CHAPTER 1
INTRODUCTION

The dynamic global economic conditions are forcing the organization to rethink their strategies to meet the business objectives. Employees form the backbone for the organization without whose support an organization cannot be successful. Employees spend most of their time and energy in the workplace. Therefore, it is essential for the employees to be satisfied with their job and the organization. Many authors believe time pressure is a serious concern in today’s workplace as the world is shrinking, and the workers are continually bearing higher responsibilities at work with stringent deadlines and higher job expectations, so is the case at home too (Glass & Finley, 313–337; Van der Lippe, 2007). Any mismatch in the roles either in the family or in the organisation can have serious consequences for the workers as well as the employers.

Researches have been conducted as early as 1960s to understand the gap between the work life and family. The concept of Quality of WorkLife (QWL) first gained support in the 1960s and 1970s when the initial discourse began in Scandinavia and the US. Though QWL has different meaning to different people, all agree that it is crucial to improve the working conditions of the workers as rapid progress in technology saw a high dehumanization, de-skilling, alienation and objectification of labor under the Taylorist influences (Hannif & et.al., 2008).

QWL refers to liberating workers from the various woes, like dehumanization, and make them more productive by opening new avenues for them to apply their energies
back to work with renewed interest. The activities associated with QWL encourage workers to channelize their expertise, intelligence, abilities and skills to solve problems in job design, performance, distribution of authority, coexistence among each other, job allocation and career path (Zare, Haghgooyan, & Asl, 2012). The main objective of the effort of QWL is to increase participation of employees in the management of the organization (Schlesinger & Oshry, 1982, p. 5).

Fredrick Herzberg first coined the term "quality of work life" (QWL). It was later introduced in 1972 during an international labor relations conference at Columbia University (Davis & Cherno, 1975; Moen P., 1999). QWL originated from the concept of open socio-technical system designed to ensure interdependence and self-involvement in work to achieve the best solution to satisfy both technology and social organizations. The open socio-technical system is a traditional concept that assumes an optimal system performance and the right technical organization which coincides with those job conditions under which the social and psychological needs of the employees are fulfilled (Bolweg, 1976).

In 1999 International Labor Organization (ILO) put forward a new agenda of decent work defined as decent work deficits caused by a gap between the worlds that we work in and the hopes that people have a better life in order to improve the situation of human beings in the world of work. From the decent work perspective, the gaps which exist between people’s aspirations regarding their work and their current work situations can be viewed as decent work deficits. Decent work movement has been recently developed concept that is different from the QWL initiatives, it has not left the main issue of labor rights problem arising due to the gap in the aspirations and real work situation at
our workplaces. In other words, the issues of QWL are also considered while framing decent work concept.

Many authors have defined QWL in their own terms based on the course they took for their studies. Though various definitions would be discussed in the next section, here the major concepts of QWL are discussed. Efraty and Sirgy (1990) perceived QWL as “need satisfaction.” While Sirgy et al. (2001) and Koonmee et al. (2010, p. 22) define QWL as “employee satisfaction with a variety of needs through resources, activities, and outcomes stemming from participation in the workplace.” From the employee’s perspective, Casio (1992) and Adhikari and Gautam (2010, p. 41) define QWL as “physical and mental well-being” while working in an organization.

According to Straw and Heckscher (1984) and Radha (2012), QWL is “a philosophy, a set of principles, which holds that people are the most important resource in the organization as they are trustworthy, responsible and capable of making valuable contribution and they should be treated with dignity and respect.” QWL covers working conditions, mode of wages payment, health hazards issue, working time, financial and non-financial benefits and behavior of management towards employees (Islam & Siengthai, 2009). Cunningham & Eberle (1990) believe that the factors that are important to an individual’s quality of work life encompass the physical work environment, the task, administrative system, and social environment within the organization, and the relationship between life on and off the job. The key objectives of QWL programs are to increase productivity and to enhance the job satisfaction of employees (Gadon, 1984). If an organization meets these two criteria, an organization will tend to have productive, satisfied and healthier employees, who in turn would support to increase the efficiency of
the organization and increase its profitability (Sadique, 2003). This interaction and relationship of QWL between the worker and work environment was further highlighted by Hackman and Oldham (1980). The work environment of employees, which is able to fulfil personal needs, is considered to provide a positive interaction effect on the employees.

The main reason to maintain QWL in an organization is to enhance the productivity of an employee in relation to assigned jobs and work conditions (Lawler E. E., 1982). To build this further in terms of organization’s perspective, Beukema (1987) defined it as “degree to which employees are able to shape their jobs actively, in accordance with their options, interests and needs.” This definition refers to the positive interaction of the employees with work and organization. The individual employees having the liberty to design and alter the design of his job functions to achieve his personal interests and need leads to better perception of the organization. This underlines the importance of an employee’s choice of interest in completing a task (Rethinam, 2008). The organization may not always be possible to fulfil the personal needs and values of each employee, as varied as it can be. Nevertheless, when the organization provides support to allocate required authority to modify or design the activities pertaining to the individual, the workers will be able to derive satisfaction from their work.

The above stated definitions prove that there are multi-dimensional aspects to QWL perceived by the employer and the employee. These aspects are, however, interrelated to each other and require careful consideration to conceptualize and measure. The criteria for QWL as proposed by Walton in 1975 still have relevance in the fast-
paced life. These criteria are (a) adequate and fair pay; (b) safe environment; (c) bill of rights, including equity and due process; (d) development of human capacities; (e) advancement opportunities; (f) human relations; (g) total life space, like balance of work and family; (h) social relevance of employer; and (i) employees’ influence over decisions that affect them.

In the modern context, European Foundation for the Improvement of Living Conditions (2002) has introduced the factors such as job involvement, job satisfaction, productivity, motivation, job security, safety and well-being, health, competence development and balance between work and non-work life as part of QWL.

QWL can be considered as a set of approaches, methods, or technologies to develop and enhance the work environment to ensure a more productive and satisfied employees.

Seashore (1975) and Walton (1975) conceptualized the quality of work life by proposing eight major concepts relating to QWL. Those concepts are (a) fair and adequate compensation, (b) healthy working conditions in the organization, (c) opportunity to develop human capabilities, (d) chances for continued growth and security, (e) work organization with social integration, (f) constitutionalism in the work organization, (g) work and total life space and (h) social relevance of work life. These factors determined the work climate of an organization.

QWL can be assessed by combining the amount and the degree of stress and satisfaction experienced by the individual performance role. Walton (1975) also postulated a model of QWL for the improvement of living and working conditions.
QWL also places importance on career development practices established within the organization. These practices include understanding the career expectations of workers and succession plans. Career development and the interaction of the employees with job and its job giver is one of the main determiners in QWL (Che Rose, Jegak Uli, & Idris, 2006).

Serey (2006) discusses about the “contemporary work environment” when he talks about QWL, it means having a meaningful and satisfying work. Meaningful and satisfying work often is discussed along with job satisfaction and believed to be more favorable to QWL. It includes (i) an opportunity to exercise one's talents and capacities to face challenges and situations which build independent initiative and self-direction; (ii) an activity thought to be worthwhile by the individuals involved; (iii) an activity in which one understands the role the individual plays in the achievement of overall goals; and (iv) a sense of taking pride in what one is doing and in doing it well. QWL focuses on developing a strong relationship between employee’s well-being at work and performance of the organizations.

The above definitions on QWL do not lead to any conclusive single definition; nonetheless, it is evident that QWL signifies domains of work situations that satisfy the needs of the employees and motivate them to increase their productivity and effort. Similarly, satisfaction of need also based on individuals and the workplace values may differ from person to person.

Individual’s need can be understood by managers, when the managers get to know the employees and their personalities only then they will know how to encourage and motivate the employees. Lehrer (1982) states that “Each organization should assess
approaches to productivity and quality of work life enhancement that relate to making the most effective use of its own work setting. There is no universal and sure way to success. If one has the conviction that success can be achieved, various experimental approaches will be tried, evaluated, refined and success will be achieved.”

Formula to determine QWL for individuals was formulated by Coster(1992).

\[ QWL = \frac{O}{S} \]

Where “O” refers to the degree of satisfaction of an individual with respect to his/her work domain and situation. “S” refers to the personal as well as subject standard of that individual for that particular domain.

When “S”, i.e., personal subjective standard is assumed to be 100%, then the formula can be re-written as

\[ QWL = \frac{O}{I} \]

The sum of all the individual domain ratings will determine an overall QWL score. This formula would assist in assessing the individual QWL index in a particular work domain. Such analysis of individual and domain ratings will enable one to identify problem areas within a domain and will support in taking correcting/solving issues within the domain(Nair, 2005).

1.1 Meaning and Nature of QWL

“Life is like riding a bicycle. To keep our balance we must keep on moving”-Albert Einstein. To be able to move continuously along with achievement and enjoyment is possible if there is less friction, boredom and work. It is clear that workplace
performance at the individual, organizational and community levels is dependent on work life issues. The understanding of work life theories, issues, challenges and possible solutions enable employers to take necessary steps to strategically change the work culture. The strategies enable the employees to be more engaged and productive and use their full potential in their work and life roles such that their employers can maintain a competitive edge and are profitable which cascades to the health and well-being of their respective communities.

The achievement and enjoyment at professional and personal lives are two sides of a coin of value in life. One does not exist without the other nor do a coin with only one side. Hence most of the times it happens that the successful people are not happy or at least they are not as happy as they supposed to be. Thus, the full value of life cannot be achieved without achievement as well as enjoyment. The focus on both achievement and enjoyment in day to day life helps to avoid the burnout. These simple concepts are focused as key components of the day such that they are not that hard to implement. Hence they make it happen for them self, their family and work every day for the rest of the life to achieve and enjoy.

1.2 Benefits of QWL

The interrelation between the factors of QWL and the workers are significant. If a balance is maintained at home and work, it can result in the following benefits.

- Increased employee performance and productivity
- Enhanced morale
- Reduced attrition
- Decreased absenteeism and sickness
- Lowering of burnout and stress
- Retention of staff
- Rise in company image in society

The above benefits can be materialized when the right strategy is chosen at the right time and situation from the available strategies which are feasible. It is important to maintain the advantages of a good worklife policy by keeping it relevant and up to date. Employee satisfaction, performance, and some factor assessment, such as retention rate and feedback, through which the effectiveness of the policies can be evaluated. The positive impact of policies on the company’s bottom line, i.e., staff and customer satisfaction and retention, and the climate within the organization. Constant monitoring, feedback, and adjustment will ensure the policies and their implementation is working well. Publicizing success by making use of internal newsletters and the local press, and encouraging employees to take up what is on offer and spread the word would benefit the organization.

1.3 Relevance of QWL in Manufacturing and Service Sector

Technological development has made the work of man easier than what it was a few decades ago. The modern technology not only just makes the life easy and simple, but also brings a work-life imbalance by getting connected to work around the clock at home also. However, human needs always have been found to have precedence over technology from the socio-technical system point of view.

After independence, India has developed at a faster pace through changes in various policies and ideologies of the government. These policies have been in favor of developing the manufacturing sector and made India a proud country which now able to
produce most of its goods. The liberalization has brought along with it a set of human
capital challenges. The organization is struggling to keep pace with the development
which in turn affects the workers in relation to working environment, working hours, job
security and so on.

Any attempt at improving the performance of the organization can be successful
only if the organization is able to develop a strong quality work life. The true work-life
balance is dynamic and needs conscious actions after identifying the priorities. One
formula does not work for all people at all times. To achieve better work-life balance, the
first task is to make clarity of priorities in life and set healthy and effective boundaries.
The successful people are only those who have the flexibility to meet the demands of
their professional lives and also accomplish personal goals outside their offices.

From the manufacturing sector perspective, it was observed by
Buchanan(Buchanan, 1979) that working in groups can provide better quality of life
especially when workers are involved in organizational design and change of the
worker(Pasmore, Francis, Haldeman, & Shani, 1982).

Thus working in autonomous group increases the quality of life without
sacrificing organizational effectiveness.Kanagalakshmi and Devei(2003)on studying the
workers from textile industry have found that there is a significant relationship between
QWL and work related factors.

However, there is not much study about the various factors which actually affect
the QWL of workers in manufacturing as well as service industries. Further, there are
various elements of QWL which requires an answer in both the manufacturing and
service industry. Therefore, this research is an attempt to find out the QWL index among
the manufacturing and service sector. An attempt has also been made to understand if there is any variation in the QWL index between the manufacturing and service sector.

1.4 Significance of the Study

In today’s fast paced life with rapid technological advancement, it is imperative to maintain a balance between work and personal life to lead a healthy and productive life. Similarly, with the global economic meltdown, organizations are looking for ways to achieve its business goals. To achieve these goals and be successful in its business ventures and extremely stringent budget, the organization needs to have employees who are satisfied with the work to be productive. The dissatisfaction in work has serious repercussions not only in work but also in his/her personal, social, psychological life.

The analysis of the literature suggests that a person who is satisfied in work with high level of psychological well-being is more effective, highly productive and committed to his job while in comparison with a person who has low-level of psychological wellness (Wright & Cropanzano, 2004; Wright & Bonett, 2007).

Studies have proved that a person who is satisfied at work and with the organization will have a better approach towards QWL. He/she perceives his work environment positively, therefore, it influences his/her health and psychological wellness (Srivastava, 2007; Chan & Wyatt, 2007).

Some organizations respond to economic vagaries through cost cutting, improving processes, and moving towards a better technology. While others actively introspect and seek a change in employee relations to improve the productivity of the employees. In the modern scenario, QWL as a strategy of HRM is being recognized as the ultimate key for
the development among all the work systems, and not merely as a concession. QWL is becoming an integral part of the organization’s overall growth. Likewise, the employees who have witnessed the past economic boom are no longer satisfied with economic emoluments but they expect much more satisfaction from their job.

With this concept in the background it is imperative to study the QWL of employees in the organization. The outcome of the study is expected to bring forth recommendations that would help the organization to recognize their responsibility to develop jobs and working conditions that are necessary to fulfil the needs of the people besides meeting its organizational objectives. This study will be helpful in understanding the current position of the respective company and provide broader strategic perspectives to improve employee satisfaction.

1.5 Research Statement

Job satisfaction occupies a prominent role in both the life of an employee and an organization as each of them contributes for that simultaneously. Satisfied employees are undoubtedly an asset to the organization irrespective of the nature of its business. In the present competitive global economy, there is a growing disparity among the employees based on their qualifications, the nature of the job, and contribution to organizational profit. There is a tendency to believe that the satisfaction of an employee depends on the monetary and non-monetary benefits the employees receive. Since the economic reforms in India, there is a growing disparity in terms of socio-economical, psychological and personal well-being among employees working in the conventional manufacturing industries and the fast growing knowledge-based industries. These factors necessitate the research on the factors contributing for the employee satisfaction and the resultant
productivity in these two different types of industries, where the workforce is vastly varying with mindsets and perception of QWL.

1.6 Objectives of the Study

- To analyse the quality of work life and its determinants in the selected manufacturing and service sectors.
- To measure the level of employee satisfaction and its determinants in the selected industrial units.
- To evaluate the employees opinion on the organizational policies with respect to compensation, career prospect, occupational stress and participation in management.
- To identify the areas that need improvement and to make suggestions to improve the QWL in the organizations under study.

1.7 Hypothesis

For the following research, alternate (a) and null (b) hypotheses are formulated in the study to evaluate the factors that affect QWL and to draw accurate conclusions.

**H1ₐ:** There is no significant difference between the job Satisfaction of the employees in manufacturing and service sectors.

**H1₇:** There is a significant difference between the job Satisfaction of the employees in manufacturing and service sectors.

**H2ₐ:** There is no significant difference between the Opportunity for Growth of the employees in manufacturing and service sectors.
**H2_a**: There is a significant difference between the Opportunity for Growth of the employees in manufacturing and service sectors.

**H3_b**: There is no significant difference between the Social Integration in the Work Organization of the employees in manufacturing and service sectors.

**H3_a**: There is a significant difference between the Social Integration in the Work Organization of the employees in manufacturing and service sectors.

**H4_b**: There is no significant difference between the Safe and Healthy Working Conditions of the employees in manufacturing and service sectors.

**H4_a**: There is a significant difference between the Safe and Healthy Working Conditions of the employees in manufacturing and service sectors.

**H5_b**: There is no significant difference between the Adequate and Fair Compensation of the employees in manufacturing and service sectors.

**H5_a**: There is a significant difference between the Adequate and Fair Compensation of the employees in manufacturing and service sectors.

**H6_b**: There is no significant difference between the Training and Development of the employees in manufacturing and service sectors.

**H6_a**: There is a significant difference between the Training and Development of the employees in manufacturing and service sectors.

**H7_b**: There is no significant difference between the Overall Satisfaction of the employees in manufacturing and service sectors.

**H7_a**: There is a significant difference between the Overall Satisfaction of the employees in manufacturing and service sectors.
1.8 Scope of the Study

The present study is designed to cover the aspects necessary for analysing the employees (middle level) opinion about the various QWL programs offered in their respective organizations.

The factors which lead to high QWL in today's fast-developing world and to study whether these factors change with respect to manufacturing and service sectors that are considered for the study. The study will identify the QWL criterion that is different in the manufacturing and service sectors and how it affects the employee’s well-being. The outcome of the study is based on the opinion expressed by the managers and executives about QWL programs deployed in their respective organizations.

The study also intended to uncover the hidden factors behind QWL in selected conventional manufacturing industries and fast growing knowledge based service industries. Convenience sampling method was used to select the industries to be studied. Opinion of the managers and the executives were collected from seven companies of manufacturing sector and nine companies of service sector. The companies selected for the study are a combination of private and public sector industries.

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<thead>
<tr>
<th>Table 1.1: Manufacturing units considered for the study</th>
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<tbody>
<tr>
<td><strong>MANUFACTURING SECTOR</strong></td>
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<tr>
<td>Mysore Silk – Weaving &amp; Printing Silk Products</td>
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<td>J K Tyres</td>
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<tr>
<td>Reid and Taylor</td>
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<tr>
<td>Habib Oil and Grains Processing</td>
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<td>South India Paper Mills</td>
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Table 1.2: Service sector units considered for the study

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<th>SERVICE SECTOR</th>
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<tr>
<td>Corporation Bank</td>
<td>JSS Hospital</td>
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<tr>
<td>Life Insurance Corporation of India</td>
<td>Kotak Mahindra Bank</td>
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<td>Usha Lexus Hotel</td>
<td>Excel Software</td>
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<td>Southern Railways Mysore Division</td>
<td>Swami Vivekananda Youth Movement</td>
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<td>Aris Software</td>
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1.9 Chapter Scheme

The thesis is presented in six chapters namely:

- Chapter 1 Introduction
- Chapter 2 Review of Literature
- Chapter 3 A Profile of Industrial Units considered for the Study
- Chapter 4 Research Methodology
- Chapter 5 Results and Discussion
- Chapter 6 Summary of findings

Chapter 1 presents a general overview of QWL was provided along with its importance in the present scenario. The origin and importance of QWL was briefly discussed to set the stage for analyzing QWL from the literature. The significance of the study with respect to the psychological health of an employee in relation to his/her productivity was brought out from the research context. Further, the statement of research, objectives of the research and scope of the study was discussed.

Chapter 2 provides a thorough analysis of the literature review was done on QWL. This chapter critically discussed the importance of QWL in the workplace.
Further, the definitions provided by various authors were analyzed and the definition that best fits our research was chosen to defend our study. The Walton’s eight conceptual categories used for this study were examined to understand the nature of QWL that is being adopted by the various organisations. The Concept of QWL in India and specifically to manufacturing and service sector industries were studied. The literature review also tried to seek answers to the research objectives of this study from the multitudes of published papers from eminent authors.

Chapter 3 gives a brief description about the various companies studied for this research. In general it gives information about their founders, products and services, achievements, turnover and their geographic details. These companies are situated in Mysore, Bangalore, Maddur and Nanjanagud cities of Karnataka state.

Chapter 4 discusses the research methodology used for this study. The research design, data collection and the statistical tools and techniques are also provided in this chapter. Survey method was used as a research strategy to get information about the perception of QWL among the manufacturing and service sector employees. Questionnaires were used as data collection tools. Simple Random Sampling method was used to select the respondents. Data analysis was explained using pie charts, line and bar charts. SPSS V20 was used to conduct statistical analysis.

Chapter 5 presents the results obtained from this study graphically and in tables. The interpretation of the data in statistical terms was examined to understand the impact of QWL on a person’s work and social life.

In the final and the sixth chapter research findings, recommendations are provided for the organization to recognize the importance of change in job nature and working
conditions to maximize performance and productivity of the employees. The employees satisfied with their job and the organization is expected to support the organization to meet its business objectives. The future scope for further research is also given in this chapter.