
A STUDY ON THE IMPACT OF HEALTH INSURANCE PLANS ON EMPLOYEES' WELL-BEING IN THE IT SECTOR

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Article Received: 31 January 2026, Article Revised: 21 February 2026, Published on: 13 March 2026

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DOI: <https://doi-doi.org/101555/ijarp.7047>

ABSTRACT

Employee well-being has become an important concern for organisations, especially in the Information Technology (IT) sector where employees often face long working hours, work pressure, and stressful working conditions. Health insurance plans play a crucial role in improving employees' physical, mental, and financial well-being by providing access to quality healthcare services and reducing the financial burden of medical expenses. This study focuses on examining the impact of health insurance plans on the well-being of employees working in the IT sector. The research analyzes how health insurance coverage influences employees' sense of security, job satisfaction, productivity, and overall work performance. The study is based on both primary and secondary data collected through surveys, journals, articles, and previous research studies related to employee welfare and health insurance. The findings indicate that effective health insurance plans contribute significantly to improving employees' well-being, reducing stress related to healthcare costs, and increasing employee loyalty and organizational commitment. The study highlights the importance of providing comprehensive health insurance benefits as a key strategy for enhancing employee welfare and organizational effectiveness in the IT industry.

KEYWORDS: Health Insurance, Employee, IT Sector, Job Satisfaction, Commitment, etc.

INTRODUCTION

In today's competitive business environment, employee well-being has become an essential factor for organizational growth and success. Organisations increasingly recognize that the

health and welfare of employees directly influence productivity, job satisfaction, and overall organizational performance. Among the various employee welfare measures, health insurance plans have emerged as one of the most important benefits provided by employers to support the physical, mental, and financial well-being of employees. The Information Technology (IT) sector is one of the fastest-growing industries in the modern economy. IT employees often work in highly demanding environments that involve long working hours, tight deadlines, and continuous technological changes. These conditions may lead to stress, health-related problems, and work-life imbalance. Therefore, providing-effective health insurance coverage has become a crucial responsibility for organisations in order to ensure that employees receive proper medical care and financial protection during health emergencies.

In the IT sector, where human capital is the most valuable resource, organisations are increasingly focusing on employee welfare programs that promote a healthy and supportive work environment. Health insurance plans play a vital role in enhancing employees' quality of life by ensuring access to quality healthcare and encouraging preventive health practices. As a result, companies that provide comprehensive health insurance benefits often experience higher levels of employee satisfaction, retention, and organizational loyalty. This study aims to analyze the impact of health insurance plans on the well-being of employees in the IT sector. It seeks to understand how health insurance benefits influence employees' physical health, mental peace, financial security, and overall job satisfaction. The study also highlights the importance of effective health insurance policies as a key component of employee welfare strategies in modern organisations.

OBJECTIVES OF THE STUDY

- To examine the impact of health insurance plans on the overall well-being of employees in the IT sector.
- To analyze how health insurance benefits influence employees' job satisfaction and sense of security.
- To evaluate the role of health insurance in reducing employees' financial burden related to medical expenses.

STUDY OF THE PROBLEM

In the modern IT sector, employees often face heavy workloads, long working hours, and high levels of stress, which can negatively affect their physical and mental health. Although many organisations provide health insurance plans as part of employee welfare programs,

there are still concerns regarding the adequacy, awareness, and effectiveness of these plans. Some employees may not fully understand the benefits available to them, while others may feel that the coverage provided is insufficient to meet their healthcare needs. Additionally, rising medical costs can create financial pressure during health emergencies if insurance benefits are limited. Therefore, it becomes important to study how health insurance plans influence the well-being of employees in the IT sector and whether these plans truly help in improving employees' health security, reducing financial stress, and enhancing job satisfaction.

SCOPE OF THE STUDY

This study focuses on examining the impact of health insurance plans on the well-being of employees working in the IT sector. It mainly analyzes how health insurance benefits contribute to employees' physical health, financial security, and job satisfaction. The study also considers employees' awareness and perception of the health insurance policies provided by their organisations. The scope is limited to employees working in the IT industry and evaluates the role of employer-provided health insurance in improving employee welfare and overall work performance. The findings of this study may help organizations understand the importance of effective health insurance plans and encourage them to enhance employee benefit programs.

LIMITATIONS OF THE STUDY

- **Geographical Limitations:** The study is limited to a specific geographical area and focuses only on selected IT employees within that region. Therefore, the findings may not fully represent the views and experiences of employees working in IT companies in other regions or countries.
- **Sample Size Limitations;** The study is conducted using a limited number of respondents due to time and resource constraints. A small sample size may not accurately represent the entire population of IT employees.
- **Data Reliability:** The study mainly depends on the responses provided by employees through surveys or questionnaires. Since the data is based on personal opinions and perceptions, there may be chances of bias or inaccurate responses.
- **Scope Limitations:** The study focuses only on the impact of health insurance plans on employees' well-being in the IT sector. Other employee welfare benefits and factors affecting well-being are not considered within the scope of this

RESEARCH METHODOLOGY

Research methodology refers to the systematic method used to collect and analyze data for the purpose of the study. This research is descriptive in nature and focuses on analyzing the impact of health insurance plans on the well-being of employees in the IT sector. The study uses both primary and secondary sources of data. Primary data is collected from IT employees through structured questionnaires, while secondary data is gathered from books, journals, research articles, and online sources related to health insurance and employee welfare. A convenient sampling method is used to select respondents for the study. The collected data is analyzed using simple statistical tools such as percentages and tables to interpret the findings and draw meaningful conclusions.

STATISTICAL TOOL

- Percentage Analysis
- Chi-square Test
- Correction Analysis

PERCENTAGE ANALYSIS

Question	Options	Percentage	Question	Options	Percentage
Awareness of Health Insurance	Yes	82%	Company Provides Health Insurance	Yes	90%
	No	18%		No	10%
	Total	100%		Total	100%
Satisfaction with Insurance Plan	Yes	75%	Insurance Reduces Financial Burden	Yes	80%
	No	25%		No	20%
	Total	100%		Total	100%
Insurance Provides Security	Yes	78%	Medical Expenses Adequately Covered	Yes	70%
	No	22%		No	30%
	Total	100%		Total	100%
Family Coverage Included	Yes	65%	Awareness of Claim Procedure	Yes	72%
	No	35%		No	28%
	Total	100%		Total	100%
Claim Process Easy	Yes	68%	Insurance Reduces Medical Stress	Yes	76%
	No	32%		No	24%
	Total	100%		Total	100%
Feel Secure with Insurance	Yes	81%	Insurance Improves Job Satisfaction	Yes	74%
	No	19%		No	26%
	Total	100%		Total	100%
Preventive Health Checkups Included	Yes	60%	Satisfaction with Network Hospitals	Yes	69%
	No	40%		No	31%
	Total	100%		Total	100%
Encourages Regular Checkups	Yes	63%	Improves Employee Productivity	Yes	71%
	No	37%		No	29%

	Total	100%		Total	100%
Increases Employee Loyalty	Yes	77%	Benefits Clearly Explained	Yes	66%
	No	23%		No	34%
	Total	100%		Total	100%
Policy Updates by Company	Yes	62%	Coverage Amount Sufficient	Yes	58%
	No	38%		No	42%
	Total	100%		Total	100%
Used Insurance Before	Yes	55%	Claim Settlement Smooth	Yes	64%
	No	45%		No	36%
	Total	100%		Total	100%
Improves Work-Life Balance	Yes	67%	Need Better Insurance Coverage	Yes	84%
	No	33%		No	16%
	Total	100%		Total	100%
Improves Overall Well-Being	Yes	86%	—	—	—
	No	14%			
	Total	100%			

CHI-SQUARE TEST

HYPOTHESIS

Null Hypothesis (H₀): There is no significant relationship between Health Insurance Awareness and Employee Satisfaction.

Alternative Hypothesis (H₁): There is a significant relationship between Health Insurance Awareness and Employee Satisfaction.

Observed Frequency Table (O)

Awareness / Satisfaction	Satisfied	Not Satisfied	Total
Aware	62	20	82
Not Aware	13	5	18
Total	75	25	100

Expected Frequency Table (E)

Awareness / Satisfaction	Satisfied	Not Satisfied	Total
Aware	61.5	20.5	82
Not Aware	13.5	4.5	18
Total	75	25	100

Chi-Square Calculation Table

Category	O	E	O-E	(O-E) ²	(O-E) ² / E
Aware & Satisfied	62	61.5	0.5	0.25	0.004
Aware & Not Satisfied	20	20.5	-0.5	0.25	0.012
Not Aware & Satisfied	13	13.5	-0.5	0.25	0.018
Not Aware & Not Satisfied	5	4.5	0.5	0.25	0.056
Total χ^2 Value					0.09

$$df=(2-1)(2-1)=1$$

$$\chi^2_{table}=3.84$$

- Calculated value = 0.09
- Table value = 3.84

Since: **0.09 < 3.84**

We accept the Null Hypothesis (H₀), There is no significant relationship between Health Insurance Awareness and Employee Satisfaction so accepted null hypothesis and rejected alternative hypothesis

FINDINGS

- The majority of the respondents (82%) are aware of health insurance plans, indicating that most employees have knowledge about the insurance benefits provided by their organization.
- A large proportion of respondents (90%) confirmed that their company provides health insurance, showing that health insurance has become a common employee welfare benefit in IT organizations.
- Most respondents (75%) are satisfied with the health insurance plan, while 25% are not satisfied, indicating that the majority view the insurance coverage positively.
- A major share of employees (80%) believe that health insurance reduces their financial burden, showing that insurance plays an important role in managing medical expenses.
- The majority of respondents (78%) feel that health insurance provides a sense of security, indicating that insurance benefits contribute to employees' financial and mental stability.
- Most employees (70%) believe that their medical expenses are adequately covered, while 30% feel that the coverage is not sufficient.
- A considerable portion of respondents (65%) stated that their health insurance includes family coverage, while 35% reported that it does not.
- The majority of employees (72%) are aware of the claim procedure, indicating that most employees understand how to utilize their insurance benefits.
- Most respondents (68%) stated that the claim process is easy, while 32% feel that the process is complicated.
- A major share of employees (76%) believe that health insurance reduces stress related to medical costs, highlighting its importance in reducing financial anxiety.

- The majority of respondents (81%) feel more secure working in a company that provides health insurance, showing that such benefits improve employees' confidence in their organization.
- Most employees (74%) believe that health insurance improves job satisfaction, indicating that employee welfare benefits positively influence morale.
- A significant portion of respondents (60%) reported that preventive health checkups are included in their insurance, while 40% stated that they are not included.
- The majority of employees (69%) are satisfied with the network hospitals available under their insurance policy, while 31% are not satisfied.
- A considerable number of respondents (63%) stated that health insurance encourages them to take regular health checkups, promoting preventive healthcare practices.
- Most employees (71%) believe that health insurance improves employee productivity, indicating a positive relationship between welfare benefits and work performance.
- A large portion of respondents (77%) believe that health insurance increases employee loyalty, showing that such benefits strengthen the relationship between employees and the organization.
- The majority of employees (66%) stated that insurance benefits are clearly explained by the company, while 34% feel that the explanation is not sufficient.
- A significant number of respondents (62%) reported that their company updates insurance policies regularly, while 38% stated that updates are not frequent.
- Most employees (58%) believe that the insurance coverage amount is sufficient, while 42% feel that the coverage needs improvement.
- More than half of the respondents (55%) have used the health insurance plan before, indicating practical utilization of the benefit.
- The majority of employees (64%) reported that the claim settlement process is smooth, while 36% experienced difficulties.
- A considerable share of respondents (67%) believe that health insurance improves work-life balance, while 33% do not feel the same.
- A large majority of employees (84%) feel that better insurance coverage should be provided, indicating a strong demand for improved benefits.
- Finally, most respondents (86%) believe that health insurance improves overall employee well-being, showing the significant role of health insurance in employee welfare.
- Chi square Test: There is no significant relationship between Health Insurance Awareness and Employee Satisfaction so accepted null hypothesis and rejected alternative hypothesis

SUGGESTION

Based on the findings of the study, several suggestions can be made to improve the effectiveness of health insurance plans for employees in the IT sector. Organizations should provide comprehensive health insurance coverage that includes employees as well as their family members in order to enhance their overall well-being. Companies should also increase the coverage amount of insurance policies to help employees manage rising medical expenses without financial stress. It is important for organizations to conduct regular awareness programs and training sessions so that employees clearly understand the benefits, features, and claim procedures of their health insurance plans. In addition, the claim settlement process should be simple, transparent, and quick so that employees can easily access medical benefits during emergencies.

Employers should also include preventive healthcare services such as regular health checkups, wellness programs, and medical screenings within the insurance policy. Expanding the network of hospitals under the insurance scheme would also help employees receive better and more accessible healthcare services. Furthermore, organizations should review and update their health insurance policies periodically to meet the changing needs of employees. Clear communication regarding insurance benefits should also be ensured so that employees are fully aware of the available facilities. Finally, organizations should consider health insurance as an essential employee welfare measure that contributes to employee satisfaction, loyalty, productivity, and overall organizational effectiveness.

CONCLUSION

The present study examined the impact of health insurance plans on the well-being of employees in the IT sector. The findings of the study reveal that health insurance plays a significant role in improving the physical, financial, and psychological well-being of employees. Most respondents are aware of the health insurance benefits provided by their organizations and believe that these plans help reduce the financial burden associated with medical expenses. Health insurance also provides employees with a sense of security and contributes to higher levels of job satisfaction and organizational commitment.

The study also indicates that effective health insurance coverage encourages employees to focus more on their work without worrying about unexpected healthcare costs. It helps in reducing stress related to medical expenses and promotes a healthier and more productive workforce. However, some respondents feel that there is a need for better coverage, improved awareness of insurance benefits, and a simpler claim settlement process.

Overall, the study concludes that health insurance is an important employee welfare benefit in the IT sector. Organizations that provide comprehensive and effective health insurance plans are more likely to achieve higher employee satisfaction, loyalty, and productivity. Therefore, companies should continuously improve their health insurance policies to support employee well-being and enhance overall organizational performance.

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