Chapter 3
Quality of Work Life, Employee Satisfaction and Employee Turnover - A Theoretical Overview
3.1 Introduction

The present chapter details the theories relating to the quality of work life, employee satisfaction and employee turnover. The evolution of quality of work life, quality of work life in India, its meaning, its importance and the components of quality of work life were described in detail. Similarly the meaning of employee satisfaction and employee turnover, its importance and components were also explained. The main objective of this chapter was to identify the importance of the concepts of quality of work life, employee satisfaction and employee turnover and hence the theories relating to these concepts were discussed in detail in the present study.

The present chapter is presented in three sections. Section A relates to the theories based on Quality of work life. Section B is concerned with the Employee satisfaction; and Section C details the theories related to Employee turnover.

Section A

Section A provides a framework about the Quality of work life, its meaning and definition, the evolution of quality of work life, the development of quality of work life programs, quality of work life in India, the importance of quality of work life, the dimensions of quality of work life used in the study, its relationship with employee satisfaction and employee turnover.

3.2 Quality of Work Life – Meaning and Definitions

Different people assign different meanings to the term Quality of work life; some consider it as industrial democracy or codetermination with increased employee participation in the decision making process (C P Garg, 2012). Quality of work life can be considered as a philosophy, a set of principles, which believes that the people are the most invaluable resource of an organization as they are trustworthy, responsible and capable of making a significant contribution (Nafei, 2015) and hence they should be treated with dignity and respect. Quality of work life can be defined as the favorable conditions and environment of a workplace that support and promote employee satisfaction by providing them with rewards, job
security and growth opportunities (Florence Muindi, 2015). Quality of work life can be viewed as below:

1. For Managers and Administrators - Quality of work life denotes improvement in the psychological aspects of work to enhance productivity.
2. For Union and workers - Quality of work life is the equitable sharing of profits, job security and health and human working conditions.
3. Others (in a broad view) - Changing the entire organizational climate by humanizing work, improving social relationships at workplace, individualizing organizations and changing the structural and managerial systems.

The concept of quality of work life can be viewed in different approaches. One approach is of a broad view encompassing all aspects of work life, including wages, hours of work, work environment, employment benefits, career prospects and human relations. In other words, it embraces the whole gamut of every conceivable aspect of work ethic and work conditions (Merton, 1977). Another approach considers the positive value level ascribed to a given job as it affects the worker. This view examines the need for meaningful and satisfying work experiences and participation in decision making that affect the work lives (Y Delamotte, 1984) (Mankidy, 2004).

The essence of quality of work life, as evident from the major studies carried out both in India and abroad, is the opportunities for the employees at all levels to have substantial influence over their work environment by participating in the decision making process relating to their work thereby enhancing their self esteem and overall satisfaction from their work (Bhattacharya, 2002). Thus, the quality of work life is concerned with humanizing the work environment, ensuring the job security and improving the social coherence at workplace and thereby enhancing productivity of both the employees and the organization. Improving the quality of work life is a process by which an organization seeks to unlock the creative potentiality of its employees by participating them in decisions affecting their work life (Madhesh, 2011).
Quality of work life can be understood as the goal, the process and the philosophy (Dr Rajesh Bagga, 2008). It is detailed as below:

**The Goal**

- Organizational effectiveness
- More challenging, satisfying, effective jobs.

As a goal, the quality of work life tries to improve organizational effectiveness through the creation of more challenging, satisfying and effective jobs and work environment.

**The Process**

- The involvement and commitment of people throughout the organization.

As a process, quality of work life calls for efforts to realize this goal through the active involvement of people throughout the organization. It is concerned about organizational change usually from a control to an involvement organization.

**The Philosophy**

- People are seen as assets not costs.

As a philosophy, the quality of work life views people as assets capable of contributing skills, knowledge, experience and commitment, rather than as costs that are merely treated as extensions of the production process. It recommends that encouraging involvement and providing the best work environment produces tangible rewards for both individuals and organizations.

Robert H Guest (1979) defined Quality of work life as “a generic phrase that covers a person’s feelings about every dimension of work, including economic rewards and benefits, security, working conditions, organizational and interpersonal relations and its intrinsic meaning in a person’s life” (Madhesh, 2011).
Nadler and Lawler identified QWL in their various definitions as follows:

First definition (1969-1972) QWL was identified as a Variable
Second definition (1969-1975) QWL was treated as an Approach
Third definition (1972-1975) QWL was identified as Methods
Fourth definition (1975-1980) QWL was considered as a Movement
Fifth definition (1979-1982) QWL was treated as the Best Approach
Sixth definition (1983) QWL was identified as a Thought or an Ideal

Nadler and Lawler (1983) provide a summarized definition of Quality of work life “as a way of thinking about people, work and organizations. Its distinctive elements are: (i) a concern about the impact of work on people as well as on organizational effectiveness; and (ii) the idea of participation in organizational problem solving and decision making” (Gupta, 2016).

According to Johnstorn, Alexander and Robin, Quality of work life is more than simply a concept, means or an end (T D Tiwari, 2005). It embodies the following inter-related set of ideas.

1. Ideas dealing with a body of knowledge, concepts, and experiences related to the nature, meaning and structure of the work.
2. Ideas dealing with the nature and process of introducing and managing organizational change; and
3. Ideas dealing with outcomes or results the change process.

Robbins (1989) defines Quality of work life as “a process by which an organization responds to employee needs by developing mechanisms to allow them to share fully in making the decisions that design their lives at work” (Nafei, 2015) (Khera, 2015).

The definitions of quality of work life put forward by various authors are briefly explained in the table 3.1.
Table 3.1 Definitions of QWL given by Various Authors

<table>
<thead>
<tr>
<th>Author’s Name and Year</th>
<th>Definitions of Quality of Work Life</th>
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<tbody>
<tr>
<td>N R De (1976)</td>
<td>De pointed out the Quality of work life as an indicator of society’s freedom from exploitation. He expressed that the exploitation, injustice, inequality, oppression, etc which obstructs the continuous growth of human resources can be eliminated by providing good quality of work life.</td>
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<tr>
<td>Richard Walton (1977)</td>
<td>He defined the quality of work life as the work culture that serves as a cornerstone in an organization which means the work culture should be recognized and amended for improving the quality of work life of that organization.</td>
</tr>
<tr>
<td>R Cohen and E Rosenthal (1980)</td>
<td>They defined the quality of work life as an international endeavour designed to produce increased labour management cooperation to jointly overcome the problem of improving the performance of the organization and the employee satisfaction.</td>
</tr>
<tr>
<td>Hans Van Beinum (1984)</td>
<td>He defined the quality of work life being founded on a general approach and an organizational approach. All those factors affecting the physical, social, economic, psychological and cultural well being of workers were included in the General approach while the design and operations of the organization complying the value of a democratic society was referred as Organizational approach.</td>
</tr>
<tr>
<td>Fred Luthans (1995)</td>
<td>He viewed the quality of work life as the predominating purpose which is meant to change the climate at work place so that the human- technological- organizational interface leads to an improved quality of work life.</td>
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</table>
Thus, from the above definitions of the quality of work life, we can conclude that the quality of work life is concerned with the working environment prevailing in an organization and the effect of this working environment on the workforce as well as on organization’s effectiveness. They further suggested that the work culture prevailing in an organization should be amended for improving the quality of work life and employee satisfaction.

3.2.1 Evolution of Quality of Work Life

In the early 20th century in order to protect employees from job-injury and to eradicate hazardous working conditions, a statute law was enacted, followed by the unionization movement in the 1930 and 1940s (Madhesh, 2011) were considered to be the initial stages of the evolution of the concept of quality of work life. Due to the process at the workplace and for ensuring economic gains to the workers, more priority was given to the job security. As a result of the industrial revolution, the work organizations were forced to increase their productivity. In an attempt to achieve this, Frederic Taylor (1947) came up with the Scientific Management movement. Taylor considered that specific task and clear instructions should be given to the employees before hand and the burden of planning and designing the work should be removed from them. He also administered the ‘Division of Work’ which means dividing a work into various parts and assigning each part to a different worker thereby enabling them to specialize in that work. He further introduced various incentive schemes thereby enabling workers to earn a certain percentage of the incentive after achieving a particular level of production.

Through his Time and Motion Study, the Division of Labour and Incentive Scheme, he tried to improve the work life of employees thereby contributing towards quality of work life. Though his work was most popular, he was the most criticized one. The scientific management principles were concentrated only on increasing production levels and ignored the human element. The workers felt that the management had set up strict and rigid standards which an average worker could not be reached since their sole objective was to increase production. The workers further felt that they were being cheated and exploited due to the indifference on the part of the employers. Apart from that, the incentive scheme resulted in groupism, back biting and spoiled the working environment since only
a skilled worker could earn more whereas a below average worker could not earn normal wages since standards were also set to earn normal wages. The workers assigned this to the scientific management.

Henri Fayol with his Fourteen Principles was another contributor of similar approach. With his principles of Division of Work, Unity of Command, Unity of Direction and Espirit De Corps, Fayol tried to improve the general management while Taylor was concentrated on the Shop- Floor Management. Various groups of academicians, researchers, workers etc felt that Taylor considered human beings as just another factor of production. They argued that Taylor’s approach was mainly mechanical and this negative approach towards human beings was mostly criticized.

The researchers paid more attention to the human approach in the industry when the criticism on scientific management grew with the realization of the human capability. The industrial unrest and constant bickering among management and workers accented the need to think of a different approach which can overcome the drawbacks of scientific management and give due importance to the human element which finally resulted in the ‘Human Relations Movement’.

The emergence of different theories by psychologists proposing a ‘positive relationship between morale and productivity’ and discussing about the possibility of improving both by enhancing the human relations was seen in the 1950s and 1960s. The human relations movement was mainly concerned with interpersonal and group relationships among workers and recommended participatory and democratic style of supervision to accomplish work efficiency. Maslow (1954), Hertzberg (1959), McGregor (1960) etc were all major contributors towards this view. Equal employment opportunity and job enrichment schemes were also introduced as a result of the attempts made for reform. Finally, it was in 1970s, Richard Walton constituted the ideal of Quality of Work Life which encompasses the earlier developments and included ‘the values that were the core of these earlier reforms’ and ‘human needs and aspirations’. The theories of Motivation and Leadership have also laid the foundation to the concept of Quality of work life.
Quality of work life has its lineage to the theories of Maslow, Hertzberg and McGregor (Madhesh, 2011). Abraham Maslow’s Motivational theory of need hierarchy is corresponding to the factors of quality of work life. Monetary benefits can be viewed as basic needs followed by good working conditions, career planning and growth and development of human capabilities which satisfy the social needs. The opportunity to use and develop human capabilities fulfills the esteem needs and finally challenging work introduced by Walton can be compared to the self actualization need in the Maslow’s need hierarchy. The correspondence of Maslow’s need hierarchy theory to Walton’s dimensions of quality of work life is shown in the table 3.2.

Table 3.2 Maslow’s Need Hierarchy Theory to Walton’s Dimensions of QWL

<table>
<thead>
<tr>
<th>Abraham Maslow’s Need Hierarchy Theory</th>
<th>Richard Walton’s Dimensions of Quality of Work Life</th>
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<tbody>
<tr>
<td>1. Basic Needs</td>
<td>Monetary Benefits and Good working conditions.</td>
</tr>
<tr>
<td>2. Social Needs</td>
<td>Career Planning, Growth and Development of Human Capacities</td>
</tr>
<tr>
<td>3. Esteem Needs</td>
<td>Opportunity to use and Develop Human Capabilities</td>
</tr>
</tbody>
</table>

Quality of work life aims at satisfying both the motivational and hygiene factors defined by Hertzberg. McGregor in his Theory X has stated that Management by direction and control would not succeed since the employee’s psychological and safety needs are reasonably satisfied (Madhesh, 2011) and the higher level needs are becoming predominant. In contrast to this, Theory Y delineates the democratic approach and argues that people are not lazy and unreliable by nature. Quality of work life also assumes that all the employees are creative and reliable on the basis of Theory Y. Hence it is obvious that the quality of work life has its roots from these theories of motivation.
The activities of the quality of work life gained prominence between 1969 and 1974 when a group of researchers, scholars, union leaders and governmental bodies showed interest in how to improve the quality of an individual through on the job experience. A work was published in America regarding this issue which was sponsored by the US Department of Health, Education and Welfare. The US government was forced to address some of this issue due to the pressure of inflation at that time. Consequently, a Federal Productivity Commission was established which sponsored several labour management quality of work life experiments which were jointly undertaken by the University of Michigan quality of the work programme and the newly evolved National Quality of Work Centre.

Only in 1970s, the term Quality of Work Life made its appearance in research journals and press in the USA. The term Quality of Work Life was introduced by Louis Davis. The first International Conference on Quality of Work Life was held in Toronto in 1972 and an international council for quality of work life came into force in 1972. From 1980 onwards Employee centered productivity programmes were carried out with due importance to quality of work life. At the second international conference on Quality of Work Life held in Toronto in 1981, 1500 participants were there, including 200 unionists and 750 management people and they outnumbered the academicians, consultants and officials in attendance. This was an evidence of the rising tide of interest in the quality of work life movement.

Quality of work life gives more emphasis on the human factor in the workplace (Madhesh, 2011). Richard Walton, an American Professor, played a major role in developing the concept of Quality of work life. The eight dimensions to measure the quality of work life were advocated by Walton. These dimensions are mostly used to measure the quality of work life worldwide.

Initially the quality of work life programs included only job redesign efforts. A Socio- Technical System should be provided to the workers to enable them to participate in the design of their jobs. The specific objectives of the organization should be communicated to the workers and they should be given opportunities to plan and design their own activities. Further, the employees should be able to examine and review their own work which enables them to learn from
their own mistakes. The role of supervisors should be limited to activities like ensuring resources, coordinating, forecasting etc. But with the innovation of the sophisticated technology, the quality of work life movement based on socio-technical system approach has gradually widened to include a wide variety of interventions like job enrichment, stress management, job satisfaction, promotion and career planning, quality circles, employee participation etc.

In the mid 1990s till today faced with various challenges like rising educational levels, corporate restructuring, occupational aspiration etc, the quality of work life is re-emerging and there are rising concerns for quality of work life where employees are searching out for more meaning for career and personal life. Thus the term quality is no more a specialized word, but has become a necessity for the best survival in this era.

The evaluation of the concept, Quality of work life can be traced in to three phases:

1. Scientific Management - It was propounded by F W Taylor and concentrated on improving the productivity of work organization. The workers were ignored and treated as a factor of production. Though the production levels increased initially due to the application of the principles of scientific management, the elimination of the human elements soon affected it. It was to overcome the drawbacks of scientific management, Human relations management evolved.

2. Human Relations Management - Various Psychological theories were evolved and concentrated on the inter-personal and group relationships among workers and advocated participatory and democratic style of supervision to achieve work effectiveness (Madhesh, 2011).

3. Social-Technical Movement - This system implies that the design of the organization must be compatible with its objective, to adapt to change and capable of using the creative abilities of the individual. A whole organization is redesigned to serve the needs of people as well as production.
3.2.2 Quality of Work Life in India

Indian philosophy propounds self – actualization as the goal of life and treats work as a way of life performed in achieving that ultimate goal. The work life is viewed as a spiritual discipline in India. The traditional teaching considers the work place as a temple and work as worship. ‘To perform one’s duty is to worship the lord himself’ avows the Bhagavat Gita (Srivastava 1990). It has been observed that the central theme of the Bhagavat Gita is Karma Yoga. The Karma Yoga implies action, duty or work which is to be performed without a selfish need, but with the motive of surviving humanity. Besides, the Karma Yoga is concerned with the various stages of development – development of the self, the community, the society and the industry (Ganguly, 2010). The ideal put forward by the Karma Yoga commensurate with the Maslow’s Need Hierarchy theory.

The concept of Quality of work life is familiarized in India by the V V Giri National Institute of Labour. The four major factors that led to the QWL movement in India are (Khanka, 2011)

1. The changing profile of the Indian worker from an illiterate, rural, low caste individual to an educated, urban and belonging to the upper caste had made him concern for his own hopes and aspirations.

2. The view that worker is just like other factors of production had changed with the realization that he is a human being with feelings and emotions that made organizations behave with workers accordingly. The Indian workers’ wish has yet to be duly recognized and rewarded.

3. Around 10% of workers in the organized sector in India is unionized. The unionized work force usually demands for better working conditions which resulted in the development of quality of work life.

4. Quality of work life as a newer concept experiments on making the human resources for effective utilization since the human behaviour is highly unpredictable and complex.
The researches have revealed that most of the quality of work life projects undertaken in India passes through the developmental stages of hostility, curiosity, spreading of interest, formation of experimental groups, emergence of group consciousness among the subgroups, perception about gain resulting from the projects and then leading to further commitments to the projects, and finally experimental groups looking towards comparing notes and thus gaining potentials for diffusion. Thus, it can be concluded that the concept of treating work life as a spiritual discipline have been prevailing in India from earlier times and as a result due importance have been given for improving the quality of work life of employees.

3.2.3 Development of Quality of Work Life Programmes

Today the Management, Unions and Government agencies are increasingly supporting the Quality of work life programmes around the world. These programmes accentuate the development of an atmosphere that pertains to the impact of work on people as well as to an organization’s efficiency and further emphasize on the participation in problem solving and decision making, leading to the progress of the economy.

The USA can be considered as the nation which took the initiative in developing thoughts, ideas and identifying the various dimensions relating to the Quality of work life. Richard Walton, an American Professor, was a major contributor who developed the concept of Quality of Work Life. Walton proposed eight dimensions to measure the Quality of work life and even today, these dimensions are mostly used worldwide to measure the quality of work life.

The General Motors in USA were faced with labour problems like high ratio of absenteeism and labour turnover along with the high cost of operations. The employer, employee relations were worse with fear and mistrust. Overall, the environment was not healthy and the production declined rapidly. The management looked for a solution and finally decided to launch Quality of Work Life programme involving 3800 workers and supervisors. This programme came forth from an agreement between the United ‘Auto Workers’ Union and the General Motors in 1973. The actual programme was started in 1977 with the objective of specifying the plans and functions of both management and union; and
acquiring problem solving skills along with developing the concept of quality of work life. This programme was initially introduced at Tarry Town Plan that resulted in improved productivity, quality and labour management relations (Madhesh, 2011). This success made General Motors to extend this programme throughout its plants, which produced excellent results. Even today this largest manufacturing organization practices the quality of work life programme with designing a new plant to carry out Social-Technical System.

Similarly the American Telephone and Telegraph Company (AT&T) undertook the quality of work life programme in the early 1980s with a massive participation of over 80 percent of workers. Union leaders felt that they might require new skills and knowledge during the quality of work life improvement project and worried if intra-union rivalry might delay the process. The management and unions perceived that these programmes were meant to strengthen their organization and hence require team work, trust and coordination between them.

A few federal agencies like National Centre for Productivity and Quality of Working Life as well as some of the private organizations like American Quality of Work Centre have been working towards disseminating and developing the concept of Quality of Work Life (Madhesh, 2011).

The very basis of Quality of work life is in the United Kingdom in the sense that the Tavistock Institute of Human Relations. The industrial scenario of the country was changed due to the increased government intervention in the political environment and changes in the economic environment as an impact of world war and changing technology. These changes paved the way for the development of quality of work life programmes in the United Kingdom. Major restructuring of job tasks was made to motivate the workers to work as a team and more decision making power was delegated to the workers, which resulted in increased commitment and morale thereby reducing the absenteeism. The output increased to more than 70 percent, while the processing costs were reduced to an extent.
The significant efforts made by Japan to improve the Quality of work life in its industrial sector had become successful due to the timely and continuous applications of technological innovations. The Japanese approach to quality of work life programme has two implications, namely, flexible employment of the workforce and acceptance of technological changes by the employees (Madhesh, 2011). Job integration and self management in the area of work organization had been playing a significant role in Japan.

In Sweden, Denmark, Holland and Switzerland, a number of local incentive programmes were initiated. Experimentation around autonomous work groups, technological changes and attempts to provide meaningful work was undertaken. Most European countries at the same time enacted some legislation like participation in organizational decision making either directly or through representatives and had further set up various Research Institutes.

Quality of work life was given high attention in Italy during the early 1970s, but gradually it declined in the later years of 1970s as they considered quality of work life as a ‘peripheral problem’. But in the recent years, the Government of Italy has again taken necessary steps to increase consciousness about the quality of work life among organizations and while setting up of organizations like Fiat, Proctor and Gamble, IBM, etc to practice the quality of work life improvement programmes.

The Quality of work life becomes relevant in developing countries like India because the quality of work life can become both ends and means in a developing country (Madhesh, 2011). There is an assumption that the underdeveloped countries have not been able to solve the social and economic justice in their societies and hence the focus is not moved to the employees work life. In India, Government organizations are mismanaged causing heavy loss of public money either due to corruption or by intervention of politicians and Trade Unions. The privatization policy introduced by the government created many opportunities for the unemployed people and hence it becomes essential to improve the work environment which in turn will ameliorate the Quality of work life of the employees in our country. Moreover the workers should to be allowed to participate in decision making at the job level and the fruits of development should
be distributed among them. Hence socio-technical principles are to be adopted while redesigning jobs and organizations. The socio-technical approach to job design is related to the interface of the consonant between personnel, social and technological functioning.

3.2.4 Popular Quality of Work Life Programmes

The variables that led to the success of quality of work life programmes (Ashwathapa, 1999) (T D Tiwari, 2005) are detailed below.

1. Flexi-time: It refers to the system of flexible working hours. It implies a work scheduling scheme where the individual employees were allowed to control and redistribute their working hours around organizational demands but within establishing limits.

2. Job Enrichment: It implies redesigning the jobs from time to time, thereby allowing the employees greater autonomy and responsibility in performing their job tasks.

3. Management by Objectives: Employees are allowed to participate with their superiors in formulating the employee goals that are consistent with the objectives of the organization as a whole.

4. Staggered Hours: It is a work hour arrangement of overlapping schedules of predetermined hours established for the total work force. In such situations, groups of employees begin and complete their work at different intervals.

5. Socio-technical System: The workplace is redesigned physically and technologically so as to enable the employees to work with the human considerations of the work force.

6. Job Rotation: To reduce the monotony burden in the organizations, the job rotation programme is initiated. Here the employees periodically change from one job to another with work assignments, thereby, enabling them to acquire skills and knowledge to perform various jobs.
7. **Job Enlargement**: In this programme, the employees continue in their present jobs, but additional duties are assigned them with the intention of making the job more rewarding.

8. **Autonomous Work Group**: It is a form of participation whereby the groups of employees are given some control over decision making relating to the production methods, task distribution, work scheduling, selection of team members etc.

9. **Employee Participation**: This programme is aimed at ensuring the participation of employees in various the decision making process of the organization.

### 3.2.5 Problems of Implementing QWL Programmes

The three common problems identified by the researchers for implementing the quality of work life programmes (Decenzo David A, 1999), (T D Tiwari, 2005) are given below:

1. **Managerial Attitudes**: The quality of work life is based on the philosophy that the management must willingly allow their employees to participate in the decision making about conditions or process relating to their work tasks and work environment. Traditional managers have perceived this as a challenge to their rights to control and take decisions relating to the workers work and the environment. Such attitudes of management had obstructed the implementation of the quality of work life programmes.

2. **Union Influence**: Before implementing the quality of work life programmes, the management should explain the motives behind each such programme. They should further appreciate the participation of labour union in planning quality of work life programmes since the labour unions can inflect a significant influence on the success and failure of the quality of work life programmes. The union leaders often believe that such programmes are introduced by the management mainly to increase the productivity or to induce workers to speed up the work performance without increasing their compensation. Thus the approach of management
towards labour union is a hurdle to be overcome while implementing the quality of work life programmes.

3. Restrictiveness of Industrial Engineering: Industrial engineering gives more emphasis on fragmentation and specialization with minimal contribution by employees, stress on task. On the other hand, the quality of work life involves job changes to motivate the workers’ initiative and judgment and hence it can be seen that the principle of industrial engineering is contradictory with the quality of work life programmes. To overcome this problem, careful planning is needed for implementing the new plant, space layout and equipment placement.

3.2.6 Components of Quality of Work Life

Like the concept of Quality of work life, various researchers have come up with their divergent views about the constituents of quality of work life. The most important views on the components of Quality of work life are explained in the table 3.3.

Table 3.3 Components of Quality of Work Life identified by the Past Researchers

<table>
<thead>
<tr>
<th>Author’s Name and Year</th>
<th>Components Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lippitt and Rumley (1977)</td>
<td>Organizational Environment, Physical Environment, Features of Job itself and Healthy Social Relations.</td>
</tr>
<tr>
<td>Author’s Name and Year</td>
<td>Components Identified</td>
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<tr>
<td>------------------------</td>
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</tr>
<tr>
<td>Kirkman (1981)</td>
<td>Job Mobility, Quantity and Quality of Leisure Time Created by Job and Pay.</td>
</tr>
<tr>
<td>Kahn (1981)</td>
<td>Task Content, Supervision Resources, Promotion, Work Conditions, Organizational Context Autonomy and Control, Relations with Co-Workers and Wages.</td>
</tr>
<tr>
<td>Author’s Name and Year</td>
<td>Components Identified</td>
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</tr>
<tr>
<td>Baba and Jamal (1991)</td>
<td>Job Satisfaction, Job Involvement, Work Role Ambiguity, Work Role Conflict, Work Role Overload, Job Stress, Organizational Commitment and Turnover Intentions.</td>
</tr>
<tr>
<td>Sirgy (2001)</td>
<td>Need Satisfaction based on Job Requirements, Need Satisfaction based on Work Environment, Need Satisfaction based on Supervisory Behavior, Need Satisfaction based on Ancillary Programs and Organizational Commitment.</td>
</tr>
<tr>
<td>Wyatt and Yue Wah</td>
<td>Favorable Work environment, Personal Growth and Autonomy, Nature of Job and Stimulating Opportunities and Co-Workers.</td>
</tr>
<tr>
<td>Hosseini (2010)</td>
<td>Adequate and Fair Compensation, Safe and Healthy Working Conditions, Opportunity to Use and Develop Human Capacities, Opportunity for Continued Growth and Security,</td>
</tr>
<tr>
<td>Author’s Name and Year</td>
<td>Components Identified</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>1. <strong>The Principle of Security</strong>: Work free from anxiety, fear and loss of future employment is considered as a major essential of humanization of work.</td>
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</table>
The skills and ideas can be fostered only in such a safe and secured working condition.

2. **The Principle of Equity**: Fair reward should be ensured for the effort made by the working. Profit sharing between employer and employees is an example of this principle. This also implies humanization of work.

3. **The Principle of Individuation**: Adequate freedom and autonomy should be provided to the workers in order to motivate them to their utmost competence.

4. **The Principle of Democracy**: Principle of democracy upholds the right to personal privacy, freedom of speech and equitable treatment. Ongoing participative management is an example of this principle.

**3.2.7 Importance of Quality of Work Life**

Quality of work life is the key to integrating the human resources with the organization for achieving higher productivity and for ensuring organizational success. An organization has to maintain order, to survive in the long run. The diagram showing the importance of quality of work life in the success of an organization is as follows

![Diagram of Organizational Success through Quality of Work Life](image-url)

**Fig 3.1: Organizational Success through Quality of Work Life**

Source: (Deb, 2006).
The Figure 3.1 explains that the quality of work life acts a critical role towards the success of an organization. Even if the organization is effective, efficient and quality driven, they must ensure that the work life quality of the employees is satisfactory along with their innovative activities. If the organization is capable of maintaining a good work life for its employees, this will motivate them and may lead to the profitability of the organization which may ultimately result in their success.

3.2.8 Dimensions of Quality of Work Life used in the Study

Walton’s eight dimensions were used in the study to identify the quality of work life among the IT sector employees. Sufficient modifications were made to these dimensions to make them suitable for the study. The variables, thus modified are presented in nine dimensions as given below.

1. Adequate and Fair Compensation - The organization must ensure fairness and adequacy in their pay rewards to their employees. The compensation paid by the organization should be compatible with the efforts taken by the employees in their respective jobs. The compensation should also justify the cost of living of the employees.

2. Working Environment – An organization should create a safe and healthy working environment for their employees. The physically safe working environment enables the employees to do their job effectively.

3. Employee Development – An organization should always ensure the growth and development of their employees. The organization should provide training, challenging jobs, and various opportunities for enhancing the skills, creativity and knowledge of the employees and thereby developing their career as well.

4. Autonomy of Work – The employees should be given adequate freedom to take decisions regarding their jobs and to implement them. The organization should provide opportunities to exert the innovative ideas put forward by the employees and to express their views in decision making. The organization should also appreciate their employees for their innovative ideas.
5. Organizational Communication – Adequate clarity and transparency must be ensured in the communication system prevailing in the organization. Correct information about work process and its results must be communicated to the employees working in the organization. Further, it is the duty of the organization to clarify the duties and responsibilities of the employees working there.

6. Fair Treatment – Each employee should be treated as equal in all matters in the organization. The employees should not be discriminated on the basis of age, sex, race etc. The employees must have freedom to speak up and voice their opinions frankly without the fear of being punished. The performance appraisal of the employees must be done on the basis of their performance rather than on favouritism.

7. Total Life Space – The personal life of the employee should be matched with his work life. He should get sufficient time to spend with his family apart from his job. The organization should ensure that the work life of the employees should not take too much of his leisure and family life.

8. Attitude of Management – The attitude of the management implies that the policies adopted by the management are fair and employee oriented. The management must treat their employees humanly and should provide sufficient support to their employees to make their work more enjoyable.

9. Job Security – Job security refers to the security of the job offered by the organization. The position of an organization in a society can influence the employees’ value of his work and career (social prestige) since they are working with that organization.

3.2.9 Quality of work life and Employee Satisfaction

Various theories relating to the quality of work life have revealed that employees’ satisfaction will increase along with the increase in their work life quality. Quality of work life can be viewed as a predictor of employee satisfaction and similarly employee job satisfaction can also be viewed as a significant predictor of quality of work life. If the employees are satisfied with their working environment they will get motivated to work there which will result in their job satisfaction. If the employees are satisfied with their working environment they
will stay committed to their organization in the long run. Thus, it can be concluded that quality of work life and employee satisfaction are interrelated to one another.

3.2.10 Quality of work life and Employee Turnover

Another view of the quality of work life is with the employee turnover. When the employees working in an organization are not satisfied with their work environment or their work life quality, it will directly reflect in their work. The various components of quality of work life, mainly compensation, workplace relations, attitude of co-workers, management policies, etc prevailing in an organization may also affect the employees. The employees will get demotivated in the absence of these components of work life and will naturally result in their work dissatisfaction. The employees dissatisfied with their work or working environment are likely to leave their organizations thereby resulting in employee turnover. Thus, it can be assumed as quality of work life is inversely related to the employee turnover.

Thus the importance of quality of work life can be understood from the above section. It can be perceived that the organization should improve the work life quality of the employees, thereby improving their productivity, which in turn will affect the organizational efficiency as well.

Section B

Section B describes the Employee satisfaction, its meaning and definitions, importance of employee satisfaction, the variables of employee satisfaction used in the study and the relationship between employee satisfaction and employee turnover.

3.3 Employee Satisfaction - Meaning and Definitions

Satisfaction is concerned with the fulfillment of a need or desire and the pleasure obtained by this fulfillment. It also measures the level of happiness a person derives out of his job in connection with his working environment as well. Nancy C Moore (1997) has defined satisfaction as the level of fulfillment of a person’s needs, wants and desire and the basis of satisfaction is what an individual wants from the world and what he gets from the world (A Sageer, 2012) (N Silpa,
Employee satisfaction is a comprehensive term that includes the job satisfaction of the employees as well as their overall satisfaction with the organization’s policies, work environment etc. Employee satisfaction or employee job satisfaction means the positive attitude of an individual towards his job. It is a measure of how happy the employees are with their job and working environment (A Sageer, 2012).

Employee satisfaction is a terminology used to describe whether employees are happy, contented and fulfilling their desires and needs at work (A Sageer, 2012) (N Silpa, 2016). It can be viewed as a combination of the employees’ feelings (maybe positive or negative) towards their work. Various studies have revealed that satisfied and convinced employees had stayed in the organization and promoted the organization in the long run. Each and every organization should give major priority for keeping their employees satisfied with their jobs. The organizations which encourage the ideas or suggestions given by the employees tend to have a consistent higher retention rates, better job satisfaction etc (D'Souza).

According to Moyes, Shao and Newsome (2008) (A Sageer, 2012) employee satisfaction refers to ‘how pleased an employee is with his or her position of employment’.

(Locke, 1976) (Khanka, 2011) (Fatima Bushra, 2011) defined Employee satisfaction or job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience”.

(C J Cranny, 1992) (A Sageer, 2012) defined Employee satisfaction “as the combination of affective reactions to the differential perceptions of what an employee wants to receive compared to what he actually receives”.

**Frederick Herzberg’s Two-Factor Theory can be understood as an approach of the employee satisfaction.** The employee satisfaction was associated with the conditions encompassing their job like working conditions, pay, quality of supervision, company policies and security rather than the work itself. The
presences of these factors prevented the negative reactions and hence Herzberg referred them as maintenance or hygiene factors. On the contrary, the outcomes of work or work related factors like achievement, promotion, appreciation, recognition and chances for personal growth were associated with higher levels of job satisfaction and hence Herzberg called them as motivators. Herzberg argued that the presence of the motivators at high level leads to job satisfaction while the absence of these factors does not lead to job dissatisfaction but just cause less satisfaction. Similarly, the presence of hygiene factors leads to dissatisfaction, but the absence of these factors does not lead to satisfaction as well. Herzberg’s theory is mainly criticized for its validity. However, the reasons behind job satisfaction and job dissatisfaction can be described and understood with the help of Herzberg’s theory (Khanka, 2011).

3.3.1 Importance of Employee Satisfaction

The organizations have to ensure that the satisfaction level among the employees is high which are essential for increasing their productivity since the satisfied and convinced employees will stay in the organization in the long run. Highly satisfied employees tend to have better mental and physical health and may have a positive attitude towards their job. They learn new job related tasks easily and quickly and may commit fewer mistakes in their jobs. The satisfied employees have fewer grievances about their job and management and may be more amiable towards their co-workers.

The importance of employee job satisfaction can be assessed using the following situations identified by (Spector, 1977) (Chripin, 2014).

- The humanitarian value based approach drives the organizations to treat their employees honourably and with respect. Higher levels of job satisfaction can be identified as the signs of emotional wellness or mental fitness.

- The utilitarian position adopted by the organization enables the employees’ behaviour to influence the organizational operations, according to the degree of employee satisfaction or dissatisfaction towards their job.
• Various levels of satisfaction towards job among the organizational departments should be identified for planning down areas where improvements are needed.

It is evident that the sustained vitality and profitability of an organization is linked to the satisfaction of its employees. An organization that does not consider and improve the employee satisfaction may face increasing turnover of the employees along with the declining productivity of the employees remaining in the organization. Moreover, the organization may have limited ability to attract and retain the qualified replacement of the employees. Thus employee satisfaction directly affects the organization’s ability to operate effectively (Dr Rajesh Bagga, 2008).

Employees’ attitude towards their job may be positive (satisfaction) or negative (dissatisfaction). Employee satisfaction refers to the favourable attitude of the employees towards their job while employee dissatisfaction reflects the unfavourable feelings towards their job. Employee satisfaction is proved beneficial to the organization while employee dissatisfaction may have certain consequences towards the organization. The following theoretical model exhibits the consequences of dissatisfaction of work among the employees (Stephen P Robbins, 2013). The framework has four responses classified along two dimensions: Constructive/ Destructive and Active/ Passive.

**Table 3.4 Responses to Dissatisfaction of Employees**

<table>
<thead>
<tr>
<th>Responses</th>
<th>Constructive</th>
<th>Destructive</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Active</strong></td>
<td>VOICE</td>
<td>EXIT</td>
</tr>
<tr>
<td><strong>Passive</strong></td>
<td>LOYALTY</td>
<td>NEGLECT</td>
</tr>
</tbody>
</table>

From the table 3.4, the various responses to the dissatisfaction of employees are described as follows.
• Voice – The dissatisfaction is expressed through the active and constructive attempts to improve the circumstances prevailing in the organization. The voice response indicates the employees’ active participation towards improving the present conditions by giving suggestions, discussing the problems with superiors and undertaking some forms of union activity.

• Exit – The exit response implies the behaviour of the employees looking for a new job, resigning the job and leaving the organization (turnover). The dissatisfaction of the employees is expressed by leaving the organization.

• Loyalty – The loyalty response indicates the employees passively, but optimistically waiting for the conditions to improve, supporting the organization in case of external criticism and trusting the organization and management to do the right thing.

• Neglect – The neglect response involves the employees passively admitting the conditions to worsen and include severe absenteeism or lateness, reduced effort etc. The dissatisfaction of the employees is expressed through allowing conditions to worsen.

Exit and neglect behaviours comprehend the performance variables – productivity, absenteeism and turnover. The voice and loyalty behaviours are the constructive ones that allow individuals to tolerate the unpleasant conditions or recreate satisfactory working conditions.

3.3.2 Variables of Employee Satisfaction used in the Study

The variables of the employee satisfaction used in the study are detailed as below.

1. Pay – Pay refers to the incentives available to the employees in addition to their remuneration. The incentives include the housing facilities, medical leave, etc provided by the organization. Various researches had indicated that employees are found satisfied when they feel that they are paid in a
reasonable manner. Moreover, the compensation should be fair and adequate while comparing to similar organizations.

2. Welfare Activities – Welfare activities include the various activities offered by the organizations to keep their employees lively in their workplace. It includes offering yoga sessions to reduce the stress levels of the employees. Similarly, various organizations have set up entertainment clubs and offer tour packages to their employees regularly in order to entertain them.

3. Recognition and Appreciation – It implies that the employees should be appreciated on achieving their targets and must be properly rewarded for their good work. In doing so, the employees may feel that their job is meaningful and thereby feel valued at their organization. The employees will stay longer in the organization only if they are properly recognized and appreciated for their work.

4. Adequate Training – Adequate training is essential for an individual employee to develop his skills and to familiarize with the new technologies introduced. It is evident that training improves productivity of the employees. The organization should therefore arrange training programs regularly to their employees.

3.3.3 Employee Satisfaction and Employee Turnover

The relationship between employee satisfaction and turnover is affected by the alternative job prospects. The job dissatisfaction is less predictive of turnover when an employee is having an unsolicited job offer since the employee is more likely leaving in response to ‘pull’ (the lure of the other job) than ‘push’ (the unattractiveness of the current job). If the employee has plenty of job opportunities, the job dissatisfaction is likely to predict the turnover since the employee observes it as easy to move. When the employees are having higher education and high ability, job dissatisfaction predicts the turnover of the employees since they are having many available job alternatives (Stephen P Robbins, 2013).

Thus, this section describes the importance of employee satisfaction with regard to his job. If the employees are satisfied with their jobs they will stay with
their organization with commitment and will contribute towards the effective functioning of the organization. The unsatisfied employees are likely to leave their organization if alternative job opportunities are available to them or will result in absenteeism in the organization and will be unloyal towards their job. Thus the organization has to suffer the consequences of the employee dissatisfaction.

**Section C**

Section C demonstrates the Employee turnover, its meaning and definitions, types of employee turnover, its causes and impact on the organization in detail.

**3.4 Employee Turnover – Meaning and Definitions**

To survive in this competitive world every organization has to maintain a skilled workforce for ensuring the organization’s productivity. Several factors act as a barrier to this and turnover of employees is considered as a prominent one amongst them. Employee turnover is regarded as a major challenging issue faced by an organization now a day.

Employee turnover refers to a situation whereby the employees voluntarily leave their organization due to various reasons thereby affecting the organization negatively. When an employee leaves the organization, it has an effect not only on the organization, but also on employee and the society as well (Arokiasamy, 2013).

The employees working in an organization always look for new and challenging jobs and a good and safe working environment. But the organization may find it difficult to provide such necessities to their workforce in an economic way. The organization is bound to retain its talented workforce since it wishes to achieve higher productivity, lesser turnover and to be profitable. Hence managing the turnover of employees successfully is now a crucial step to every organization (AHM Shamsuzzoha).

Price (1977) (Abdali, 2011) defined Turnover as “the ratio of the employees of an organization who left in a particular period of time with the average number of employees in that organization during the same period of time”.
According to Glebbeek and Bax (2004) (S E Mbah, 2012) “Employee turnover is the series of actions that takes from the employees leaving for his or her being replaced. It acts as an indicator of company performance and can easily be observed negatively towards the organization’s efficiency and effectiveness”.

Agness (1999) (Abdali, 2011) defined turnover as “the ratio of the number of workers that had to be replaced in a given time period to the average number of workers”.

Bevan et al. (1997) suggested that it was possible and desirable to create a risk assessment based on people who may leave the organization and the potential impact that may create on the organization (Martin, 2010). They developed a four cell matrix based on two measures of likelihood of an individual leaving and the impact on the organization.

Table 3.5 Employee Turnover and its impact on Organization

<table>
<thead>
<tr>
<th>Measures</th>
<th>Likelihood of Employee Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
</tr>
<tr>
<td>Impact on the Organization</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Low</td>
</tr>
</tbody>
</table>

Table 3.5 reveals the four results of the likelihood of an individual leaving the organization and the impact it has on the organization is detailed below

- High likelihood and High impact – This is categorized as the Danger zone, which implied that immediate actions are to be taken to retain the employees so designated.
• High Likelihood and Low impact – This is described as Thanks for all you have done, which expresses that there exist no reason to try and retain the employees so assigned.

• Low likelihood and High impact – This is explained as requiring a Watching brief, which states that no immediate actions are needed that could easily change the situations while careful handling is needed if the employees are to be retained to the success of the organization in the future.

• Low likelihood and low impact – This is detailed as No immediate danger, which means that no immediate actions are needed to retain the employees in the organization.

High likelihood and high impact; and low likelihood and high impact are crucial to the organization while high likelihood and low impact; and low likelihood and low impact are not at all critical to the organization.

3.4.1 Types of Employee Turnover

The various types of employee turnover are discussed as follows (Abdali, 2011), (SE Mbah, 2012)

• Functional v/s Dysfunctional Turnover - Functional turnover refers to the turnover in which the poor performing employee leaves the organization while in the Dysfunctional turnover good performer leaves the organization.

• Voluntary v/s Involuntary Turnover – Voluntary turnover refers to the turnover in which the choice of leaving the organization is initiated by the employee himself while in involuntary turnover the employee have no choice in their termination. For example: sickness, death, retirement, moving abroad etc.

• Avoidable v/s Unavoidable Turnover – Avoidable turnover refers to that turnover, which an organization can prevent by hiring, evaluating and motivating the employees. Unavoidable turnover arises from the life situations that extend beyond the employer’s control such as the decision to move to a new place or job transfer for the spouse etc.
Skilled v/s Unskilled Turnover – Unskilled turnover refers to the turnover of the unskilled employees. They are known as contract staff and are generally untrained and less educated and experience high turnover. Their turnover does not affect the organization since new employees can be hired. Skilled turnover refers to the turnover of skilled employees and their turnover may create a risk to the organization while leaving. Hence turnover of skilled and educated professionals creates replacement costs as well as a competitive disadvantage (Abdali, 2011).

3.4.2 Causes of Employee Turnover

The employee turnover may be caused by various factors that include the personal factors, job related factors, work environment factors and external factors that include alternative working environment (Arokiasamy, 2013), (Abdali, 2011). They are detailed as below

1. Personal Factors – The personal characteristics of an employee like age, gender, qualification, marital status, work experience etc may be the reason for leaving the organization. For example: the older employees who have stayed longer with the organization leave their organization than the younger employees.

2. Job Satisfaction – The job satisfaction and employee turnover are inversely related to each other. The employees satisfied with their job will stay in the organization while the employees having job dissatisfaction are likely to leave their current employer very easily.

3. Job Stress – The job stress is identified as an important predictor of the employee turnover. The tight working schedules, the timing of the job, etc causes job stress and the employees having high stress of their job are likely to leave their jobs.

4. Organization and Work Environment – The factors relating to the organization and work environment include

   - Compensation – if the employees are not satisfied with their compensation packages, they are likely to leave the organization.
   - Inequity – The employees should not be discriminated on the basis of their race, sex, religion, etc which implied fairness or equality about the
compensation, sharing the rewards and pay etc. If the employees perceive inequality in any aspects, it will result in their turnover.

- Co-Worker Relations – The relationship with co-workers also create an impact on the employee turnover. The relationship among the work group, satisfaction with the co-workers, etc reduces the turnover among the employees. The co-ordination between the managers or supervisors, the communication skill of supervisors to handle the subordinates etc influences the employee turnover.

- Working Environment – The employees are likely to stay in the organization where the safe and healthy climate is prevailing. If they feel that the working environment is not safe/healthy, the employee turnover is likely to occur.

5. Alternative Employment – If the employees are having alternative job opportunities they are motivated or encouraged to change their jobs. Thus, the alternative job opportunities are likely to cause employee turnover.

3.4.3 Variables of Employee Turnover used in the Study

The variables of employee turnover identified in the study are detailed as below

1. Work Stress – Work stress indicates the stress or strain faced by an employee while doing his job. Tight working schedule, working hours of the job, workplace problems, etc causes the work stress. The employees having high stress in their jobs will leave their organization, causing the employee turnover.

2. Work Life Imbalance – The work life imbalance refers to the situation when the employees are having problems to maintain a balance between their job and personal life. The employees may feel tired due to their work stress and may in turn affect their family performance. The employees may not get sufficient time to spend with their family and may cause imbalance in their personal life which in turn affects their work.

3. Health Problems – Health problem is the main factor causing the employee turnover. If the employees are not physically and mentally fit, it will affect
their work performance and may create an impact on the organization as well.

4. Economic Conditions – The economic conditions prevailing in the country may affect the employee turnover. During the recession period, the employees may be forced to leave their organizations where they are working or they have to work at lower compensations than usual.

5. Workplace Relations – The relationship between co-workers in an organization also affects the turnover of the employees. A cohesive work environment is always preferred by the employees. If the employees do not receive sufficient support from their supervisor or co-workers, they are likely to leave their organization.

This section concludes by stating that the turnover among employees is very crucial and may affect the performance of the organization. So the immediate steps need to be undertaken by the organization to eliminate this aspect as well as to retain their existing workforce.

3.5 Conclusion

This chapter concludes by stating that the quality of work life is indeed concerned with the employees’ work life and the satisfaction experienced by them in their working environment. Quality of work life is thus, a multi-dimensional concept that includes the various work related aspects such as wages and hours, work environment, career prospects and human relations which may lead to employee satisfaction and motivation. It is concerned with the aspects to which an employee feels valued, motivated, consulted, rewarded and empowered. Besides, the quality of work life calls for efforts to improve the work environment in an organization through the active participation of employees throughout the organization. If the employees working in an organization are satisfied with their work environment, it will lead to their job satisfaction. The job satisfaction, in turn, leads to better performance of employees, thereby benefitting the organization. On the contrary, if the employees are not satisfied with their job or with the working conditions, they will seek another job and leave the organization thereby causing employee turnover. This implies the importance of quality of work life in an
organization. So it is advisable to implement the quality of work life programs in every organization so as to retain their employees in the long run.

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