

Role of Economic Considerations in Improving Quality of work-life and Organization Performance: An overview

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Abstract

With the recent growth in employment and multidimensional pattern of work, time spent on work has been greater than before. As an effect, personal life of human being is being ruled by the work. Further, it has been observed that there is a motive (drive) behind every work of person and if that drive is economic, the work becomes more attractive. Since employees are more skilled and well-informed now-a-days, they expect additional privileges than just normal wages or salary. Bonus based on productivity, rent free accommodation, medical facilities etc. are some of the exciting economic factors which may lead to high working life quality. This study is conceptual in nature and on the basis of literature available, it will throw light on impact of economic factors in improving the working life quality of employees and organizational performance. The present study will be useful for policy makers while framing their HR policies for the employees in an organization.

Key words – *Quality of Work Life, Quality of Life, Job satisfaction, Economic factors*

1. Introduction

From the ancient times, work has been an integral part of human life. One cannot even imagine life without work. Work is essential to gain individual identity, societal roles and social status. It can be said that work connects majority of the people with outside world (Martel & Dupuis, 2006). Initially, the human beings were working for their existence (search of food, shelter etc.) But over the time, the work has transformed its purposes and meaning. Now-a-days, work is not merely a mean of survival; it is rather a multifactor process, in which the human being has managed a central position. With the increase in employment and complex pattern of work, average time spent on work has been significantly increased. As a result, personal life of a person is being dominated by the work (Nayeem, 2012). The purpose for doing work may differ for different persons; for a worker it may be means of livelihood, for a person belonging to well-to-do family, it may be for the fulfilment of one's social need/status. It has been viewed that more than half of the life of an average human being is spent while doing work. According to Central Intelligence Agency, USA- The World Fact Book, life expectancy at birth is highest in Monaco with 89.40 years followed by Japan with 85.30 years and India is at the 164th rank with 68.80 years (Source: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2102rank.html>; accessed on 31-10-2018). If the total life span of an average human being in India (69 years) is distributed into work and non-work life, it may come around to be 47 years and 22 years respectively. As per prevailing legislations in India, there is restriction on employment of a child below 14 years of age in any concern including domestic help. However, there are certain establishments which consider 18 years as an entry age for employment. On the other hand, the retirement age in many employments is 65 years. Hence bearing in mind this principle, the non-work life is considered below 18 years and after 65 years of age of a person. The same can be depicted in figure 1.

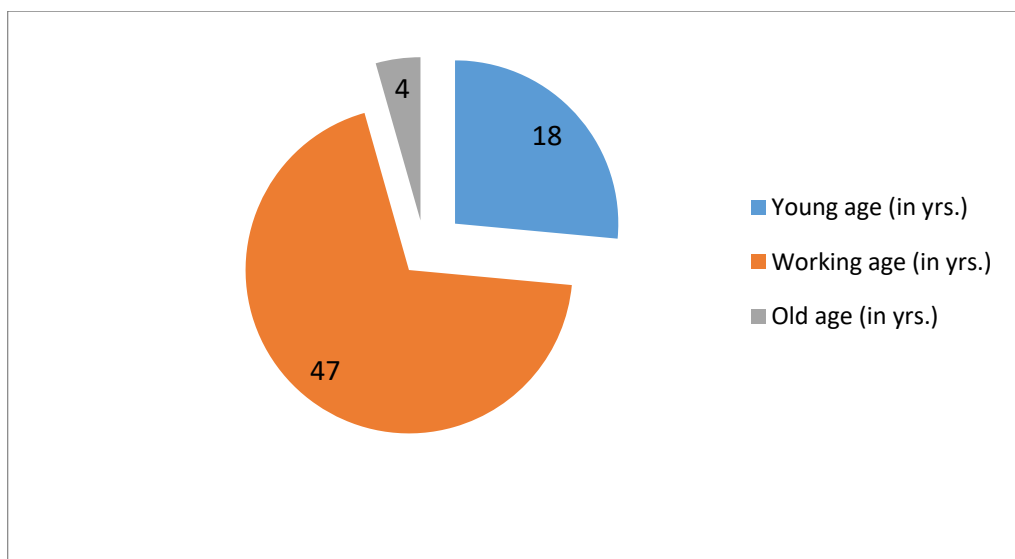


Figure 1. Distribution of total life span of an average human

Source: Author's own

Hence, it is evident from the above that life at work place is an essential component of total life space as one spends more than half of his/her life at work. Since major part of life is spent at the work place, the effect of work-life on other spheres of life cannot be denied. Hence, it necessitates studying the working life of an employee. According to Saklani (2003), the positive or negative outcomes at work are having spill-over effect in other fields of life hence the working life must be taken care of. Further, Sirgy et al. (2001; 2008) also viewed that working life quality not only affect job satisfaction but also satisfaction in other life spheres such as personal life, leisure life, spiritual life, social life etc. and established that satisfaction in one part of life may affect satisfaction in other.

Hence, if the total life space of a human being is divided into two parts viz. 'work-life' and 'non-work life'. It can be further segregated on the basis of other facets of life as depicted in figure 2.

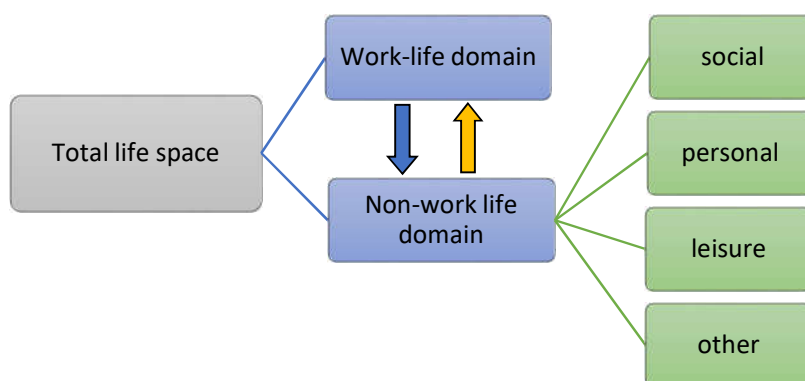


Figure 2: Schematic diagram of human life space

Source: Author's own; based on various studies

Besides this, the organizations have realized that if the employees are provided with good working life, it will result in positive work attitude and job satisfaction which will be reflected in their work and their output will be improved.

2. Quality of Work Life (QWL)

QWL refers to the level of pleasure or displeasure with one's own career and those who enjoy their careers are said to have a high QWL, while those who are unhappy or whose needs are otherwise remain unfulfilled are said to have a low QWL (Subramaniam & Saravanan, 2012). QWL refers to an individual's evaluative reaction to, and satisfaction with, his/her work and the total working environment (Taher, 2013). Initially, QWL concept focussed on how to improve working conditions so that personal needs can be satisfied at large (Beh & Rose, 2007). It is further argued that QWL is a multidimensional concept and covers an employee's feelings about various dimensions of his or her work including the work environment, pay and reward schemes, training and career development prospects, involvement in decision-making and the association between life on and off the job (Adhikari & Gautam, 2010). Besides this, Sirgy, et al. (2001) theorized QWL in terms of "need satisfaction". He viewed that QWL is associated with basic job characteristics such as: salary; physical or psychological environment at work; workload and stress at work; and equitable chances of promotion and professional growth. In the words of Connell & Hannif (2009), it has been defined as "better jobs and more balanced ways of combining working life with personal life".

In another study, Rethinam and Ismail (2008) defined QWL as the effectiveness of the work environment that transmits to meaningful organization, and personal needs in shaping the values of employees that support and promote better health and wellbeing; job security, job satisfaction, competency development, and balance between work and personal life. To summarise, QWL is viewed as a wide-ranging concept, which includes many inter-dependent factors. Most of the definitions aim at achieving the effective work environment that meets with the organizational and personal needs which promote well-being, job security, job satisfaction and balance between work and non-work life.

3. Rationale of the study

The industrial revolution, which directed towards urbanization, has been responsible for changes in family arrangements. The study of QWL is becoming significant because of today's work environment and family structures. Further, the work environment and facilities provided by a concern are becoming its brand image and the employees' preferable employment destinations are the companies providing better facilities (monetary and non-monetary). Further, it has been observed that there is a need (drive) behind every work of human being and if that drive is economic, the work becomes more attractive resulting job satisfaction. There is prior literature showing that an employee satisfied from his work is a productive, loyal and committed employee (Sirgy et al., 2001). Acting upon this premise, the related literature has been studied regarding economic benefits available at workplace to the employees' and its relation with growth of the concern.

4. Method

This paper is mainly conceptual and descriptive with the aim of examining the work-life employees and impact of economic factors in improving the concern's performance. The literature review has been undertaken for peer reviewed academic articles relating to the topic published between year 2000 and 2016.

5. Economic considerations, QWL and Organization performance

There is a motive (drive) behind every work of human being and if that drive is economic, the work becomes more attractive. It has been realized by the organizations that if the employees are well-paid and their needs are taken care of, it will result in positive work attitude and job satisfaction which will reflect in their work resulting improved output. In a survey conducted on marketing professionals in USA, Lee et al. (2007) posited the QWL in terms of employees' satisfaction with two sets of needs (lower and higher-order needs). The lower-order needs consist of health/safety needs and economic/family needs. The higher-order involves social, esteem and self-actualization needs. They suggested that management should emphasize satisfying both lower and higher-order needs to enhance job satisfaction and decrease dissatisfaction. Further, while studying QWL provisions of labour laws in selected Nepalese firms, Adhikari & Gautam (2010), found that among other, the economic factors were considered to be important factor for every worker. On the basis of results of the study done on 102 non-managerial employees of 18 different organizations, Saklani (2010) also revealed that economic concerns continue to be of utmost significance to the employees. Hence to study the role of economic factors in improving QWL among employees becomes more significant in the present scenario.

Since employees are more skilled now-a-days, they expect additional privileges than just normal wages or salary. Bonus based on productivity, rent free accommodation, medical facilities, travel concessions, free transport, holiday homes etc. are some of the exciting economic factors which lead to high QWL. According to Rehman & Roomi (2012) among all the factors, satisfying family needs is the most significant factor that motivates any employee to work for an organization. Further, in a survey of employees conducted in seven different health-care centres located in Ontario, Canada, Lewis et al. (2001) shown that pay, benefits and supervisor style – play the major role in determining satisfaction among employees. In an another study, Kumari & Sidhu (2016) found that besides other factors, adequate and fair compensation is a dominant factor as far as QWL of taxi drivers in Punjab, India is concerned. Further, Mejbel & Almsafir (2013) found rewards, benefits and compensation to be most influenced drivers of QWL. Besides this, the study done by Joshi (2007) indicated that there are many factors which contribute towards QWL but the major motivating factor is the economic consideration. Therefore, it can be said that rewards (monetary and non-monetary) not only satisfy the needs but also meet the expectations of employees. Further, Rosser (2004) in a national study on the work-life and satisfaction of faculty members' found that the economic benefits not only enhance satisfaction among employees but also improve retention of employees. Moreover, many researchers also established that high labour turnover is a direct concern of employee dissatisfaction with the organization (Lee et al., 2015). Besides this, many authors advocated that enhancing QWL will result in reduced absenteeism, employee turnover & grievances and enhance life satisfaction among employees (Havlovic, 1991; Celik & Oz, 2011; Wan & Chan, 2013).

Hence, for improving working life and QoL among employees, organizations can also introduce work-life balance initiatives like flexible work arrangements, child and elderly care facilities, paid leaves and other family-friendly policies (Smith & Gardner, 2007). Besides this, Martel & Dupuis (2006) explained that all human activities are oriented towards an end (a goal), that certain ends (goals) are subordinated to others but that the ultimate end (goal) is the life satisfaction and pursuit of happiness. It can be rightly illustrated in a process as shown in Figure 3.

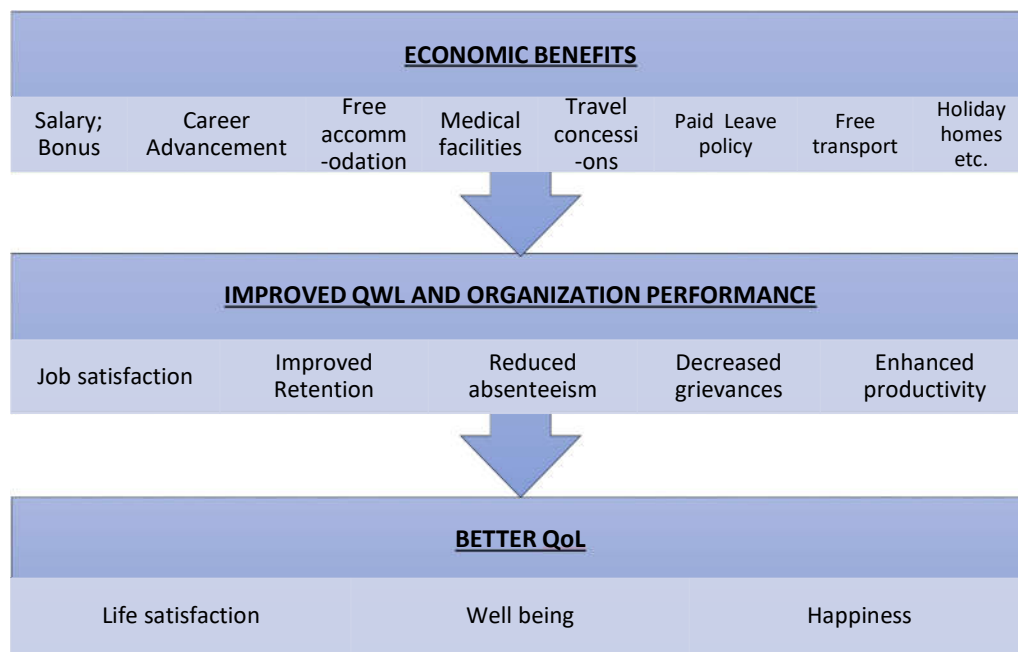


Fig. 3: Process showing economic benefits leading to improved QWL and Organization performance.

Source: Author's own (based on various studies).

It is evident from the above that economic consideration seems to be a motivating factor for employees and to provide a good QWL to employees of an organization it is necessary for organizations to understand their needs, and the factors that influence such needs (Ganesh & Ganesh, 2014). Moreover, QWL and QoL cannot be treated as different entities as both of these depend on each other. Satisfaction in one aspect is reflected in other and vice-versa. Hence, better QWL improves growth of the employees' along with the organization progress and which further leads to better QoL of an employee.

6. Concluding remarks

An in-depth review of diverse literature indicates that a high QWL is essential for organizations to attract and retain employees. Considering the basic nature of Indian workforce and societal system, a planned change in the workplace is the need of the hour to enhance QWL in India. To improve the QWL, the work satisfaction of employees is to be considered as a motivational strategy. Moreover, it has been established that QWL affects the life and attitude of employees at work and to improve work satisfaction of employees, the QWL is to be considered as a motivational approach (Arif & Ilyas, 2013). The improvement in the QWL is sought to be achieved through equitable and adequate economic benefits. The main thrust is in optimising the job satisfaction available to employees. Prior literature shows that participative process where the concerned employees are involved in bringing the change, brings more effective results and their job performance is enhanced (Beh & Rose, 2007; Lee et al., 2007; Mejbel & Almsafir, 2013). In addition to the above, high QWL is also found to significantly reduce absenteeism, minor accidents, grievances, and quits (Havlovic, 1991). Hence it can be rightly said that better economic conditions can improve QWL and enhance progress of the employees' along with the organization growth.

7. Limitations of the study

The main drawback of the present study is that it is mainly focused on economic aspect for improving QWL among employees and the study has been done on the basis of available literature. Since QWL is multi-facet, a diverse concept, therefore studying only one aspect cannot be viewed as a whole story. There is a need to study other aspects of QWL and empirical inference can be drawn between the various dimensions.

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