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Relationship between Quality of Work Life and Demographical characteristics of SMEs employees

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Abstract

The purpose of this research is to evaluate the status of Quality of Work Life of employees working in SMEs and second to explore the relationship between Quality of Work Life and demographic characteristics of employees and Firms. The research is conducted among 1092 employees and the results suggest that the status of Quality of Work Life of employees is very less .No significant relation between gender and Age of employees and study also revealed that Experience, nature of Job, educational level, designation and salary has an signification association between QWL. Study also conducted to find out the association between firms demographical factors and QWL of employees, it revealed that Age of the firm, Size of the firm and cost of the project has significant association between QWL of employees.

Key words: Quality of Work Life, Demographic Characteristics, SMEs

The purpose of this research is to evaluate the status of Quality of Work Life of employees working in SMEs and second to explore the

1. Introduction:

Employees' are the prime resource and constitute core strength of the organisation. Organizations often give importance to technology and systems than employees'. The fact that, it is the employees' who drive the technology and systems in an organisation is not well remembered. Employees' workings in the organisation are not individuals; they are social beings, belonging to a particular social systems, family life style and culture. Due to lack of awareness of QWL among employers and employees, the importance of QWL in an organisation is not taken care well. Absence of QWL leads to dissatisfaction in job, increases absenteeism, lack of motivation and morale, increased accident rates, lack of productivity etc.,. These are the major reasons for organisations non- performance, than any other reasons.

In organizations QWL is essential for smooth running of organization. Further it helps in attracting and retaining efficient and effective employees for right job profile, which in turn leads to employees and organization success. The Work Life balance must be maintained effectively to ensure that all employees are working at their peak potential and free from stress.

SMEs form the backbone of manufacturing industries and major contributor to the industrial economy of a country. Main drawbacks of SMEs are low productivity because of lack of skilled employees, extreme dependency on manual operation, use of outdated technology, high employee attrition rate. In order to sustain in the global competitive era the above issues need to be addressed by increasing retention rate of employees and providing good Quality of Work Life under efficient leadership style.

Human resource is an asset to the organization; an unsatisfied employee is the first enemy of the organization, to sustain in the competitive market organizations have to maintain skilled employees. Employees have to be treated as an asset not liability and this is possible

only through the humanized job design process, known as Quality of Work Life.

2. Literature review:

Davis explained QWL is about the enrichment of the work, how the organization thinks about its employees and also how the employees think about the organization [1]. Quality Work Life is the quality of relationship between employees and the total working environment [2].

QWL is a dynamic multidimensional constructs that includes reward systems, training, career advancements opportunities, participation in decision making, employment conditions, employment security, income adequacy, profit sharing, equity and other rewards, employee autonomy, employee commitment, social interaction, self-esteem, self-expression, democracy, employee satisfaction, employee involvement, advancement, relations with supervisors and peers and job enrichment [3].

QWL deals with the components like autonomy, being recognized and appreciated, belongings, progress and development, external reward for employees [4]. Levine et.al., focused on the factors such as respect from supervisor and trust on employees' capability, change of work, challenge of the work, future development opportunity arising from the existing work, self-respect, scope of impacted work and life beyond work itself, contribution towards work [5]. Study also reveals that QWL policies may vary as per the size of the organization and employees group.

Godina Krishna Mohan and Kota Neela Mani Kanta examined the variables that play a vital role in influencing the QWL in the manufacturing organizations in the state of Andhra Pradesh. The variables selected for the study were: Working conditions, inter personal relations, trust among employees, autonomy and freedom, participation in decision making, career advancement, training, superior support, safety conditions, top management support, conflict management, amenities, performance linked pay system, communication, implementation of organizational policies, participative management, transparency system, nature of job, rewards

and recognition, value system and job satisfaction. The research finding revealed that, the key factors influencing QWL were working environment, group dynamics, personal growth and advancement, motivation and organizational climate [6].

From the literature review it is identified that the many of the researcher used some of the dependent variables that affects Quality of Work Life are 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, social relevance of work life etc.,

In this research some of the independent variables are considered to study the relationship between Quality of Work Life of employees. The independent variables are demographic characteristic of employees such as designation, age, experience, gender, and education qualification, size of the firm, turnover, salary, etc.,

3. Research Methodology

3.1 Estimation of sample size

Using the Hogg and Tannis (1997), and Bartlett et., al,(2001) formula, sample size for the research was estimated to be 231 SMEs. Employees working in the mechanical manufacturing SMEs were considered to be the unit of analysis for the research. The structured questionnaire was administered to 1500 employees of 300 mechanical manufacturing SMEs, of which 1147 employees of 248 SMEs responded. However, at the end of the survey only 1092 questionnaire from 240 firms were found to be valid and appropriate for the final analysis.

3.2 Design of Questionnaire

Based on thorough literature review on QWL important components were identified. Further, factor analysis was conducted to reduce the components using principal component analysis. From the principal component analysis, nine factors whose Eigen values are greater than

one were retained and these nine important components were considered for the present research. Following were the nine components: Work environment, Organization culture and climate, Relation and co-operation, Training and Development, Compensation and Rewards, Facilities, Job satisfaction and Job Security, Autonomy of work, Adequacy of resources. The reliability coefficient is obtained as 0.88 and hence the questionnaire designed was adequate for exploring research and is tenable for statistical computation.

The questionnaire designed has three important sections namely:

1. Respondent and Firm's demographic characteristics
2. Employees Perceptions towards QWL

3.3 Hypothesis

3.3.1 Null Hypothesis for Quality of Work Life and Demographical factors of employees

Hypothesis H_{01} : There is no significant relation between QWL and Gender

Hypothesis H_{02} : There is no significant relation between QWL and Age

Hypothesis H_{03} : There is no significant relation between QWL and experience

Hypothesis H_{04} : There is no significant relation between QWL and Nature of job

Hypothesis H_{05} : There is no significant relation between QWL and Education level

Hypothesis H_{06} : There is no significant relation between QWL and Designation

Hypothesis H_{07} : There is no significant relation between QWL life and Monthly salary

3.3.2 Hypothesis for Quality of Work Life and Demographical factors of SMEs

Hypothesis H₀₈: There is no significant relation between QWL and age of the firms

Hypothesis H₀₉: There is no significant relation between QWL and size of the firms

Hypothesis H₀₁₀: There is no significant relation between QWL and invest on the firms

4. Research Findings

4.1 Status of Quality of Work Life of Employees in SMEs

The employees are categorised into satisfied and unsatisfied on the basis of their perception towards QWL. Overall Mean is the cut-off score, the score above the overall mean is considered satisfied with the present QWL, while score less than the overall mean is unsatisfied. Table 4.1 presents the status of Quality of Work Life of employees.

Table 4.1 Quality of Work Life of Employees

Status of QWL	No of Employees	Percentage
Satisfied	260	23.81
Unsatisfied	832	76.19
Total	1092	100.00

Among 1092 surveyed employees, from 240 SMEs, 260 (23.81 Percent) employees were satisfied with the present status of Quality of Work Life and 832 (76.19 Percent) employees were unsatisfied. From this it can be inferred that only one fourth of employees are satisfied with present status of Quality of Work Life.

4.2 Status of Quality of Work Life of Male Employees

To check the status of QWL of male employees, 898 male respondents were grouped into two with respect their perception towards the status of Quality of Work Life in mechanical manufacturing SMEs.

Table 4.2 Quality of Work Life of Male Employees

Status of QWL	No of Male Employees	Percentage
Satisfied	213	23.72
Unsatisfied	685	76.28
Total	898	100.00

Among 898 Male employees 213 (23.72 Percent) Male employees were satisfied with the present status of Quality of Work Life and 685 (76.28 percent) employees were unsatisfied in surveyed 240 SMEs.

4.3 Quality of Work Life of Female Employees

To check the status of QWL of female employees, 194 female respondents were grouped into two with respect to their perception towards the status of QWL in mechanical manufacturing SMEs.

Table 4.3 Quality of Work Life of Female Employees

Status of QWL	No of Female Employees	Percentage
Satisfied	47	24.23
Unsatisfied	147	75.77
Total	194	100.00

Among 194 Female respondents 47 (24.23 Percent) Female employees were satisfied with the present Quality of Work Life and 147 (75.77) were unsatisfied in surveyed 240 SMEs.

4.4 Quality of Work Life of employees based on the age of employees

Based on the age of the employees, employees are classified into six groups. The statuses of QWL of employees in these six groups are shown in Table 4.4.

Table 4.4 Quality of Work Life of employees based on the age of employees

Age of Employees	Number of Employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Under 20	24	4	20
21-30	629	142	487
31-40	300	77	223
41-50	103	27	76
51-60	28	7	21
Above 60	8	3	5
Total	1092	260	832

The Table 4.4 shows the status of Quality of Work Life of employees based on their age. Around 16.6 percent of employees in the age who are under 20 years have good QWL. While 22 to 25 percent of employees have good QWL who are age between 21 years to 40 years. From the percentage analysis it is inferred that there is no influence of employee's age on status of QWL.

4.5 Quality of Work Life of employees based on the experiences

Based on level of experience, employees are classified as mentioned in the Table 4.5. Employees are grouped into four on the basis of their years of experience.

Table 4.5 Quality of Work Life of employees based on the experiences

Year of experience	Number of employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Less than 10 years	853	186	667
11-20	169	50	119
21-30	56	19	37
31-40	14	5	9
Total	1092	260	832

The Table 4.5 depicts status of Quality of Work Life of employees with respect to work experience of employees. From the figure it can be inferred that only 21.8 percent of employees with experience less than 10 years were satisfied with present status of QWL. While it is 35.7 percent in case of employees, with 31- 40 years of experience. Further it can be conclude that older employees are more satisfied and work experience influences status of QWL of employees.

4.6 Quality of Work Life of employees based on nature of job

Based on nature of activities/ Job carried out, employees were categorised into Technical and non-technical. Table 4.6 represents the perception of Technical and non-technical employees towards present status of Quality of Work Life.

Table 4.6 Quality of Work Life of employees based on nature of job

Nature of job	Number of Employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Technical	746	194	552
Nontechnical	346	66	280
Total	1092	260	832

The Table 4.6 shows that 26 percent of technical employees were satisfied with the present status of Quality of Work Life. Whereas it is 19.07 percent in case of non-technical employees. Further it can be inferred that technical employees are more satisfied than non-technical employees.

4.7 Quality of Work Life of employees based on Education level of employees

Based on education qualification employees were grouped as shown in the table below. Table 4.7 present the perceptions of employees about present status of QWL in these five groups.

Table 4.7 Quality of Work Life of employees based on Education level of employees

Education level	Number of Employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Post-graduation	127	46	81
Graduation	224	74	150
Diploma	234	44	190
ITI	276	59	217
Others	231	37	194
Total	1092	260	832

The Table 4.7 presents the status of Quality of work Life of employees on the basis of their education level. From the Figure 4.9 it can be inferred that 36.23 percent of post graduate are satisfied with the present status of QWL. While 21.37 and 18.8 percent of employees in case of ITI and Diploma cadre respectively. Further it can be conclude that highly qualified employees are more satisfied with prevailing QWL in SMEs. From this it is inferred that education level of employees influences the Quality of Work Life of employees in SMEs.

4.8 QWL of employees based on average Monthly Income

Based on the monthly income drawn, employees are classified as shown in the Table 4.8. Table also represents perception n of employees towards QWL on basis of average monthly income in INR.

Table 4.8 Quality of Work Life of employees based on Monthly average Income

Average salary per month in INR	Number of Employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Less than 5000	65	14	51
5001 to 10000	584	105	479
10001 to 20000	381	124	257
More than 20000	62	17	45
Total	1092	260	832

The Table 4.8 represents the perception of employees towards QWL with respect to their monthly income in INR. From the surveyed data it is identified that 21.54 percent of employees whose salary is less than Rs 5000 are satisfied with present status of QWL. While who are drawing the salary between Rs.10001 to 20000 INR, represented 32.54 percent satisfaction. From the surveyed data it is identified that each group of employees have their own opinion about the QWL. From the Figure 4.10 it is inferred that average monthly income of employee's have high impact on the status of employees Quality of Work Life in SMEs.

4.9 Quality of Work Life of employees based on their Designation

The Table 4.9 presents different job designations of employees and their perception towards QWL.

Table 4.9 Quality of Work Life of employees based on their Job Designation

Em ployees Job Designation	Number of Em ployees	Status of QWL of Em ployees	
		Satisfied	Unsatisfied
Executive	174	48	126
Design engineer	65	18	47
Supervisor	256	82	174
Operator	382	84	298
Helper	215	28	187
Total	1092	260	832

The Table 4.9 exhibits that 27.58 and 27.68 percent of executives and design engineers respectively are satisfied with present status of QWL. While it is 13.02 percent in case of helpers. From the Figure 4.11 it can be inferred that higher the designation higher is the level of satisfaction towards QWL. Further employee Job design influences the status of QWL in surveyed SMEs.

4.10 Relationship between Demographical Factors of employees and Quality of Work Life of employees

To know the association between demographical factors of employees and QWL, seven hypotheses H_{01} , H_{02} , H_{03} , H_{04} , H_{05} , H_{06} , H_{07} were established. Using Chi Square analysis, hypothesis was tested for independency. The employees were classified into satisfied and unsatisfied on the basis of their perception towards QWL for all demographical characteristics and the same is presented in Table 4.10. Further, the values of χ^2 and their significance levels (if significant) for testing the association between QWL along with demographic characteristics of employees.

Table 4.10 Relationship between Demographical Factors of employees and Quality of Work Life of employees

Sl No	Demographical Factors of Employees	Status of QWL		χ^2 Table	χ^2 Calculated	P value	Significance Level
		Satisfi	Unsatis				
1	Gender	Male	213	685	3.84	0.023	0.883
		Female	47	147			
2	Age of employees	< 20	4	20	11.1	2.95	0.708
		21-30	142	487			
		31-40	77	223			
		41-50	27	76			
		51-60	7	21			
		Above	3	5			
3	Experience	< 10	186	667	7.81	9.252	0.026
		11-20	50	119			
		21-30	19	37			
		31-40	5	9			
4	Nature	Technica	194	552	3.84	6.258	0.012
		Nonte ch	66	280			
5	Education level	Post-graduat	46	81	9.49	33.159	0.000
		Graduati	74	150			
		Diplo ma	44	190			
		ITI	59	217			
		Others	37	194			
6	Designation	Executiv	48	126	9.49	25.935	0.000
		Design	18	47			
		Operator	84	298			
		Supervis	82	174			
		Helper	28	187			
7	Average monthly salary	Less than 5000	14	51	7.81	27.603	0.000
		5001 to 10000	105	479			
		10001 to 20000	124	257			
		More	17	45			

1. Gender of the employees and Age ($p > 0.05$, $\chi^2_{\text{calculated}} < \chi^2_{\text{Table}}$) and Age ($p > 0.05$, $\chi^2_{\text{calculated}} < \chi^2_{\text{Table}}$) of the employee is not associated with employees Quality of Work Life. That is QWL is independent of gender and age of the employees.
2. Experience of the employees, Nature of the job, educational level, , job designation and average monthly salary of the employees ($p < 0.05$, $\chi^2_{\text{calculated}} > \chi^2_{\text{Table}}$) has significant association with QWL of employees. Quality of Work Life of employees is dependents on experience of employees.

4.11 Quality of Work Life of Employees based on the Age of the SMEs

Based on Age of firm, SMEs are classified as shown in Table 4.11, along with status of employees QWL.

Table 4.11 Quality of Work Life of employees based on the Age of the SMEs

Age of the firms	No of employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Less than 10 years	479	89	390
11 to 20 years	415	114	301
21 to 30 years	86	23	63
Above 31 years	112	34	78
Total	1092	260	832

Majority of employees were from less than 10 years old firms, further 18.58 percent of employees in these firms were satisfied with present status of QWL. While it is 27.5 and 26.75 percent respectively in case of firms with 11 to 20 years and 21 to 30 years of establishment. From the Table 4.11, it is identified that status of QWL is relatively low in newly established firms when compared with old establishment. From this it can be inferred that age of the firms has an influence on the status of QWL of employees in the surveyed SMEs.

4.12 Status of Quality of Work Life of employees based on size of the firm

Employees are categorized into five groups, and the Table 4.12 shows the present status of QWL in these five groups.

Table 4.12 Quality of Work Life of employees based on size of the firm

Size of the firm	No of employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Less than 10	266	59	207
11 to 25	336	67	269
26 to 50	329	82	247
51 to 100	140	46	94
More than 100	21	6	15
Total	1092	260	832

Among 1092 surveyed employees, 266 employees are working in the enterprises having less than 10 employees, out of them 59 (22.18 percent) employees are satisfied with the present status of QWL. 336 employees responses were collected in the firms having 11- 25 employees, among them only 19.94 percent employees are satisfied. Further 329 employee's responses were collected from SMEs where size of the firm is 26 to 50; amongst 329 employees 24.92 percent employees are satisfied. From the Table 4.12 it can be inferred higher the size of the firm higher the status of QWL. Further size of the firms has a significant impact on the status of QWL of employees in SMEs.

4.13 Status Quality of Work Life of employees based on the Investment

SMEs are categorised on the basis of the investment made on plant and machinery, the firms are classified into five groups. Table 4.13 represents the status of QWL in these five groups of employees.

Table 4.13 Quality of Work Life of employees based on the Investment

Cost of the project in INR	No of employees	Status of QWL of Employees	
		Satisfied	Unsatisfied
Less than 10 lakhs	195	53	142
11 to 25 lakhs	207	36	171
26 to 50 lakhs	349	78	271
51 to 1 crore	324	91	233
Above 1 crore	17	2	15
Total	1092	260	832

Among 1092 surveyed employees from 240 SMEs, 195 employees from the SMEs where project cost is less than 10 lakhs, among them 27.18 percent of employees are satisfied and 72.82 percent of employees are unsatisfied with the present status of QWL, 207 employees accounting from the SMEs where the project cost is from 11 to 25 lakhs, among 207 employees 17.4 percent of employees are satisfied and 82.6 percent of employees are unsatisfied. Surveyed 349 employees from the SMEs where the project cost is 26 to 50 lakhs, almost one fourth of employees are satisfied. 324 employees from the SMEs where the project cost is 51 to 100 lakhs, out of this 28.08 percent of employees are satisfied and 71.92 percent employees are dissatisfied with the present QWL in SMEs. Table 4.13 indicates the status of QWL and investment, from this it is inferred that investment on the plant and machineries has a impact on the status of QWL of employees.

4.14 Effect of Demographical factors of SMEs and Quality of Work Life of Employees

To know the association between demographical factors of SMEs and employees QWL, three hypotheses H_{08} , H_{09} , H_{010} are established. Using Chi Square analyses, hypotheses were tested for independency. The employees are classified into satisfied and unsatisfied on the basis of their perception towards QWL for all demographical characteristics of SMEs. As shown in the Table 4.14. It also presented the values of χ^2 and their significance levels (if significant) for testing the association between QWL and each of the demographic characteristics of firms.

Table 4.14 Demographical Factors of SMEs and Quality of Work Life of Employees

SI No	Demographical Factors of SMEs	Status of QWL		χ^2 Table	χ^2 Calculated	P	Significance Level	
		Satisfied	Unsatisfied					
1	Age of the firm	Less than 10 years	89	390	7.81	13.34	.004	5 %
		11 to 20 years	114	301				
		21 to 30 years	23	63				
		>31 years	34	78				
2	Size of the firm	Less than 10 years	59	207	9.49	9.967	.041	5 %
		11 to 25	67	269				
		26 to 50	82	247				
		51 to 100	46	94				
		More than 100	6	15				
3	Cost of the project	Less than 10 lakhs	53	142	9.49	10.958	.027	5 %
		11 to 25 lakhs	36	171				
		26 to 50 lakhs	78	271				
		51 to 1 crore	91	233				
		Above 1 crore	2	15				

Age of the firm, Size of the firm and Cost of the project ($p < 0.05$, $\chi^2_{\text{calculated}} > \chi^2_{\text{Table}}$) has significant association with employees QWL. Quality of Work Life of employees is dependent on Age of the firms.

Conclusions:

From the percentage analysis it is revealed that 23.72 percent of male employees and 24.23 percent of female employees are satisfied with present status of QWL. This indicates that Quality of Work Life is same in both male and female employees.

The demographical characteristics of the employees like gender and age of the employee are significantly not associated with employees Quality of Work Life. That is Quality of work Life of employees is not dependent on the age and gender of the employees.

The demographical characteristics of the employee like experience of employee, nature of the job, education level of the employee, designation of the employee and average monthly income are significantly associated with employee Quality of Work Life.

The demographical characteristics of SMEs like age of the firms, Size of the firms and cost of the project are significantly associated with the employees Quality of Work Life in mechanical manufacturing SMEs.

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