

## Factors Affecting Quality of Work Life Among Private Bank Employees

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### **Abstract**

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. The current study aims to explore the various factors that influence the quality of work life in the Private Banks of Indore division. Data was conveniently collected from 150 employees working in the Private Banks. Exploratory factor analysis revealed eight factors, which significantly influence the quality of work life: Healthy Working environment, Motivational climate, Stimulating work environment Productivity, Work Redesign, Sense of accomplishment, Employees' Democracy, Enthusiasm at work place. It is therefore suggested that when attempting to draft policies and programmes for employees working in the Indian banking industry, these eight factors must be kept in mind.

**Key Words :** Quality of Work Life (QWL) , Private Banks, Exploratory Factor Analysis, Healthy Working environment, Motivational climate

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### **Introduction**

Quality of work life is seen as the level to which employees are able to satisfy their personal needs not only in terms of material matters but also of self respect, contentment and an opportunity to use their talents make contribution and for personal growth. So it is very important for an organization to provide employees proper valuation which will satisfy them and will ensure the productivity. According to Newstom and Davis (1995), 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. Katzell et al. (1975) defined Quality of Work Life more broadly as an Individual's valuation of the outcome of the work relationship. They observed employee can have positive Quality of Work Life if he has positive feelings towards his job, if he is motivated with his private life and if he has a balance between the two terms of his personal values.

According to Rao and Ganguly (1971) the Quality of Work Life is a generic term that covers those 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

### Review of Literature

With the growing importance of the subject under study, some literature covering Quality of Work Life has been produced by economists, researchers and practitioners. A plethora of western and Indian empirical investigations have explored one or more facets about Quality of Work Life and other factors affecting the Quality of Work Life of employees which are summarized in the review related with this proposed work, are as under:-

Islam Mohammad Baitul (2012) evaluated the quality of work life on the basis of work load, family life, transportation, compensation policy and benefit, working environment and working condition and career growth. From a different perspective, **Sinha Chandranshu (2012)** in his study found the three factors of quality of working-life experiences in organizations. The three emerging factors were "relationship-sustenance orientation", "futuristic and professional orientation" and "self-deterministic and systemic orientation". Skinner and Ivancevich (2008) argued that Quality of Work Life is associated with adequate and fair compensation, safe and healthy working conditions, opportunities to develop human capacities, opportunities for continuous growth and job security, more flexible work scheduling and job assignment, careful attention to job design and workflow, better union-management cooperation, and less structural supervision and development of effective work teams. **Ellis and Pompli (2002)** identified a number of factors contributing to job dissatisfaction and Quality of Working Life, including: Poor working environments, Resident aggression, Workload, inability to deliver quality of care preferred, Balance of work and family, Shift work, Lack of involvement in decision making, Professional isolation, Lack of recognition, Poor relationships with supervisor/peers, Role conflict, Lack of opportunity to learn new skill. Wah (2001)

examined four dimensions, which according to them constitute the QWL of employees. These include: (i) a favourable working environment, (ii) personal growth and autonomy, (iii) rewarding nature of the job, and (iv) perception of stimulating opportunities and co-workers.

Rao (1992) contended that those factors which influence the importance of a particular need to an individual and those, which satisfy or frustrate that need determine Quality of Work Life. The Quality of Work Life is determined by interactions of personal and situational factors. The factors that influence and decide the Quality of Work Life are: Attitude, Environment, Opportunities, Nature of the job, People, Stress level, Career, prospects, Challenges, Growth and development, Risk involved and reward. Baba and Jamal (1991) listed factors what they described as typical indicators of Quality of Working Life, including: job satisfaction, job involvement, work role ambiguity, work role conflict, work role overload, job stress, organizational commitment and turn-over intentions. They also explored reutilization of job content, suggesting that this facet should be investigated as part of the concept of Quality of Working Life. Warr and colleagues (1979), in an investigation of Quality of Working life, considered a range of apparently relevant factors, including: work involvement, intrinsic job motivation, higher order need strength, perceived intrinsic job characteristics, job satisfaction, life satisfaction, happiness, and Self-rated anxiety. They discussed a range of correlations derived from their work, such as those between work involvement and job satisfaction, intrinsic job motivation and job satisfaction, and perceived intrinsic job characteristics and job satisfaction. Walton (1975) proposed eight major conceptual categories relating to QWL as adequate and fair compensation, safe and healthy working conditions, immediate opportunity to use and develop human capacities, opportunity for continued growth and security, social integration in the work organization, constitutionalism in the work organization, work and total life space and social relevance of work life. Hackman and Oldman (1976) explored various facets and models and studied quality of work life in relevance to psychological growth needs. They proposed that skill variety, task significance, autonomy, task identity and feedback need to be studied for fair evaluation.

From a different perspective, Runcie (1980) took perception into consideration. He established how positive perception facilitates an organization in improving working conditions, production and quality. He further added that an appropriate, fair and defined structure helps quality of worklife to grow and evolve. The more contemporary researchers have expressed quality of work life as a function of job requirement, work environment, supervisory behavior and ancillary programs (Sirgy et. al., 2001). It can therefore be safely inferred that different authors differ in their views

regarding the core constituents of quality of work life and hence quality of work life is not a unitary concept, rather it is an amalgamation of a hierarchy of factors which not only cover work based factors like job satisfaction, pay and relationships with colleagues, but also factors which inculcate life satisfaction and general feelings of well being (Danna and Griffin, 1999).

### Objectives of the Study

To identify the factors which are contributing for Quality of Work Life in Private Banks

### Research Methodology

This research is exploratory in nature. The employees of Private Banks of Indore city (n=150) were selected the sample of this study. For data collection purposes, Scale of QWL, which was developed by Dhar, S. et al.(2006), Reliability and Validity of the scale is 0.89 and 0.94 respectively has been used. These scale has been widely used in various researches of social science and well accepted to assess QWL of employees of various sectors. The questionnaire was divided in two parts. The first part of the questionnaire included questions about demographic profile of the respondents. Second part of the questionnaire included questions/variables related with dimensions of QWL. All the variables were required to be marked on likert scale in the range of 1 – 5, where 1 represented strongly disagree and 5 represented strongly agree. A convenient sampling technique was adapted for the research. For analysing the data **Factor analysis** was applied with the help of Statistical Package for Social Sciences (SPSS version 17.0).

### Results and Discussion

#### Normality and Reliability Test

The Kolmogorov- Smirnov Statistic tests the hypothesis that the data normally distributed. A low significance value less than 0.05 indicates that the distribution of the data differs significantly from a normal distribution. After conducting this test, it was found that the assumption holds good for the data. The data is normality distributed(.432) (refer annexure 1).

Reliability test has been made for testing the reliability of Quality of work life, with the help of Coefficient (Cronbach Alpha). Reliability of data is (.971) (**refer annexure 3**) which is excellent.

#### Factor Analysis

The results of extraction of QWL factors- Bartlett's test of sphericity and Kaiser-Olkin (KMO) measure are adopted to determine the appropriateness of data set for factor analysis. High value (between 0.5 to 1) of KMO indicates that the factor analysis is appropriate, low value below the 0.5

implies that factor analysis may not be appropriate. In this study, the result of Bartlett's test of sphericity (0.00) and KMO (0.909), (**refer annexure 4**) indicates that the data are appropriate for factor analysis.

Principal Component Analysis was employed for extracting factors followed by Varimax rotation. The number of factors to be extracted was finalized on the basis of "Latent Root Criterion" i.e., factors with Eigen values greater than 1 have been selected. All factor loadings greater than 0.40 have been considered for further analysis. Eight factors were extracted, which accounted for 60.403 percent of total variance. These factors are as below-

#### Factor 1: Healthy Working environment -

The first factor has been named as Healthy Working environment with 18.365 percentage of variance. Healthy Working environment is defined by the items 6,9,7,11,10,8,17,5,16,15,12,14,4 and 13. These items are Safe and healthy environment, the work is having a balanced role, development of human capacities, able to satisfy important personal needs through their experience in the organization, improve productivity through improvements in human inputs, social integration, have strong commitment to organization goals, adequate and fair compensation, positive feelings towards their jobs, have positive feelings towards themselves, equitable Sharing of the income and recourses, adequate learning opportunities, responds to employee's needs positively, prominent Labour-management collaboration.

Relationships between and among the employees is an indicator of healthy work organization. Therefore, opportunities must be provided for formal and informal interactions. creating a healthy physical, social and psychological work environment is a core business goal. Employer should encourage workers to take responsibility for their own health, safety and wellness and contribute to creating a healthy work environment. Donaldson et al. (1999), identified Work environment as a dimensions of QWL. Mohammad Baitul Islam (2012) stated that working environment has an impact over Quality of Work Life of the employees.

**Factor 2: Motivational climate -** The second factor has been named as Motivational climate with 10.305 percentage of variance. Motivational Climate is defined by the items 33,31,30,34,32 and 29. These items are Effective Suggestion schemes, Promotion scheme is such that it conveys to employees in advance what avenues available, a uniform distribution of promotion opportunities throughout the organization, is created by rewarding good performance both formally as well as informally Motivational climate, Employees who have necessary ability and willingness to climb the hierarchy are identified, Human dignity and

person's drive to take an action because that person wants to do so. However, if they are motivated they make the positive choice to act for a purpose – because, for example, it may satisfy some of their needs. Arts et al. (2001) focused on the motivational climate as a indicator of QWL

**Factor 3: Stimulating work environment-** The third factor has been named as Stimulating work environment with 10.247 percentage of variance. Is defined by the items 40,43,41,42,44,39 and 45. These items are Employees tend to stay for fairly a long time with the organization, general find their work stimulating, Adequate opportunities are given to develop new skills and abilities at work, Innovation is encouraged, know their jobs well, Seniority and merit both get due weight age at time of promotion, relationship between employees and work environment is healthy.

**Factor 4 :Productivity-** The forth factor has been named as Productivity with 8.497 percentage of variance. Productivity is defined by the items 20,22,21,19,18 and 23. These items are Low absenteeism and turnover, ensured higher quality and quantity of output, rare accidents in organization, Physical and psychological health is considered important, Opportunities are created for greater growth and development of the individual as a person and as a productive member of the organization, Mutual trust is prevalent Employee's productivity is a worthy goal of organizations tending to grow. If the relationship between the QWL and productivity becomes apparent, managers can provide conditions for promoting the QWL for personnel to be productive. In today's competitive world every organization is facing new challenges regarding sustained productivity and creating committed workforce. Reward system, physical work environment, work teams, employee involvement, and esteem needs affect level of productivity. Begas Samson B. (2012) in his study revealed that Quality of work life and productivity were significantly related among Higher Education Institutes faculty in Capiz.

**Factor 5: Work Redesign -** The fifth factor has been named as Work Redesign with 6.795 percentage of variance. Work Redesign is defined by the items 27, 25, 28 and 24. These items are Inter group meeting are around to reduce the destructive effect of inter group conflicts, Work redesign innovation, encourage participation in crucial work, Pay and benefits are revised from time to time. Work Redesigning motivates the employees and enhances the Quality of their Work Life. It increases their on-the-job productivity and encourages them to perform better. Redesigning of work and allowing employees to do what they are good at creates a sense of belongingness in them towards the organization. It is an effective strategy to retain the talent in the organization and encouraging them to carry out their responsibilities in a better fashion. **Sanyal and Singh (1982)** ascertained that the term improving the Quality of Working life is concerned

with improving the work satisfaction of employees as an effective corporate motivational strategy. It is sought to be achieved through re-orientation and redesigning of job.

**Factor 6: Sense of accomplishment -** The sixth factor has been named as Sense of accomplishment with 5.353 percentage of variance. Sense of accomplishment is defined by the items 38,37,36 and 35. These items are Employees in general have a sense of accomplishment, required to use a wide range of abilities, challenging and interesting work, are satisfied in the organization.

**Factor 7: Employees' Democracy -** The seventh factor has been named as Employees' Democracy with 3.768 percentage of variance. Employees' Democracy is defined by the items 2 and 3. These items are Efforts are made to democratize the work place, have influence and control over what they do and how they do it.

**Factor 8: Enthusiasm at work place -** The eighth factor has been named as Enthusiasm at work place with 3.106 percentage of variance. Enthusiasm at work place is defined by the item 1. This item is People want to improve life at work. Employees want to improve life at work by changing working environment, job redesigning, work schedule to maintain same level of enthusiasm at work place. Monotonous work will reduce their interest and efficiency.

## Conclusion

Quality of work life covers various aspects under the general umbrella of supportive organizational behavior. Aim of QWL is to meet the twin goals of enhanced effectiveness of organization and improved quality of life at work for employees. Quality of Work Life is useful to improve production, organizational effectiveness, morale of an employees and economic development of the country. Providing good Quality of Work Life not only reduces attrition but also helps in reduced absenteeism and improved job satisfaction. Not only does QWL contribute to a company's ability to recruit quality people, but also it enhances a organization's competitiveness. The study examines the factors affecting Quality of Work Life. Eight factors were identified. Bank authority should encourage for employee participation in management, healthy working environment, work resign, productivity, quality circles, grievance-handling procedure to improve QWL. This can satisfy their important personal needs in terms of power and growth which make them perceive democratization of their work place which will enhance their creativity and innovativeness.

## Limitations of the Study

The study was carried out with its own limitations in terms of time and resources, thus, there is a need to testify the results by undertaking similar research work on a larger

sample in Banks. The number of respondents were 150, which may be small to represent the entire banking employees. The study was restricted to Private Banks of Indore Division only. The findings of the study are based on the information supplied by the respondents, which might have their own limitations. The responses received from respondents might be prejudiced. Possibility of hiding certain facts on the part of respondents could not be completely ruled out, although all possible effort has been made to elicit authentic information.

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**Annexure:**

**Annexure 1**

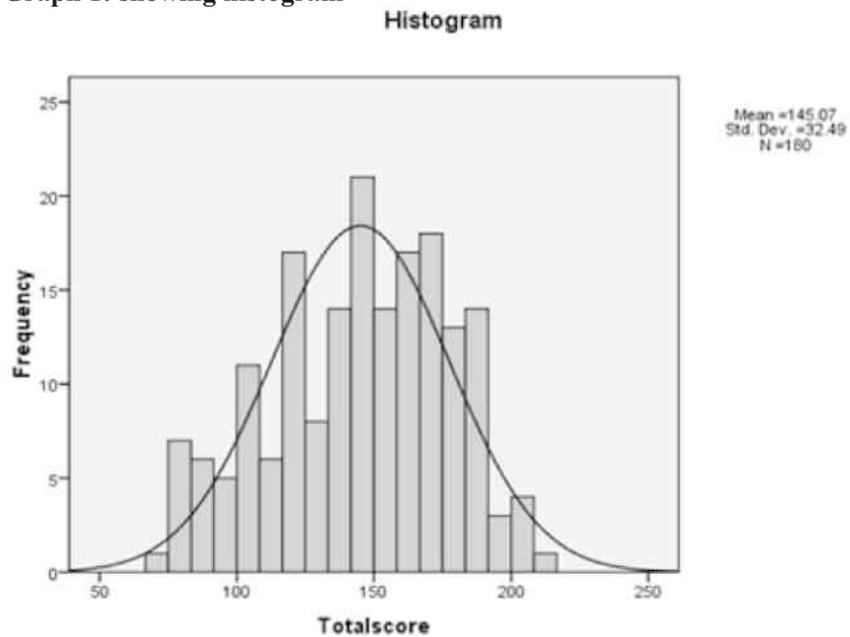
**Table 1: showing One-Sample Kolmogorov-Smirnov Test**

		<b>Totalscore</b>
<b>N</b>		180
<b>Normal Parameters<sup>a</sup></b>	Mean	145.07
	Std. Deviation	32.490
<b>Most Extreme Differences</b>	Absolute	.065
	Positive	.048
	Negative	-.065
<b>Kolmogorov-Smirnov Z</b>		.872
<b>Asymp. Sig. (2-tailed)</b>		.432

a. Test distribution is Normal.

**Annexure 2**

**Graph 1: showing histogram**



**Annexure 3**

**Table 2 : showing reliability statistics**

Cronbach's	
Alpha	N of Items
.971	45

## Annexure 4

Table 3 : KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.909
Approx. Chi-Square		4486.424
Bartlett's Test of Sphericity	df	990
	Sig.	.000

## Annexure 5

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
	1	17.265	38.367	38.367	17.265	38.367	38.367	8.264	18.365
2	3.649	8.109	46.476	3.649	8.109	46.476	4.637	10.305	28.671
3	2.271	5.047	51.524	2.271	5.047	51.524	4.611	10.247	38.917
4	1.720	3.823	55.346	1.720	3.823	55.346	3.824	8.497	47.415
5	1.487	3.304	58.651	1.487	3.304	58.651	3.058	6.795	54.210
6	1.238	2.752	61.403	1.238	2.752	61.403	2.409	5.353	59.563
7	1.219	2.708	64.111	1.219	2.708	64.111	1.696	3.768	63.331
8	1.047	2.326	66.437	1.047	2.326	66.437	1.398	3.106	66.437
9	.903	2.007	68.445						
10	.867	1.928	70.372						
11	.839	1.863	72.236						
12	.777	1.726	73.962						
13	.738	1.641	75.603						
14	.715	1.588	77.191						
15	.684	1.519	78.710						
16	.607	1.349	80.059						
17	.600	1.333	81.391						
18	.564	1.254	82.646						
19	.558	1.240	83.885						
20	.530	1.179	85.064						
21	.501	1.113	86.177						
22	.469	1.043	87.220						
23	.451	1.003	88.223						

24	.433	.961	89.184					
25	.393	.873	90.057					
26	.379	.842	90.899					
27	.367	.815	91.714					
28	.334	.743	92.457					
29	.325	.721	93.179					
30	.299	.666	93.844					
31	.288	.640	94.484					
32	.279	.619	95.103					
33	.258	.573	95.676					
34	.247	.549	96.224					
35	.229	.510	96.734					
36	.223	.495	97.229					
37	.194	.430	97.660					
38	.183	.408	98.067					
39	.173	.385	98.452					
40	.152	.337	98.789					
41	.138	.308	99.096					
42	.124	.275	99.371					
43	.107	.239	99.609					
44	.093	.207	99.816					
45	.083	.184	100.000					

Extraction Method: Principal Component Analysis.

**Annexure 6**

**Rotated Component Matrix<sup>a</sup>**

	Component							
	1	2	3	4	5	6	7	8
safe and healthy environment	.742							
work is balanced	.725							
emphasis on the development of human capacities	.721							
satisfy important personal needs	.716							
efforts are made to improve productivity	.707							
policies are true with social integration	.687							
strong commitment to organization goals	.684							
adequate and fair compensation	.668							
positive feelings towards the job	.639							
positive feelings towards themselves	.637							

sharing of income and recourses equitable	.602					
adequate learning opportunities	.590					
responds employees need positively	.580					
laboure management collaboration	.557					
suggestion are effectively implemented		.773				
promotion scheme is coveys in advance		.760				
uniform promotion opportunities		.760				
motivational climate ability and willingness are identified		.660				
dignity and growth promoted		.649				
employees tend to stay		.599				
find work stimulating opportunities to develop new skills			.778			
innovation is encouraged			.756			
know their job well seniority and merit			.737			
get weightage while promotion			.704			
work environment is healthy			.697			
low absenteeism and turnover			.682			
higher quality and quantity of services			.620			
rare accident rate				.692		
				.680		
				.653		

physical and psychological health important				.541			
opportunities are created for greater growth and development				.525			
mutual trust is prevalent				.517			
reduction of inter group conflicts					.730		
work redesign					.667		
innovation are disseminated							
reward system is congruent					.655		
encourage in participation in crucial work					.568		
pay and benefits are revised timely					.442		
sense of accomplishment						.750	
work are challenging and interesting						.735	
required wide rang of abilities						.696	
employees are satisfied in the organization						.461	
democratize the work place							.704
influence and control over what they do							.475
improve life at work							.856

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.