to one's job. Job satisfaction is the major motivation to predicting turnover intention, so the importance of studying it is emphasized (Kim et al. 2019, Cho and Choe 2019). Welfare benefits are known to affect job satisfaction. Lee showed higher job satisfaction than those who received a lot of benefits (Lee, 2008). A study on hotel company workers reported that welfare benefits, cultural support and life support had a significant point on the job satisfaction of caregivers (Seo et al. 2012). A study on the job satisfaction of workers with disabilities also showed that the number of welfare programs operated by workplaces had a positive point on job satisfaction (Joo et al. 2010). An emphasis was placed on rewarding workers in the welfare system.

# 2.3. TURNOVER INTENTION

Turnover refers to when a worker leaves his or her organization. It is separated to voluntary and involuntary turnover according to the employee (Alen and Meyer 1990, Sripathi et al. 2015). Intention is the degree to which you want. Turnover intention is the subjective intention or state of mind of workers who want to leave the current organization. Long-term care services for the elderly are absolutely dependent on human services, so the competitiveness and professionalism of people who care for the elderly, especially caregivers, guarantee the quality of care (Chen et al. 1998, Kim and Kim 2019). Therefore, frequent turnover of caregivers and short periods of service due to organizational leave have a negative impact on the quality of care services.

Involuntary turnover includes death and retirement, which are not dependent on the will of the worker, and can also take the form of dismissal or termination of contract to correct wrong employment decisions in terms of labor demand (Shaw et al. 1998). Chosen turnover is when a worker leaves an association in response to their subjective decision making, primarily due to dissatisfaction with the present occupation and the presence of alternative jobs (Hulin et al. 1985, Park et al. 2016).

The turnover or turnover intention of social workers is a very important factor in that it affects the individual, the organization, and the clients receiving services. Turnover is a negative aspect of the involvement of careers, the loss of incentives based on careers, the stress of new job adjustments, and the termination of social relationships (Choi, E.



2018). The high turnover rate of social workers is not only a problem in providing continuous and stable service to users, but also the quality of service is impaired by frequent change of personnel (Mor Barak et al. 2001, Youn 2018). The turnover of common workers leads to increased workloads and lower morale of remaining workers, which can lead to disruptions in human resource management. In addition, it can be said that the remaining workers or new workers have a short time to learn new professional skills, which can lead to a deterioration in service quality, which negatively affects the overall productivity and efficiency of social welfare facilities.

### 3. RESEARCH DESIGN

## 3.1. RESEARCH MODEL

This paper emphasis on examining the effects of welfare benefits (funding support, cultural support, life support, facility support, health support) on turnover intention for caregivers. Founded on the prior examination, the research model is offered in [Figure 1].

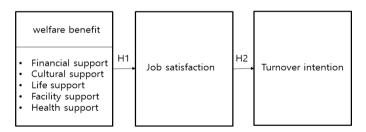


Fig. 1 Research Model

# 3.2. RESEARCH HYPOTHESES

Hypotheses on welfare benefits and job satisfaction: financial support, cultural support, life support, facility support and health support are defined as the ability to properly control various benefits. Job satisfaction indicates satisfaction with your work, and generally includes attitudes, interests and longings for all work. The following hypotheses were set as the factors that affect the welfare benefits of nursing care providers.

Hypothesis H1: Welfare benefits will give significantly positive influence on the increasing of job satisfaction.

Hypothesis H1-1: Funding support will give

significantly positive influence on the increasing of job satisfaction.

Hypothesis H1-2: Cultural support will give significantly positive influence on the increasing of job satisfaction.

Hypothesis H1-3: Facility support will give significantly positive influence on the increasing of job satisfaction.

Hypothesis H1-4: Life support will give significantly positive influence on the increasing of job satisfaction.

Hypothesis H1-5: Health support will give significantly positive influence on the increasing of job satisfaction.

Hypothesis on job satisfaction and turnover intention: As a lot of nursing care providers are released, frequent turnover, low job satisfaction, emotional exhaustion and high job stress are occurring at service sites (Kim et al. 2012, Dole and Schroeder 2011). A number of studies on job satisfaction and service value of caregivers have been conducted, but studies on the effects of welfare benefits on job satisfaction and turnover intention of caregivers have been insufficient (Holton et al. 2010).

Hypothesis H2: Job satisfaction will give significantly positive influence on increasing of reducing turnover intention of caregivers.

## 3.3. EMPIRICAL ANALYSIS AND RESULTS

The survey was carried out on 80 nursing care workers in senior care centers in Busan, and 76 dutiful responses were used for analysis. The basic statistics survey is as follows. 12% of the respondents were male and 88% were female. As for age groups, 76% were in their 50s and over, while 67% were in high school and below, and 85% were married. In terms of employment, 71% were employed as regular workers

Data Analysis; In order to analyze data, SPSS 22.0 for basic statistics and Smart PLS 2.0 for structural equation analysis were used respectively. Convergent validity was tested based on the factor loading value, composite reliability (CR), and average variance extracted (AVE) from each factor. Since the factor loading value, CR, and AVE were higher than 0.6, 0.7, and 0.5, respectively, convergent validity was verified. Discriminate validity was also



verified.

Table I. Reliability and Internal Consistency

Variables	Factor Loading	AVE	C. R.	Cronbach's α	
	0.847				
Funding support	0.885	0.746	0.898	0.831	
support	0.859				
G 1. 1	0.844				
Cultural	0.898	0.787	0.917	0.864	
support	0.917				
T : C	0.531				
Life	0.029	0.626	0.834	0.702	
support	0.952				
	0.788	_	-		
Facility support	0.790	0.397	0.558	0.614	
support	0.796				
Health support	0.781				
	0.870	0.690	0.870	0.776	
support	0.839				
Job satisfaction	0.888		0.936	0.909	
	0.868	0.786			
	0.908	0.780			
	0.881				
	0.860	_			
Turnover	0.787	0.634	0.874	0.809	
Intention	0.784	0.034	0.874	0.809	
	0.750				

Table II. Correlation and Discriminant Validity

Variab les	A VE	1	2	3	4	5	6	7
Fundin g suppor t	0.7 46	0.8 64						
Cultur al suppor t	0.7 87	0.8 27	0.8 87					
Life suppor t	0.6 26	0.5 57	0.4 93	0.7 91				

Facilit y suppor t	0.3 97	0.5 42	0.4 35	0.5 55	0.6 30			
Health suppor t	0.6 90	0.6 48	0.6 81	0.6 17	0.5 26	0.8 31		
Job satisfa ction	0.7 86	0.6 10	0.6 09	0.5 76	0.5 63	0.6 01	0.8 87	
Turno ver intenti on	0.6 34	- 0.4 94	- 0.4 91	- 0.3 37	- 0.4 05	- 0.4 39	- 0.6 70	0.7 96

## 3.4. VERIFICATION OF RESEARCH MODEL

For the structural model, Smart PLS 2.0 was utilized. The path coefficient and the coefficient of determination  $(R^2)$  between the variables were derived. The coefficient of determination  $(R^2)$  for job satisfaction (0.527) and turnover intention (0.450) was "high."

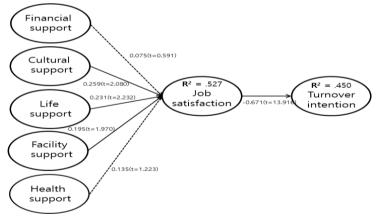


Fig. 2. Verification of Research Model

Hypothesis H1-1, "Financial support will give a positive effect on the increasing of job satisfaction" was rejected because it was not statistically significant ( $\beta$ =0.075, t=0.591, p>0.05). It means that among the factors of benefits that affect job satisfaction, funding is not significant. Funding is cash benefits such as school expenses and vacation and holiday bonuses, which do not affect job satisfaction. In hypothesis H1-2, cultural support was found to give significant effect on the increasing of job satisfaction ( $\beta$ =0.259, t=2.080, p<0.05). Among the factors of welfare benefits



affecting job satisfaction, cultural support, such as for religious activities, club activities, selfdevelopment and cultural events, is significant. In hypothesis H1-3, facility support give significant effect on the increasing of job satisfaction ( $\beta$ =0.231, t=2.232, p<0.05). In terms of facility support, job satisfaction is increased by installing rest facilities, parking facilities, and in-house restaurants. In hypothesis H1-4, life support give significant effect on the increasing of job satisfaction ( $\beta$ =0.195, t=1.970, p<0.05). Life support is well-managed handling of employee grievances, and the rank of job satisfaction is increased if person insurance is provided for emergency situations. Hypothesis H1-5, that "health support will give positive effect on the increasing of job satisfaction" was rejected because it was not statistically significant ( $\beta$ =0.135, t=1.223, p<0.05). In addition to the national examination under the National Health Insurance, health support for comprehensive health examinations, occupational and non-working sickness has no significance for job satisfaction. This seems to reflect the absence of substantial additional medical benefits due to the national health insurance mandate. In hypothesis H2, the increasing of job satisfaction and the reducing of turnover intention ( $\beta$ =-0.671, t=13.916, p<0.05) in had a significant effect. Turnover intention decreases when people are satisfied with their job and work environment.

Table III. Hypothesis Test Results

Hypothesis Path	Standardized Coefficient (β)	t- value	Decision	
H1-1: Financial				
$support \rightarrow Job$	0.075	0.591	Accept	
satisfaction				
H1-2: Cultural				
$support \rightarrow Job$	0.259	2.080	Accept	
satisfaction				
H1-3: Life support	0.221	2 222	<b>A</b>	
→ Job satisfaction	0.231	2.232	Accept	
H1-4: Facility				
support → Job	0.195	1.970	Accept	
satisfaction				
H1-5: Health	0.135	1.223	Reject	

support  $\rightarrow$  Job satisfaction H2: Job satisfaction  $\rightarrow$  -0.671 13.916 Accept Turnover intention t=1.97\*, p <0.05

## 4. CONCLUSION

In order to emphasize the importance of welfare benefits for caregivers, the empirical learning examined the effects of welfare benefits of caregivers on job satisfaction and turnover intention. Hypothesis 1 was partially rejected. Among the five components of welfare benefits, funding, cultural support, living support, facility support, and health support, funding and health support had no significant impact. In the case of funding, there are not many facilities that provide realistic support for caregivers, and caregivers with high employment rates for middle-aged and old-age women tend to lower their cash benefits. In addition, the National Health Insurance and the Industrial Accident Compensation Insurance provide sufficient safety nets for non-working people and sickness in the workplace, so that additional health support does not give significant effect on job satisfaction (Sager and Johnston 1989, Lee and Lee 2018).

The results are as follows. First, welfare benefits for caregivers have a positive influence on job satisfaction. Higher welfare benefits lead to higher job satisfaction. Cash welfare benefits should be strengthened in the order of cultural support, life support, facility support, health support, and funding. Second, the job satisfaction of caregivers gives significantly negative influence on turnover intention. Increasing job satisfaction will decrease turnover intention. For raising the job satisfaction of caregivers, it is essential to provide role recognition and systematic support to enhance psychological satisfaction and self-esteem according to their professional role performance, and to actively improve various external factors that cause stress (Chen et al. 1989). Third, welfare benefits for caregivers have a negative influence on turnover intention. Increasing benefits for caregivers will worsen turnover intention (Oh et al. 2019, Moon 2016). Increasing cultural support among the five components of welfare benefits will lower turnover



intention. According to our analysis, the following implications can be suggested. First, we found that welfare benefits for caregivers' increase job satisfaction and reduce turnover intention. Welfare performance policies should be developed and implemented centering on cultural support, life support, and facility support, which are components of welfare benefits. Health support and funding should not be neglected, given that the perceptions and standards of welfare benefits vary with changes in industrial structure and time. Second, in order to efficiently operate welfare benefits with limited resources, caregivers' needs and interests must be accurately identified. A detailed benefits system should be designed based on the level and contents they need. Third, due to the nature of the caregivers, the survey was mainly for middle-aged women with and without higher education. The possibility of changes in the employment structure in the future and the study of other demographics need to be addressed.

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