



AN ANALYSIS OF THE IMPACT OF QWL ON ORGANIZATIONAL COMMITMENT – A STUDY ON SELECT IT COMPANIES

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ABSTRACT QWL – a much talked in issue and maximum practiced but gets derailed in the process of operations. In the current globalised environment IT sectors had been expanding in an exponential manner. In this race their only focus was to enhance the market share at any cost ignoring other factors. In order to survive in this environment, the businesses around the world need to provide a good quality of work life in order to attract, train, motivate and retain talents. The paper's main objective is to look at the influence of Quality of life on Organizational commitment. The study was done on the employees of Software and BPO industry. A sample of 250 employees from 10 Software and 10 BPO companies from in and around Madras was studied. The sampling procedure was done using convenience method. The instrument used for data collections was a questionnaire which had three parts, first part was to measure Quality of life and the second part was on Organisational Commitment and the third part was personal profile. Quality of work life is the corner stone for any organizational well being. It motivates the employees and enhances their level of commitment towards organization. Committed employees are focused and take initiative in attaining the goals fixed by the organization. This study concludes that the QWL has a direct impact on organizational commitment. Organizations with ideal QWL act as a source of attracting the potentials and leading to productivity.

KEYWORDS : Organizational Commitment, motivation, talent retention, productivity, Organizational climate

Introduction

QWL – a much talked in issue and maximum practiced but gets derailed in the process of operations. In the current globalised environment IT sectors had been expanding in an exponential manner. In this race their only focus was to enhance the market share at any cost ignoring other factors. In order to survive in this environment, the businesses around the world need to provide a good quality of work life in order to attract, train, motivate and retain talents. QWL and organizational commitment have been a concern since the beginning of 1960s (Cummings and Worley, 2005). Studies before 1970s focused on the impact of working environment on QWL. . Post 1970 studies concentrated the application of QWL to enhance organizational performance (Nadler and Lawler, 1983). Further, QWL was perceived as an extension of satisfaction, which means individuals demand is fulfilled within an organization (Efraty and Sirgy,1990). The percentage of individuals demand satisfied in the organization has a direct impact on the level of organizational commitment (Havlovic, 1991). This shows the relationship between QWL and Organizational commitment.

Quality of work life (QWL) is defined as “the individual’s affective reactions to both objective and experienced characteristics of the work organization” (Igarria et al., 1994). It also means to “satisfy an employee’s needs via the resources, activities and outcomes that arise from involvement in the workplace” (Sirgy et al., 2001), and is found to influence employees’ turnover intention (Lewellyn and Wibker, 1990). This study adopts four constructs of QWL from the work of Igarria et al., (1994) and Sirgy et al., (2001), including career satisfaction, organizational commitment, satisfaction in learning opportunity, and turnover intention. Jiang and Klein (2000) viewed career satisfaction from both external and internal perspectives, matching the concept of this study. Mowday et al., (1979) measured affective organizational commitment and meets our desired intention in measuring the difference in mentality among generations and is thus adopted

Review of Literature:

QWL is an emerging concept; which may be understood differently by different people depending upon their situations and differing roles (Edwards et al., 2009). QWL is referred to as the “favorableness or unfavourableness of the overall working environment of the employee” (Rantanen et al., 2011).

Rice (1985) in his study discovered that human action and intentionality in a given context are fundamental for realizing the predictable outcomes. To be more precise, quality of work life as

perceived by the employee is influenced by how they engage in work, respond to the environment and conduct specific work activities. The intention and action of the employees towards work can influence their perceived quality of work life. Hence, the output delivered by the employee purely depends on his QWL.

Rice, et al., (1985), “Organizational work and the perceived quality of life: toward a conceptual model”. It was felt that whatever the type of operations into which an institution is, its effectiveness depends on the employees’ quality of life. Absence of it would lead to productivity but not to the desired level.

According to Martel (2006) analysed from his studies that quality of work life builds on the concept that employees have the potential in making the organization effective. To make this through, employees have to be recognized for their performance. Hence, the working environment has to be made conducive.

Work and life are entwined in such a way that work elements like routine tasks, working and cultural environment, and the administration system have an impact on life within and outside of work. If an employee is loaded high beyond his capacity, it would lead to burnout, and its impact can spill over to their personal life affecting the way they view work and life, which could disorder work-life balance (Judge et al., 2006).

The significance of quality of work life and high-performance work systems is seen in organizations which count on optimal organisational performance. High performance is considered at the individual level before considering the systemic effects that lead to cross-functional work practice (Glover and Butler, 2011). High-performance work systems capitalize on employees’ competencies based on their discretionary effort and quest for better performance (Boxall and Macky, 2009).

QWL will make a distinction of good companies from poor companies. It is about creating a conducive and congenial environment at the workplace, since it is one of the main reasons for better performance and productivity. Better quality of work-life leads to increased employee morale, minimizes attrition and checks labor turnover and absenteeism. The concept allows to value employees more than just internal customers, and appreciate the concept of “employee first and the customer second” (Collins and Smith, 2006). It is therefore assumed that when the right ambience is provided for employees, they will be able to deliver their goods effectively and efficiently

Gould, S (1978), analyzed Quality of life as an individual's satisfaction with his or her life dimensions comparing with his or her ideal life. Evaluation of the quality of life depends on individual's value system and on the cultural environment where one lives.

The quality of working life concept encompasses the following factors: job satisfaction, involvement in work performance, motivation, efficiency, productivity, health, safety and welfare at work, stress, work load, burn-out etc. these mentioned factors could be defined as physical and psychological results of the work which affect employee (Arts, Kerksta, 2001).

Glasier (2003) thinks that quality of work life implies job security, good working conditions, adequate and fair compensation, more even than equal employment opportunity all together. Walton (1973) suggested eight major conceptual areas for understanding quality of work life. These were adequate and fair compensation, safe and healthy working conditions, development of human competencies, growth and security, social integration, constitutionalization and total life space and social reliance.

Martinsons and Cheung (2001) concluded from their research that frequent changes in work environment directly or indirectly influence the performance and productivity of IT professionals. Indeed the changes in working conditions result in stressful conditions and the employees are still expected to perform under stress. Now the organization needs to have effective coping strategies in place; to handle the after effects of performance under stress.

Quality of work life is a broad and comprehensive concept which measures the work related well being of an individual and sets a scale for any job's satisfying, fulfilling and stress free design and work climate. It is defined as the employee feeling towards their work place ambience, colleagues and the job itself in initiating a series of outcomes and behaviour resulting in overall profitability and growth of an organization (Shamir & Saloman, 1985).

Lawler (1982) explains the QWL on the basis of working conditions and job characteristics. He further advocates that the basic operating premise of the QWL in an organisation is to encourage the productivity levels and the general well being of the employees. In an organization with positive ethical climate, employees hold the view that "the right thing to do is the only thing to do" (Verbos, et. al., 2007).

Similarly, Schminke, et al (2007) describe that the ethical work climate includes the prevalent ethical values, norms, attitudes, feelings, and behaviors of the members (employees) that make up the social organization. Cummings et al (2005) further explain that the ethical work climates are not simply based on an individual's ethical standards or level of moral development. They instead represent components of the employees' work environment as perceived by its members.

Research Methodology

The paper's main objective is to look at the influence of Quality of life on Organizational commitment. The study was done on the employees of Software and BPO industry. A sample of 250 employees from 10 Software and 10 BPO companies from in and around Madras was studied. The sampling procedure was done using convenience method. The instrument used for data collections was a questionnaire which had three parts, first part was to measure Quality of life and the second part was on Organisational Commitment and the third part was personal profile. Five point Likerts scales were developed to measure Quality of Life which had 25 statements and Organization Commitment which had 24 statements and the scales was tested for validity and reliability with data from pilot study which was done on a sample of 50 management trainees from Madras. Face validity was attempted for which a panel of 5 experts was identified from Industry (HR), and Education (Professor) and all the five were satisfied with the construct and the reliability was measured using cronbach's alpha and the value was found to be 0.759 for Quality of life and 0.783 for Organisational Commitment. Regression analysis was attempted to see the effect of the independent variable Quality of life on the dependent variable Organisational commitment. Dichotomous demographic variables like Gender, age and Higher education were included in the analysis with other continuous demographic variables like Income, Length of Service and tenure in the Company so that their effects can be controlled and the influence of Quality of life can be studied.

Results

Table 1 : Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.421	0.178	0.082	10.10558

From table one it can be said that 17% of the variation in the dependent variable, Organizational Commitment is explained by Quality of life and all demographic variables like Gender, Age, Higher Education, Income, Length of Service, Tenure in the Company.

Table 2 ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1323.146	7	189.021	1.851	0.094
Residual	6127.369	60	102.123		
Total	7450.515	67			

From the above table it can be said that all the betas in the OLS equation are not equal to zero as the F value is significant.

Table 3 Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	61.744	11.299		5.464	0.000
Quality of Life	0.244	0.112	0.267	2.174	0.034
Gender	-1.346	2.563	-0.065	-0.525	0.601
Age	-6.174	3.937	-0.190	-1.568	0.122
Higher Education	1.512	2.214	0.088	0.683	0.497
Income	0.926	0.911	0.128	1.017	0.313
Length of Service	3.044	1.699	0.237	1.792	0.078
Tenure in the Company	-1.645	1.863	-0.113	-0.883	0.381

Table 3 is the important part of the analysis, from which it can be said that Quality of life has a significant positive influence on Organizational Commitment after controlling the effect of Age, Gender, Higher Education, Income, Length of Service and Tenure in the Company. Therefore it can be said that as quality of life increases in an individual his Organizational Commitment will also increase to an extent of 0.244 or 24.40% of the increase in Quality of life. This implies that if a person's personal life is peaceful his loyalty towards the organizational will be high. It is interesting to see that Length of service also seems to influence (at 10%) organizational commitment. As Length of Service increases Quality of life will increase by 3.044. Therefore more experienced a person in the Job the more likely he or she to be more committed in the organization. This may be due to age factor, commitments in life and lesser chances of alternative employments, which makes a person feel more insure towards life.

Discussions:

Quality of work life is the corner stone for any organizational well being. It motivates the employees and enhances their level of commitment towards organization. Committed employees are focused and take initiative in attaining the goals fixed by the organization. Existence of QWL makes the organization more structured with transparency in the every activity Cohen, A. (2003). Hence, it facilitates in creating a conducive working environment which leads grooming of the employees according to the desired level. This enhances the level of commitment towards the organization. Absence of QWL, makes a drastic impact on the commitment level of the employees towards the organization. Their involvement towards the organization would be minimal and would be working in an improvised management style as discussed by Hersey and Blanchard (2001) in the situational leadership style and the readiness of the employees. When there exist an ideal QWL, the level of relationship and task will be high. However the employees joining the IT sector is hardly concerned with regards to the QWL. The desire of climbing high, more luxury makes them switch organizations. So organization providing a QWL does not make significant impact on organization commitment from the employees.

In the current global scenario where organizations are in the race for enhancing their market share, their brand image and their visibility, the issue of gender never ever falls as a hindrance in this competitive scenario. Organizations today poach the employees from other organization irrespective of the gender, when there is a lack of potential

candidate existing with them to complete the project. Organizations themselves operate with a contractual mindset where their aim is to hire and fire once the work is done (Combs, J. 2006). So is the case with the employees too, where they view the organization as an object with no attachment and no commitment. This mindset makes the employees in switching the organizations where by their potentials are utilized and able to achieve their goals. With this prevailing attitude the level of commitment towards the organization reduces. The sole aim is to look for growth than commitment and attachment with the organization (Havolovic, S.J. 1991).

Culture varies from organization to organization and same is the attitude of the employee working in different organization. Employees entering into software professions have a unique culture. Though, organization has tried varied methods to enhance the level of employee engagement among them but efforts have proved to be futile (Deci & Moller, 2005). Gender, Age, Higher Education, Income, Length of Service does not make any impact on the employees' engagement in IT sectors because most of the employee prefer to join IT sectors with the desire of flying abroad and lead a luxurious life. Age or gender has never been a barrier for career growth in IT sector as compared to other sectors. Hence, employees continue to switch the companies more often than in any other industry to fulfill their dreams of attaining higher positions. Highly educated employees have high level of self efficacy whereby they try to explore innovative ideas with newer organizations with an urge to raise up (Amabile et al., 1994). Employees commitment towards the organization is contractual in the sense complete the current assignment and not getting involved or fulfilling the vision of the organization. This contractual mind set blocs the employee looking forward from long term tenure and gaining experience and expertise in a specific area and grows up the ladder Delery, J. E. (1998). On the other hand less educated employees again are in the race for newer options where they could also climb to their level which is possible only when they switch organizations. Else, the routine growth may take its own pace. When this is the mindset of the employees the level of attachment would not be there with the organization.

Conclusion:

This study concludes that the QWL has a direct impact on organizational commitment. Organizations with ideal QWL act as a source of attracting the potentials and leading to productivity. Existence of these factors motivates the employees and makes them perform effectively, with more creativity and optimum utilization of the potentials. Whereby this facilitates the achievement of the goals and targets set at the beginning of the financial period. This makes the employee get recognition from the employers. This recognition enhances the level of commitment towards the organization. Employees joining IT sectors look for quicker growth for more luxury. When such scenario do takes place, their level of attachment with the organization do reduces. Age, experience, higher education would hardly make any impact unless the organization recognizes the employees on a continuous basis. In simple words facilitate them to grow along organization leads to enhancement of employees' commitment towards the organization.

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