

## Quality of Work Life in Banks: An Empirical Study

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Quality of work life (QWL) refers to the favourableness or unfavourableness of a job environment for individuals. Quality of work life is the quality of relationship between employees and total work environment, concern for the impact of work on individuals as well as on organizational effectiveness and the idea of participation in organizational problem solving and decision making. As banking industries are becoming increasingly important to the economies of developed nations, the organizations affirm that their employees are the most valuable asset. If employees perceive an organization as offering a good quality of work in return for their contribution to an organization, then it is likely that employees will report higher levels of performance and job involvement. Employee satisfaction facilitates superior performance and also greater attraction and retention of the best employees, thereby enhancing the ability of the organization to deliver higher quality services. In concurrence with the ascertained importance of an employee's role in the service exchange process, therefore, the present research is an attempt to study quality of work life in Nationalized and Private Banks of Indore District. Sample size is 300 and t- test has been applied for data analysis.

**Key words :** Human Relations, Learning Organizations Quality of work life, Proactivity, Work life balance.

### Introduction

The quality of work life first appeared in the research journals in USA in 1970. According to Allen (2001), quality of work life is the verity of efforts to improve productivity through improvement in humans. Quality of work life as the general well-organization; seeks organizational effectiveness through enhancement of human dignity and growth. Thus quality of work life can be described as a process of labor management collaboration, which contributes to the overall satisfaction of the individual and enhancement individual as well as organizational effectiveness.

From this perspective, there has stemmed the notion of organizational responsibility and specifically of management, to ensure that employees who commit themselves fully to achieving the organization's objectives should also experience a high Quality of Work

Life (Kotze 2005). Besides, an employee who feels a great deal of work related well being and little job distress is apt to have a good Quality of Work Life (QWL), and vice versa (Riggio 1990). Indeed, QWL is a process by which an organization responds to employee need by developing mechanisms to allow members to share fully in making decisions that design their lives at work (Robbins 1998). Subsequently, organizations cognizant of issues surrounding the concept quality of work life appear to be more effective at retaining their employees and achieving their goals (Louis & Smith 1990).

According to Newstom and Davis (1995), QWL can be characterized in the terms of human growth, exciting work place, creativity and innovativeness, concern for individual and democratization of work place. According to Rao and Ganguly (1971) QWL is a generic frees

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those cover feelings about every dimension of work ,including economic rewards and benefit, security, safe, and healthy working condition ,organizational and inter personal relationship and intrinsic meaning in the individual life it is a generic term subsuming anything from job enrichment to the worker participation schemes that is any scheme of technology that improve that participation of employee, while a work or undertaking of work, regardless of the location. Rao (1992) contended that those factor which influence that importance of a particular need to an individual and those which satisfy or frustrate that need determine quality of work life. The quality work of life is determined by interactions of personal and situational factors.

Quality of work life is a multifaceted concept. The premise of quality of work life is having a work environment where employees' activities become more important. Quality of work life can be characterized in the terms of human growth, exciting work place, creativity and innovativeness, concern for individual and democratization of work place. This means implementing procedure as policies that makes the work less routine and more rewarding for the employees. These procedure or policies include autonomy, recognition, belonging, progress and development and external rewards.

### **Dimensions of QWL**

**Proactivity:** This includes competent employees, growth opportunities, value orientation.

**Worklife balance:** This includes work life balance, stability of tenure, challenging activities.

**Human relations:** This includes employee satisfaction and human relations.

**Learning organizations:** This includes learning orientation, innovative practices.

### **Review of literature**

Carnall and Brichchall (1975) in their study in a biscuit

creaming industry revealed that autonomy may provide good quality of work life, but it is important to evaluate past and current change in work practices in addition to workers' participation of the situation and their preferences and attitude towards work.

Clegg and Wall (1990) explained that quality of work life could be seen as a human resource management and is being recognized as the ultimate key for development. Quality of work life mainly focused on the relationship between the working conditions, job satisfaction, new forms of work organization, organizational arrangement and other aspects of humanization of work. QWL is a significant determinant of various enviable organizational outcomes, such as increased task performance, lower absenteeism and turnover rate, lower tardiness frequency and increased organizational effectiveness and organizational commitment (Donaldson et al. 1999, Sirgy et al.2001).

Dex and smith (2002) found that quality of work life policies are found to have a small positive impact on workers' commitment as 50 percent of employees had satisfied employees because of these policies. The measurement of factors like performance, effectiveness, morale and motivation are found to have significant correlation with good quality of work life.

Ganguly and Joseph (1976) studied quality of work life among employees in Air India with special reference to life and their job satisfaction issues. Findings indicate that various physical and psychological working condition, pride on organization, job earned community respect, reasonable working hours are more positive correlated with job satisfaction than friendship with colleagues and risk of injury. Finding also indicates that expectations and aspiration of young workers affect quality of work life.

Hoque and Rahman (1999) conducted a study to assess

and compare the Quality of Working Life of industrial workers of organizations of public and private nature in Bangladesh (Dhaka) and to measure whether there is any significant relationship among Quality of Work Life, job behavior and demographic variables of the workers. The results revealed that the private sector workers perceived significant and higher Quality of Work Life than their counter parts in the public sector. Quality of Work Life has significant correlation with performance and negative correlation with absenteeism and accident.

Knox and Irving (1997) in their meta-analysis of nurses indicated that autonomy with quality of work life. The quality of work life factors resulted in reduced work stress, organizational commitment, belongingness, positive communication, autonomy, predictability of work activities, fairness, locus of control, organizational decisions, education, professionalism, low role conflict, job performance feedback, opportunities for advancement and equitable pay levels.

Normala and Daud (2010) in their study Investigated the Relationship between Quality of Work Life and Organizational Commitment Amongst Employees in Malaysian Firms. say that the quality of work life of employees is an important consideration for employers interested in improving employees' job satisfaction and commitment.

Sekran (1980) in his study on Indian bank employees came with the findings that designing the job with greater decentralization, more autonomy, power and control, rewarding employees differently on performance basis enhances commitment and good quality of work life.

Sirgy et al. (2001) in his study found that QWL is positively related with life satisfaction of employees. Moreover, they argued that satisfaction of employees needs mainly help and safety needs, economic and

family needs, social needs, esteem needs, actualization needs, knowledge needs, aesthetic needs (which they call as QWL), resulting from work place experiences, contribute to job satisfaction and satisfaction in other life domains. Furthermore, they resulted that satisfaction in major life domains (example work life, family life, home life, and major life), contributes directly to overall life satisfaction.

Suri et.al. (1991) undertook a survey to study about the quality of work life practices in the Indian Industry. The organizations covered were manufacturing and service sectors. The result of the study indicated that there are several trends, which have implications for Quality of Work life practices and their outcomes. Both public and private sector organizations least preferred the job and workplace redesign programme. Organizations prefer system wide practices to isolated experiments, which are limited to certain section or departments.

### **Objectives of the Study**

- To study the QWL among Managerial and non Managerial employees of Nationalized Banks.
- To study the QWL among Managerial and non Managerial employees of Private Banks.

### **Hypotheses**

H0: There is no significant difference in QWL of Managerial and non Managerial employees of Nationalized Banks.

H1: There is a significant difference in QWL of Managerial and non Managerial employees of Nationalized Banks.

H02: There is no significant difference in QWL of Managerial and non Managerial employees of Private Banks.

H2: There is a significant difference in QWL of Managerial and non Managerial employees of Private Banks.

## Research Methodology

**Research type:** Exploratory

**Universe:** Bank Employees of Private and Nationalized Banks of Indore (M.P.) District.

**Sampling unit:** Managerial and Non Managerial Employees of Private and Nationalized Banks of Indore District.

**Sample size:** 300 employees

- 75 Managerial Employees of Private banks.
- 75 Non Managerial Employees of Private banks.
- 75 Managerial Employees of Nationalized banks.
- 75 Non Managerial Employees of Nationalized banks.

**Sampling Technique:** Convenient

Tool for data collection: Scale of QWL has been used for data collection which was developed by Dr. Santosh Dhar, Dr. Upinder Dhar and Dr. Rishu Roy. Reliability and Validity of the scale is 0.89 and 0.94 respectively.

**Tool for data analysis:** In this study, after collecting the data, the raw scores were tabulated and analyzed through SPSS, t-test was used to test the hypothesis.

## Results and Discussion

Since value of  $t$  (see table 1 and 2) is more than tabulated value i.e. 1.96 (at 5% level of significance) which means that null hypothesis is rejected. Therefore,  $H_1$  (There is a significant difference in QWL of Managerial and non Managerial employees of Nationalized Banks.) is accepted. Singh-Sengupta (1993) in their study also observed that one of the most Critical and one of the least discussed elements in QWL is the issue of power relations. In their series of observations in a wide range of organizations the top management is suffering from deficit of power as the non-managerial cadres amass all powers because of the strength of trade unions and their numerical strength. The study disclosed that the two groups, managers and workers seemed to be currently interdependent.

Appropriate intervention programmed may change the relationship to co-operatively interdependent. According to the Quality of Work Life of Australian Employees - the development of an index, White-collar workers were substantially more satisfied than blue-collar workers (7.2 versus 6.7). The Australian Quality of Work Life (AQWL) index provides a measure of employees' overall perception of quality of work life on a 10-point scale. Jain (1991) has also made an attempt to identify the potential dimensions of Quality of Work Life in the sample unit for all hierarchical levels in a large private industry and to study the quality of Work Life at various hierarchical levels for understanding different effect of Quality of Work Life dimensions. Studying the hierarchical effects in viewing the Quality of Working Life and the effect of Quality of Working Life on Group Behavior were the twin goals taken for the study. The investigation was concentrated on the administration, shipping, sales, and carpentry, security, plant, painting and stores departments of the industry. The population studied had strength of 644 employees spread over the eight departments in the industry. A questionnaire (QWL Scale) developed by the investigator was used to collect data on 'QWL'. The scale includes eight basic major factors (1) Adequate Income and Fair Compensation, (2) Safe and Healthy Working Conditions, (3) Immediate Opportunities to use human capacities, (4) opportunity for Continued Growth and Security, (5) Social Integration in the work organization, (6) Constitutionalism in work organization, (7) Work and Total Life Space, and (8) Social Relevance of Working Life. The data were collected through questionnaire from five stratus of the employees, namely Executives, Supervisors, Skilled Workers, Semiskilled workers and unskilled workers across the eight departments. The questionnaire was administered individually and instructions, which were very simple, were conveyed to the individuals verbally with assurance of keeping the anonymity of the name and the information furnished. The responses were obtained on seven point

dimensions i.e. Strongly Disagree, Disagree, Slightly Disagree, Neither Agree nor Disagree, Slightly Agree, Agree, and Strongly Agree. On the hierarchical effects of QWL, it was found that there were differences at various hierarchical 64 Levels of the organization in perceiving their working life. Higher levels were found to have better perception regarding their working life than workers level on all the sub factors of QWL and overall QWL. On the effect of QWL on group behavior, it was observed that some QWL factors were positively Contributing towards group cohesiveness. For instance, in the shipping department, maximum number of significant correlations was observed between QWL factors and Group Cohesiveness, which has been ascribed to the functional peculiarities of this group. Painting, store and security departments on the other hand failed to show such significant relationship. Based on these findings the investigator states that the Quality of Work Life factors get moderated by functional peculiarities of any work group and have differential effects on Group Cohesiveness.

### **Conculsion**

Statistical analysis indicates that the employees working in the banking sector feel that their jobs are somewhat secure. Also they are provided a reasonably healthy working environment. The employees are slightly satisfied with the pays and their say in work-related decisions. The result of the study revealed that there is a significant difference between Quality of work life of Managerial and Non managerial employees of Nationalized Banks. This study provides valuable implications for the banks that have growing interest in maintaining designation equity for attracting and retaining quality human resources. The study revealed significant differences in overall QWL and the determinants of QWL i.e. compensation, flexibility in work schedule and job assignment, attention to job design, and employee relations. So the Nationalized Banks should try to eliminate these differences to

improve the overall QWL among all the employees regardless of designation. It seems that due to factors like job security and status employee's exhibits higher level Quality of work life of Managerial employees of Nationalized Banks.

Likewise there is a significant difference in Quality of work life of managerial and non managerial employees of Private Banks. It seems that due to factors like status,salary etc. employees exhibit a significant difference in the level of Quality of work life in Private Banks.The working environment is normally quite pleasant in Private Banks. People respect each other and are willing to help in work-related and other issues. Also good relationship exist between peers & even Managerial and Non managerial employees whereas experience and gender did not show any significant change in quality of work life level of employees working in Private Banks. It is suggested that experience become a valued resource in itself, while the privileges associated with length of services makes it easier to obtain additional rewards.

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## Annexure

**Table 1- t test for testing hypothesis 1**

	<b>VAR00002</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Std. Error Mean</b>
VAR00001	1	75	1.7015E2	17.11463	1.97623
	2	75	1.3824E2	26.24615	3.03064

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	T	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	Lower	Upper
VAR 00001	Equal variances assumed	25.043	.000	8.819	148	.000	31.90667	3.61805	24.75696	39.05638
	Equal variances not assumed			8.819	127.295	.000	31.90667	3.61805	24.74736	1

**Table 2- t test for testing hypothesis 2**  
**Group Statistics**

	VAR00 002	N	Mean	Std. Deviation	Std. Error Mean
VAR00001	1	75	152.51	28.552	3.297
	2	75	129.20	32.600	3.764

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	Df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	Lower	Upper
VAR00001	Equal variances assumed	1.138	.288	4.658	148	.000	23.307	5.004	13.418	33.195
	Equal variances not assumed			4.658	145.473	.000	23.307	5.004	13.417	33.197