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**TITLE OF THE MANUSCRIPT: MEASURING QUALITY OF WORK LIFE OF EMPLOYEES OF A PSU IN INDIA**

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**Dr.Dolly Dolai, Asst.Professor****Institute of Management and Information Science, Bhubaneswar, Odisha****ABSTRACT:**

*A success of any organization is highly dependent on how it attracts recruits, motivates, and retains its workforce. Today's organizations need to be more flexible so that they are equipped to develop their workforce and enjoy their commitment. Therefore, organizations are required to adopt a strategy to improve the employees' quality of work life (QWL) to satisfy both the organizational objectives and employee needs. This paper discusses the importance of having effective quality of work life practices in organizations and their impact on employee performance and the overall organizational performance. Organizations are coming up with new and innovative ideas to improve the quality of work and quality of work life of every individual in the organization. Various programs like flex time, alternative work schedules, compressed work weeks, telecommuting etc., are being adopted by these organizations. This paper has attempted to measure the satisfaction level of the employees towards the QWL measures of a PSU in India.*

*Key words: QWL, Satisfaction, performance, PSU*

**Introduction**

Quality of work life (QWL) is viewed as an alternative to the control approach of managing people. The QWL approach considers people as an 'asset' to the organization rather than as 'costs'. It believes that people perform better when they are allowed to participate in managing their work and make decisions. This approach motivates people by satisfying not only their economic needs but also their social and psychological ones. To satisfy the new generation workforce, organizations need to concentrate on job designs and organization of work. Further, today's workforce is realizing the importance of relationships and is trying to strike a balance between career and personal lives. Quality of work life covers various aspects under the general umbrella of supportive organizational behavior and has become a major indicator of organizational performance. Hence employee satisfaction towards the QWL initiatives of an organization can greatly help the organization to continue in its path of growth.

**Objectives and Methodology**

The major objective of this paper is to make an in depth study of literature in the area of Quality of Work Life and bring about the significant contributions it has in improving organizational performance. Some of the specific objectives are :-

- To study the quality of work life of (QWL) employees of a PSU in India
- To examine the various welfare activities and other benefits employed by the PSU to bring a better quality of work life.

The objective of study was to ascertain the quality of work life of the employees in specific work environment relationship. The study adopted a quantitative approach using the survey design. Hence a questionnaire method is chosen which can cover large sample can be made use of and thus the result can be more dependable and reliable. To measure the satisfaction level of the employees towards the QWL effectiveness, the questionnaire consists of 24 questions which deal with QWL in the PSU.

Data was collected by distributing questionnaire & by direct discussion done by personally. The sample size selected for the study was 100 employees of PSU. The data collected are classified, analyzed. The statistical tools applied for the analysis of the data are Percentage analysis & factor analysis.

## **Literature Review**

### **Employee Satisfaction**

Throughout the history of organizational and behavioural research, the subject of employee satisfaction has always attracted widespread empirical examination, leading to a number of interesting definitions. Price (2001) defines employee satisfaction as the effective orientation that an employee has towards his or her work. It may also be recognised as the individual's perception and evaluation of the overall work environment (Sempene, Rieger & Roodt, 2002). Lu, While and Barriball (2005) define employee satisfaction as a global feeling about one's work or a related cluster of attitudes about various facets of the work environment. Employee satisfaction may also be perceived as a 'positive emotional state resulting from the appraisal of one's job or job experiences' (Islam & Siengthai, 2009:4). A common aspect that connects these definitions is that employee satisfaction is concerned with what people in an organization feel about their overall work.

A study conducted by Ellickson and Logsdon (2001) gives emphasis to environmental factors and personal characteristics as the two most influential variables that determine the level of employee satisfaction. Lambert, Edwards and Cabic (2003) also found low employee satisfaction levels amongst employees whose expectations fell short. Ganguly (2010) maintains that the person-environment fit paradigm has been widely recognised as the most appropriate explanation for employee satisfaction. Additionally, other researchers uphold that employee satisfaction is influenced by the interaction of a family of factors such as recognition, communication, co-workers, fringe benefits, working conditions, the nature of the work itself, the nature of the organization itself, organizational systems, policies and procedures, compensation, personal development, promotion, appreciation, security, and supervision (Ilies, Wilson & Wagner, 2009; Irving & Montes, 2009; Koonmee, Singhapakdi, Virakul & Lee, 2010). For most management scientists, meeting the needs of employees remains the prime employee satisfaction-enhancement strategy (Giannikis & Mihail, 2011). However, contemporary research advances have challenged this view, which attests to the multi-factorial character of employee satisfaction.

In order to improve employee satisfaction, it is important to measure and establish the existing levels first (Wright, Gardner, Moynihan & Allen, 2005). However, due to its multi-faceted nature, the measurement of employee satisfaction varies from one organization to the other. Some organizations use anonymous employee satisfaction surveys which are administered periodically to measure the levels of employee satisfaction (Deshpande, Arekar, Sharma & Somaiya, 2012). In other organizations, meetings are held between management and small groups of employees where the latter are asked questions pertaining to their satisfaction (Ybema, Smulders & Bongers, 2010). However, in other organizations, exit interviews are the primary employee satisfaction measurement tools (Schulz, 2001). The importance of these methods lies in that they elicit satisfaction sentiments from employees themselves (Schneider, Hanges, Smith & Salvaggio, 2003). Employee satisfaction has thus been widely recognised as a predictor of productivity and performance in organizations (Dawal, Taha & Ismail, 2009; Silvestro, 2002).

**Organizational performance**

The body of research on the relationship between employee satisfaction and organization performance continues to grow. Organizational productivity and efficiency are attained by satisfying employees and being sensitive to both their physiological and socio-emotional needs in a holistic manner (Schneider *et al.*, 2003). A study conducted by Cole and Cole (2005) reports that there is a positive correlation between the job attitudes of individuals and their performance. A meta-analysis conducted by Judge, Thoresen, Bono, and Patton (2001) also found a positive relationship between individual employee satisfaction and factors such as motivation, job involvement, organizational citizenship and job performance. In another meta-analysis conducted by Harter, Schmidt and Hayes (2002), it was found that there is a positive relationship between employee satisfaction and productivity, profit, turnover and customer satisfaction in nearly 8000 business units in 36 organizations across the five continents of the world.

Studies conducted by Schneider *et al.* (2003) and Zohir (2007) confirm that there is a positive correlation between overall employee satisfaction with the organization's financial and market performance. Corporate Leadership Council (2003) also conducted an employee satisfaction survey of over 40% of the companies that are listed in the top 100 of Fortune 500 companies. The study concluded that employee satisfaction, behaviour and turnover predicted the following year's profitability, and that these are even more strongly correlated with customer satisfaction. A survey conducted by Price Waterhouse Coopers (2002) which involved several multinational companies sustains that employee satisfaction as well as decreased turnover are major contributors of long-term shareholder returns. Conversely, employee dissatisfaction resulting from poor workplace environments can also lead to a decrease in productivity leading to poor organizational performance (Chandrasekar, 2011).

It is important for management in organizations to create a work environment that facilitates higher employee satisfaction levels. This is because employee satisfaction has a stimulus effect on the loyalty and confidence of employees, improves the quality of outputs and also increases productivity (Surujlal & Singh, 2003; Yee *et al.*, 2008). Satisfied employees tend to perceive that the organization will be more satisfying in the long run, they care about the quality of their work and are more committed to the organization, leading to a demonstration of organizational citizenship behaviours (Fraser, 2001; Sempene *et al.*, 2002; Yoon & Suh, 2003). Goslin (2005) is also of the opinion that satisfied employees have higher retention rates and are more productive. When employees are dissatisfied, their physical and mental health is negatively affected (Faragher, Cass & Cooper, 2005). Consequently, organizational performance will also deteriorate as more production time will be lost because dissatisfied employees are likely to take more leave (Judge, Piccolo, Podsakoff, Shaw & Rich, 2010; Shields, 2006); therefore, if steps are taken to improve employee satisfaction, overall success of the organization is enhanced and the results can be reflected through happier employees, enhanced workforce productivity, reduced workdays and higher profits. This also typifies the importance of people in organizations, since people are the promoters of excellent organizational performance.

In the context of the service industry, substantial research evidence reveals that there is a positive association between employee satisfaction and customer satisfaction (Bernhardt, Donthu & Kennett, 2000; Wangenheim, Evanschitzky & Wunderlich, 2007). Providing employees with an outstanding internal working environment is likely to lead to satisfied employees who are both loyal to the organization and are capable of providing customers with an exceptional service experience (Chi & Gursoy, 2009). Customers will naturally recognise and value the excellent service offered to them, leading to an exhibition of loyalty behaviours, such as repeat purchases and increased referrals (Koys,

2003). These behaviours suggest; therefore that satisfied employees will create satisfied and loyal customers, which will result in better organizational performance. It is important then for service organizations to direct sufficient resources towards employee satisfaction.

## **Analysis and Findings**

### **Dimensions of QWL:**

#### **Adequate & fair compensation:**

Retirement age of the PSU employees is 60. After 5 years of continuous service, he is eligible for gratuity. PSU has got fund agreement with LIC to manage gratuity fund. Their promotion policy is entirely based on appraisal system. Appraisal system is again based on task & targets on employee. According to the performance of appraisal is being rated. There several criteria for giving promotion to employees. works people are getting more monetary benefit i.e. production incentive which is of 120% because they are getting less holidays. Their leaves are compensated by money (production incentive). Production unit works 24 X 7. So the works people work in shift duties i.e. A B C. No over time system in PSU.

#### **Holidays:**

The employees of PSU normally enjoy 15 numbers of certified leave & 6 numbers of restricted holidays. After completion of job employees gets earned leave of 30 days & half pay leave of 20 days. Also enjoys staggered leave. The total number of employees working in the production department are divided into three *brigades* such as brigade A, B, C, & leave reserve. Two people of each brigade get two holidays in each week. On that day people from leave reserve works. As a result of which competition among level the employees increasing & ultimately leading with the increase in productivity. Team work & group cohesiveness is increasing. Sense of belongingness is also developing. Combining together all these a better quality of work life is being maintained.

#### **Job Security:**

Job security is another factor that is of concern to employees. Permanent employment provides security to the employees & improve their quality of work life. No retrenchment in the recent crisis. Employees are regular other than contract labors. Initially contract labor wage was 28. During this crisis it was reduced to 26. All of them happily accept it. All are permanent employees except contract labors. Few expert persons also hired on contract basis to train the employees in certain field where the company is lagging behind.

#### **Occupational health care:**

Organization should realize that their true wealth lies in their employees & so providing a healthy work environment for employees should be their primary objective. Employees are covered with Group personal accident policy. Executives are covered by 10,00,000. Same as executives, non executives are covered by 6,00,000. Above 40 years of employee can go for annual health check up.

#### **Participative Management Style & recognition:**

Flat organizational structure helps (Refer to annexure 1) organization in facilitating employee participation. A participative management style improves quality of work life. Workers feel that they

have a control over their work processes & they also offer innovative ideas to improve them. Recognition also acts as a motivation to perform well.

#### **Work – life Balance:**

Organization should provide relaxation time for the employees & offer tips to balance their personal & professional lives. They should not strain employees personal & social life by forcing on them demanding working hours, overtime work, business travel, untimely transfer etc. It believes that if employees have good work-life balance the organization will be more effective & successful. PSU also formed *Central workers education* to educate the semiliterate workers to maintain a balanced work-life. PSU has also given responsibilities to various NGOs

#### **Open form of communication system:**

The communication process in PSU is completely an open form of communication. The HR department of PSU conducts a programme called *Amar lakhya* every week. The capacity of each week programme is 100 at a time. In this programme starting from chief executive employees to the lowest grade of employees, they all participate to enhance open form of communication. During this programme executives discuss any changes in rules, regulations, individual targets etc. that takes place in PSU. They also allow the workers, labors to share their personal problems like their family members health status, relation with neighbors, monetary problems, education of their kids etc. affecting their performances in work place. If it is the jurisdiction of PSU then the HR manager is instructed to take care of the problems. In this way an interactive session takes place making the labors feel that they are being looked after by their management. As a result of which the gap between management & employees reduces as well as the power of union is minimized/ squeezed. That is why not a single grievance is recorded. Every grievance is being settled by mutual discussions informally.

#### **Participatory Forum:**

To have a comprehensive scheme of joint participation & to provide for structured forum for discussion with the worker's representative that is with union to sort out work related issues including welfare matters & to provide wider participation among workers in managerial activity participative committees at company level in matters like sports, production & productivity etc., are being constituted with representatives of management & workers

#### **Measuring Employee Satisfaction Towards the Initiatives:**

##### **Factor analysis:**

##### **KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.786
Bartlett's Test of Sphericity	Approx. Chi-Square	226.779
	Df	78
	Sig.	.000

The value of the KMO Measure of Sampling Adequacy for this set of variables is .786, which would be labeled as 'middling'. Since the KMO Measure of Sampling Adequacy meets the minimum criteria, we do not have a problem that requires us to examine the Anti-Image Correlation Matrix.

The Sig. value for this analysis leads us to reject the null hypothesis and conclude that there are correlations in the data set that are appropriate for factor analysis. This analysis meets this requirement.

### Communalities

	Initial	Extraction
Medical Reimbursement	1.000	.760
Safety Measures	1.000	.795
Wage Policy	1.000	.785
Promotional Policy	1.000	.746
Work Timing	1.000	.581
Motivation from supervisory level	1.000	.599
Relation with immediate supervisor	1.000	.529
Relation with subordinates	1.000	.722
Training Provided	1.000	.694
Job rotation procedure	1.000	.799
Welfare activities	1.000	.719
Work Environment	1.000	.712
Canteen Facility	1.000	.783

Extraction Method: Principal Component Analysis.

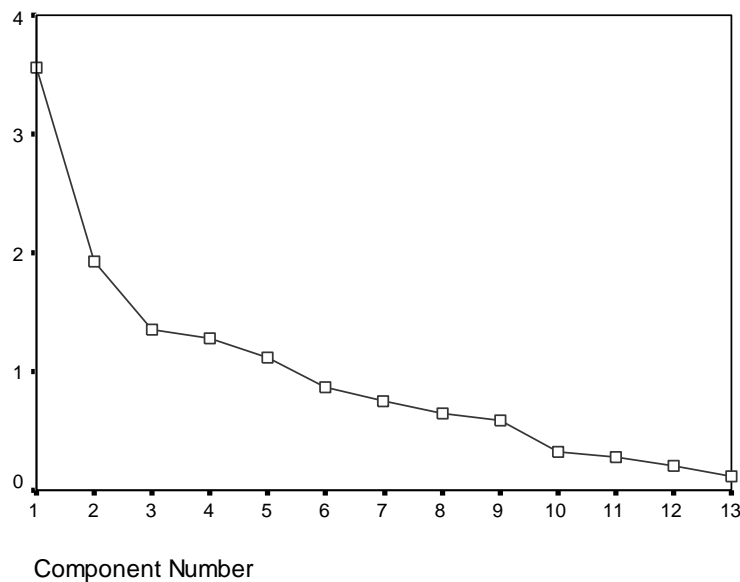
The table of Communalities for this analysis shows communalities for all variables above 0.50, so we would not exclude any variables on the basis of low communalities.

### Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.560	27.387	27.387	3.560	27.387	27.387	2.855	21.962	21.962
2	1.923	14.793	42.180	1.923	14.793	42.180	1.864	14.338	36.300
3	1.349	10.374	52.554	1.349	10.374	52.554	1.765	13.577	49.877
4	1.274	9.801	62.355	1.274	9.801	62.355	1.406	10.812	60.689

5	1.119	8.610	70.964	1.119	8.610	70.964	1.336	10.275	70.964
6	.861	6.624	77.589						
7	.744	5.727	83.315						
8	.651	5.010	88.326						
9	.590	4.542	92.867						
10	.318	2.448	95.316						
11	.285	2.195	97.510						
12	.208	1.598	99.109						
13	.116	.891	100.000						

Scree Plot



Each successive component is accounting for smaller and smaller amounts of the total variance. In general, we are interested in keeping only those principal components whose eigen values are greater than 1. Components with an eigen value of less than 1 account for less variance than did the original variable (which had a variance of 1), and so are of little use.

A factor analysis was conducted on 13 different factors of QWL. This scree plot shows that 5 of those factors explain most of the variability because the line starts to straighten after factor 10. The remaining factors explain a very small proportion of the variability and are likely unimportant.

Hence it is found that the medical facilities, safety measures, wage and promotion policy , and work timing are the most important factors that account for the Quality of Work Life. However factors like



Motivation from supervisory level, Relation with immediate supervisor, Relation with subordinates, and Training Provided are also given a lot of importance and account for the variance.

Hence a frequency analysis of the satisfaction level of employees towards the five major factors is shown below :

Table :1Medical reimbursements

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	12	23.1	23.1	23.1
	3	28	53.8	53.8	76.9
	4	12	23.1	23.1	100.0
	Total	52	100.0	100.0	

Table :2 Safety measures

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.8	5.8	5.8
	2	13	25.0	25.0	30.8
	3	27	51.9	51.9	82.7
	4	9	17.3	17.3	100.0
	Total	52	100.0	100.0	

Table :3 wage policies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	5	9.6	9.6	9.6
	3	40	76.9	76.9	86.5
	4	7	13.5	13.5	100.0
	Total	52	100.0	100.0	

Table :4 The promotional policy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.9	1.9	1.9
	2	5	9.6	9.6	11.5
	3	34	65.4	65.4	76.9
	4	12	23.1	23.1	100.0
	Total	52	100.0	100.0	

Table :5Work Timing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	2	3.8	3.8	3.8
	3	39	75.0	75.0	78.8
	4	11	21.2	21.2	100.0
	Total	52	100.0	100.0	



From the table 1 it is inferred that 23.1% respondents feels that the medical reimbursement facilities is excellent & enough to their expectation. 23.1% PSU employees feel that the reimbursement facilities is not up to their satisfaction. From the table 2 it is evident that 17.3% of respondents perceive that the safety measures adopted by the company is upto their level of expectation i.e. excellent. 5.8% of respondents conception is that it is very poor. From table 3 it is evident that regarding the wage policies 13.5% respondents believe that it is excellent. Majority 76.9% think that it is good. Only 9.6% believe that it is not upto their satisfaction. From table 4 it is inferred that 23.1 % respondents were satisfied with the PSU. Maximum respondents 65.4 % are neither satisfied nor dissatisfied, 9.6% were not satisfied and 1.9 % highly dissatisfied. From table 5 it is inferred that 21.2% strongly agreed that they are happy with the work timing. Only 3.8 % strongly disagreed that they were happy regarding the timings.

## CONCLUSION:

From the study, it is clear that quality of work life of employees in PSU, is good. This research highlights some of the small gaps in employee's satisfaction towards the company. Compared to other companies believe in employee's satisfaction and brilliant productivity hours. Quality mission includes not only the quality of the products but also the Quality of Work Life. The PSU aims to promote the peaceful industrial relations and good organization which is highlighted by management and the employees. Since employees are the backbone of the company. So company should satisfy them in order to improve the business in the higher competitive market of the liberalized economy.

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