

## **An Investigation of influential Factors on the Quality of Work Life and Its Relationship with Employee Performance: A Case Study in Iran**

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**Abstract:** *The quality of work life programs improves the organizational culture. The value system of the quality of work life confirmed that the investment in human work force is the most important variable in the strategic management equation. The goal of many programs of work life quality is to increase the satisfaction of personal work performance, preferably by thermal provocation. Therefore, making the work environment more pleasant by using tactics of the quality of work life proportionate to organizational culture should be taken into considerations. The main objective of this research is therefore to survey the components of the quality of work life and its relation with the employee performance of Bonyad organization, in Iran .This research includes eight hypotheses and one main research question: is there any significant relationship between the quality of work life and the increase in the employee performance? For this study, the cross-sectional method was used to test all hypotheses related to the research questions. The quality of work life questionnaire among 87 employees in Bonyad was also used. The Pearson correlation coefficient test was performed for the statistical analysis. The result of this study indicated that there is a significant relationship between the quality of work life and the increase in the employee performance in Bonyad organization. Also, there is a significant relationship among the dimensions of Human Capacities Development, Continued Growth Opportunity, Social Integration, Constitutionalism and Total Life Space. Meanwhile, there is a negative relationship between the dimension of Social Relevance, Fair Compensation and safety workplace with the employee performance.*

**Keywords:** *Quality of Work Life, Satisfaction, Employee Performance*

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### **I. Introduction**

The role of human resources is very essential in the success of an organization (Reddy &Reddy, 2010). This tends to make organization to consider its human resources as a top priority when it comes to running an organization (Tabassum et al., 2012). Employees play an important role in training expert in different fields of human resources and the outcome of their effort is seen in the growth and development of society and the country at large (Shahbazi et al., 2009). Quality of Work Life (QWL) is an expression usually used to describe the broader job-related experience of an individual (Nair, 2013). In organizations, the purpose of the QWL programs is to increase the trust, involvement and the ability of workers to solve problems and consequently increase the effectiveness of the organization, most especially university system (Ngambi, 2003).Therefore, QWL is a universal notion which may include diverse aspect, such as staff satisfaction with fee, superintendent and co-workers (Rainey, 2003).

In addition, Lau (2000) conducted a study to describe the relationship between QWL and performance, and the results indicate the direct linkage between performance in growth and profitability and quality of work life. Saraji and Dargahi (2006) in their study found that employee dissatisfaction with the QWL is a problem which damages almost all employees regardless of their position and status. Che Rose, Beh and Idris (2006) conducted a study to estimate QWL in relation to career-related dimensions. The sample consisted of 475 managers from the free trade zones in Malaysia for both the multinational corporations and the small-medium industries. The result revealed that three exogenous variables are significant: career satisfaction, career achievement and career balance, with 63% of the variance in QWL. The Canadian nurses Association conducted a national workshop in 2002 to develop the quality of work life indicators for nurses (Lowe, 2002). The research benefited from a set of eight QWL indicators (eight dimensions of Walton's theory) and stated the relation between QWL and the employee performance.

Hashemi, Jusoh, Kiumarsi, and Hashemi (2015) stated that several numbers of aspects that enhance or sustain high employee fulfillment, those practical employers survive to implement. Constantly enhancing the spirits and self-assurance among employees can be of unbelievable advantages to any organization. Saad et al. (2008) conducted a study to determine whether employees' perceptions towards QWL have any impacts on their job satisfaction. They used 251 participants in this study. Ten variables to measure QWL were examined:

support from the organization, work-family conflict, and relationships with peers, self-competence, impact on job, meaningfulness of job, optimism about organizational change, autonomy, access to resources and time control. All these factors were tested to determine the relationship with job satisfaction. The results revealed that each of the QWL variables of its own is a significant factor for obtaining Job Satisfaction. Walton (1975) suggested eight major elements related to the QWL that researchers should use to design the questionnaires for the current study: (1) adequate and fair compensation, (2) constitutionalism, (3) continued growth opportunity, (4) social relevance (5) safety workplace, (6) human capacities development, (7) total life space and (8) social integration of work life. There has been a vast amount of research by scientists in this regard; however, to date, the data is inconclusive. The current research was conducted to find out if a relationship exists between the quality of work life and personal performance.

## **II. Literature Review**

### **2.1 Theories of Quality of Work Life (Robbins's theory)**

In 1989 Robbins explained that the quality of work life is "a process by which an organization responds to employee needs by developing mechanisms to allow them to share fully in making the decisions that design their lives at work". It refers to the correlation between employee and his/her work environment that can be divided into different indicators, such as social, economic and technological, in that work is normally viewed and planned. Robbins (1998) argued that, the organization needs to make "quality of work life" as its top priority, so as to address the needs of employees at the workplace, which will eventually lead to increase in work performance and productivity. Therefore, it is imperative for an organization to be able to identify the needs of their employees so as to in cooperating them in making a decision which relates to the employees work.

### **2.2 Lawler Theory**

Lawler (1982) viewed QWL as a means for developing how to manage relationship with the work place. He makes use of QWL to increase employees' involvement in the management process. For Lawler (1982), "quality of work life" can be considered as a complex organizational issue, since it concerns, challenges of creating positive interaction between the physical and mental well-being of employees towards increasing productivity. He also stated some important characteristics of QWL project, which may include, the structure of common committee, contract, common goal (including the goals of units), the management goals, separation of collective discussions from QWL, plans with shared projects (meaning that the QWL projects often start with a pilot project, to educational program of QWL), change levels, the third person facilitators, use of a sociological approach, has significantly contributed to the quality of work life. Lawler (1982) expressed that the aims of QWL in organizations were not only limited to staffs' well-being, but it must include efficiency. While an expressive QWL plan can improve working conditions, staffs benefits, it must also lead to excellent organizational effectiveness, an employer's benefits. Lawler (1982) highlighted that job design played an essential role to obtain both greater staff satisfaction and more efficiency. Lawler mentioned that, there are three specific elements of QWL: the first is an interest in the effect of work on people, as well as organizational impressiveness, the second is the opinion of labour participation in the workplace, problem solving and decision making and the third is, the creation of remuneration structures in the organization which consider innovative ways of rewarding member input into the work process such as gain sharing.

### **2.3 Dessler Theory**

Dessler's (1994) theory was on the view that, safe and healthy working condition, enough salary, job security, qualified superior, feedback of performance, good relationship with colleagues, opportunities for continued growth, training and competency based hiring are the main factors motivating employees in work relationship. Dessler (1981) revealed that, QWL was not only for materials related issues in relation to work environment, but also, a means through which employees satisfy their important personal needs such as self-respect, contentment, self-actualization, make contribution and personal growth.

### **2.4 Walton Theory**

Walton (1975) proposed a classification framework with eight major conceptual categories which are related to QWL; they may include fair and appropriate compensation (adequate salary, wage balance, interference in outcomes). Other benefits include, safe and healthy working environment (weekly journey, process technology, compatibility, tiredness), human capacities development (autonomy, significance of the task, multi-valence, performance assessment, responsibility), growth and security (professional progress, education, encouragement for researchers), social integration (prejudice, interpersonal interaction, agreement of team, encouragement of ideas), constitutionalism (staff rights, freedom of expression, dialogue and norms, respect to personality), total life space (impact on the family routine, probability of leisure, rest and work time)

social relevance (proud of the job, institutional image, society integration, (quality products and services, human resources policy), (Tabassum et al., 2012). Walton's (1975) view on QWL was one of the most important perspectives followed by researchers. In the present study, QWL of Bonyad employee was measured based on Walton's theory.

### III. Research Method

This research was conducted to identify the relationship between the QWL and employee performance in the Bonyad organization in Iran. The research was designed according to the eight major conceptual categories proposed by Walton in 1975, relating to the QWL (criteria for QWL). The population of the study is 1000 employees who are working in this organization in accord to formulate 100 people who worked in this institute were asked to answer the question of below the sample size of this research is 87 employees in Bonyad. The researcher used the completely randomizes method. For estimation of correlation between each of the mentioned factors in the questionnaires and the employee performance, the Pearson cohesion was used. 50 percent of decision makers were male and 50 percent were female, 4.8 percent had not achieved their diploma, 27.4 had completed their diploma, 61.9 had a BA or BSc, and 6 percent had an MA. The work experience distribution of decision maker was 36.9 percent under 5 years, 11.9 percent 5-10, 19 percent 11-15, 16.7 percent 16-20, 9.5 percent 21-25, 6 percent higher than 26.

### IV. Results And Discussion

The questionnaires were designed according to the eight major conceptual categories proposed by Walton, relating to the QWL in 1975 (Criteria for QWL) as(1) adequate and fair compensation, (2) constitutionalism, (3) continued growth opportunity, (4) social relevance (5) safety workplace, (6) human capacities development, (7) total life space and (8)social integration. The result has shown that adequate and fair compensation, social relevance and safety work place in the work organization was rejected. The relation between work satisfaction and performance is attributed too many different factors (Edwards & Rothbard, 2000; Saad et al., 2008). In this case, the results could be justified with suitable salary in this institute and also full access to the opportunities, rights and services available to the members. Therefore, the situation of their work affected their insight to the adequate and fair compensation, social relevance and safety workplace in the work organization parts of the survey. In total, the results of the current research are in line with almost all pervious researchers (Requena, 2000; Ingelgard & Norrgren, 2001; Kirby & Hartert, 2001; Lowe, 2001).

#### 4.1 The Hypothesis's Results

##### The First Hypothesis

- 1- There is a significant relationship between fair compensation and employee performance. Table 1, clearly indicated that there is a significant negative relationship, between fair compensation and employee performance.

**Table 1: Adequate and Fair Compensation- Descriptive Statistics**

Dimensions	Mean	Std. Deviation	Employee performance	Fair compensation
Pearson Correlation	54.214	10.059	1.000	0.177
Employee performance			0.108	0
Sig. (2-tailed)				
N			84	84
Pearson Correlation	6.393	2.129	0.177	1.000
Sig. (2-tailed)			0.108	0
Fair compensation				
N			84	84

##### The Second Hypothesis

- 2- There is a significant relationship between constitutionalism and employee performance. Table 2, clearly indicated that there is a significant positive relationship, between constitutionalism and employee performance.

**Table 2: Constitutionalism - Descriptive Statistics**

Dimensions	Mean	Std. Deviation	Employee performance	Constitutionalism
Pearson Correlation Employee performance Sig. (2-tailed)	54.214	10.059	1.000 0	0.391** 0
N			84	84
Pearson Correlation Sig. (2-tailed) Constitutionalism	7.440	2.38	0.391** 0	1.000 0
N			84	84

**The Third Hypothesis**

3-There is significant relationship between growth opportunity and employee performance. Table 3, clearly indicated that there is significant positive relationship, between growth opportunity and employee performance.

**Table 3: Growth Opportunity**

Dimensions	Mean	Std. Deviation	Employee performance	Growth opportunity
Pearson Correlation Employee performance Sig. (2-tailed)	54.214	10.059	1.000 0	0.373** 0
N			84	84
Pearson Correlation Sig. (2-tailed) Growth opportunity	5.654	2.417	0.373** 0	1.000 0
N			84	84

**The Fourth Hypothesis**

4- There is significant relationship between social relevance and employee performance. Table 4, clearly indicated that there is significant negative relationship, between social relevance and employee performance.

**Table 4: Social Relevance**

Dimensions	Mean	Std. Deviation	Employee performance	Social relevance
Pearson Correlation Employee performance Sig. (2-tailed)	54.214	10.059	1.000 0	0.206 0.060
N			84	84
Pearson Correlation Sig. (2-tailed) Social relevance	3.535	1.609	0.206 0.060	1.000 0
N			84	84

**The Fifth Hypothesis**

5- There is significant relationship between safety workplace and employee performance. Table 5, clearly indicated that there is significant negative relationship, between workplace safety relevance and employee performance.

**Table 5: Workplace Safety**

Dimensions	Mean	Std. Deviation	Employee performance	workplace safety
Pearson Correlation Employee performance Sig. (2-tailed)	54.214	10.059	1.000 0	0.322** 0.003
N			84	84
Pearson Correlation Sig. (2-tailed) workplace safety	5.607	2.157	0.322** 0.003	1.000 0
N			84	84

### The Sixth Hypothesis

6- There is significant relationship between human capacity development and employee performance.

Table 6, clearly indicated that there is significant positive relationship, between human capacity development and employee performance.

**Table 6: Human Capacity Development**

Dimensions	Mean	Std. Deviation	Employee performance	Human Capacities Development
Pearson Correlation	54.214	10.059	1.000	0.389**
Employee performance			0	0
Sig. (2-tailed)				
N			84	84
Pearson Correlation	11.643	4.008	0.389**	1.000
Sig. (2-tailed)			0	0
Human Capacities Development				
N			84	84

### The Seventh Hypothesis

7- There is significant relationship between total life space and employee performance.

Table 7, clearly indicated that there is significant positive relationship, between total life space development and employee performance.

**Table 7: Total Life Space**

Dimensions	Mean	Std. Deviation	Employee performance	Total life space
Pearson Correlation	54.214	10.059	1.000	0.150
Employee performance			0	0.173
Sig. (2-tailed)				
N			84	84
Pearson Correlation	6.477	1.617	0.150	1.000
Sig. (2-tailed)			0.173	0
Total life space				
N			84	84

### The Eighth Hypothesis

8- There is significant relationship between social integration and employee performance.

Table 8, clearly indicated that there is significant positive relationship, between social integration development and employee performance.

**Table 8: Social Integration**

Dimensions	Mean	Std. Deviation	Employee performance	Social Integration
Pearson Correlation	54.214	10.059	1.000	0.355**
Employee performance			0	0.001
Sig. (2-tailed)				
N			84	84
Pearson Correlation	12.654	4.540	0.355**	1.000
Sig. (2-tailed)			0.001	0
Social Integration				
N			84	84

## V. Conclusions And Recommendation

The final results of the present research recommend that adequate and fair compensation, workplace safety and social relevance in the Bonyad organization are the less important factors for improving employee performance, even though there may be room for improvement in regards to some issues. The results could be justified when it concerns to the investigation situation. Also, it is strongly suggested to pay attention to other factors such as human capacity development, growth opportunity, constitutionalism, total life space and social integration of work life. These areas may all be significant in improving quality of work life, which will affect the employee performance and the productivity of the institute.

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