



**Impact of Quality of Work Life on Employee Performance in Selected
Private Life Insurance Companies**

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Abstract

Quality of work life is a term which is always important for every company in terms of performance, and to achieve organizational goals. Quality of work life plays an important role in insurance company which helps in improving the satisfaction level of the employees and ultimately improves the performance level of employees in the company. The main objective of the study is to find out the impact of Quality of work life and income on employees performance in selected 5 private life insurance companies. The study has been conducted in the major four cities of Rajasthan which are Jaipur, Udaipur, Jodhpur, and Bikaner. For the collection of data 250 questionnaires were distributed out of which 195 questionnaires has been received, which is included in the study. The research paper concluded that there is a positive impact of quality of work life and income on employee performance in insurance company.

Keywords: Quality of Work Life, Performance and Insurance.

Introduction

These days' people spend most of their time in job and of course they expect the best from that working environment. Quality of work life is actually a term introduced in the late 1960's. From that period till now this term is gaining more and more importance and have become more wide everywhere and at every work place. Quality of work life includes all the necessary components which an employee desire in an organization. Every organization should provide good physical environment, monetary and non monetary benefits, proper supervision, communication, resources and all the extra benefits necessary for employees for smooth functioning in the organization. The concept of quality of work life is based on the statement that a job is more than just a job. In a simple way, quality of work life means giving work quality to the employees for their satisfaction and organization's growth. As people spend most of their time at work place so it becomes more important and essential for an organization to improve quality of work life to retain their employees in the organization.

A good quality of work life creates a healthy working environment for employees in an organization and this enables employees to actively participate in the organization. Elements for a good quality of work life are safe work environment, equitable wages, rewards and benefits, appropriate job design, work life balance, good leadership and employee empowerment, equal employment opportunities and opportunities for advancement. Quality of work life can create positive and negative impact on the working environment of the organization.

Review of Literature

Sajjad, K.N., Abbasi, B. (2014) showed that there is a positive and meaningful relationship between quality of work life and its factors i.e. organizational commitment, development of human capabilities, social integration, and total life space, safe and healthy environment. It recommends that organization should consider standard criteria when planning for safe working environment. Similarly, to evaluate the performance of employee's proper evaluation committee should be formed for proper evaluation without any biasness.

Rubal, Basher, R.M., Kee, Hung, M.D. (2014) recommended that the employees are the most important source for the success of any organization. If employees in the organization are satisfied, organization can achieve their goals and maintain its position in the competitive market. So, it is very important for the organization to satisfy their employees to enhance and improve the performance of employees.

Birjandi, M. et al. (2013) found that research result shows a positive and significant relationship between components of quality of work life and employee performance. Managers should use appropriate strategies to achieve the standard performance. Components of the quality of work life considered in the study are fair and sufficient payment, providing growth opportunity, continuous security.

Farjad, R.H. (2013) stated that there is a significant relationship between independent and dependent variables. However, there is a reverse and significant relationship between salary and allowances, health security, work conditions and development of human capabilities with continuous and normative subscales of organizational commitment.

Salavati, A., Maghsoudi, K., Hasani, K. (2013) showed that there is significant relationship between manpower productivity and quality of work life. The main source of income of human being is fulfilled by working in the favor of any organization and accomplishing all the targets

assigned. Workplace is the place where employee spent his most valuable time, so it is very important to create a healthy working environment in the organization which makes him feel happy. Organization should also create pattern for job progress so that the other employees can be motivated.

Heidarie, A. et al. (2012) concluded that there is a positive relationship between quality of work life and job satisfaction. The concept of quality of work life has become very important social issue in every organization. The factors or dimensions of quality of work life are aiding the staff to have balance between their work life and private life. Safe and healthy work place is an important dimension in quality of work life.

Islam, Baitul, M. (2012) concluded that an appropriate organization culture, compensation policy, career growth and other facilities can lead to a satisfied employee, which ensures the overall organizational productivity. The companies can focus on their employee’s welfare by providing them a better and attractive compensation policy, optimum work load and by providing a superior work environment.

Objective and Hypothesis of the Study

Table: 1 Statistical Tools for Data Analysis

| S.no. | Objectives | Hypothesis | Statistical processor applied |
|-------|--|--|-------------------------------|
| 1. | To determine the correlation of income with quality of work life and performance of employees. | Ho₃: Income, Quality of work life and performance of employees are not correlated. | Correlation |
| 2. | To analyse the impact of quality of work life and income on the performance of employees. | Ho₄: There is no significant impact of income, quality of work life on performance of employees. | Regression Analysis |

Research Methodology

The main aim of the study is to see the impact of income and quality of work life on employee performance in selected private life insurance companies. The sample of this research consists of employees working in selected 5 private life insurance companies which are Bajaj Allianz Life Insurance Co. Ltd, HDFC Standard Life Insurance Co. Ltd, ICICI Prudential Life Insurance Co. Ltd, TATA AIA Life Insurance, and SBI Life Insurance Co. Ltd. There are many factors influencing quality of work life and employee performance, however in this study variable used for quality of work life are social and management support, working environment, work life balance, job satisfaction, learning and career development, safety and security, employee motivation, rewards, benefits and compensation (refer figure: 1) and employee performance are job design and productivity, work based recognition, time management and performance (refer figure: 2).Four major cities of Rajasthan have been considered i.e. Jaipur, Udaipur, Jodhpur, and Bikaner. The sample size take for this research study is 195. SPSS version 19 and MS Excel was used to analyses. To achieve the objectives and hypothesis correlation and regression test has applied.

Variables of the Study

Variables of QWL

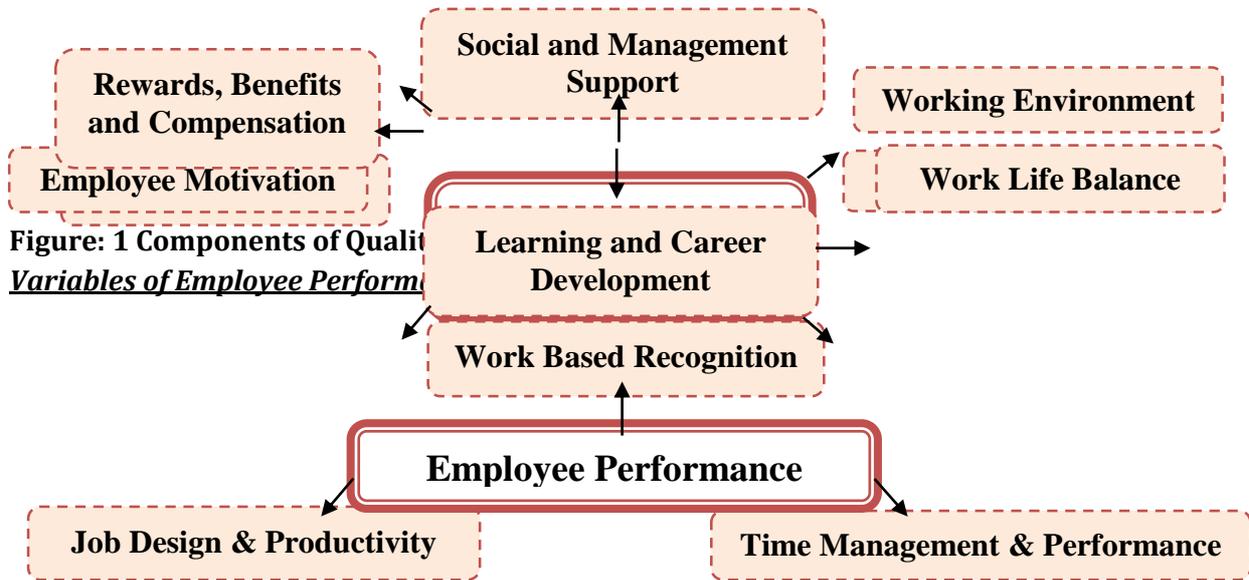


Figure: 1 Components of Quality of Work Life
Variables of Employee Performance

Figure: 2 Components of Employee Performance

Analysis and Interpretation

Objectives 1: To determine the correlation of income with quality of work life and performance of employees.

Hypothesis

Ho₁: Income, Quality of work life and performance of employees are not correlated.

Ha₁: Income, Quality of work life and performance of employees are correlated.

Statistical processor applied

To test the closeness of relationship between income, quality of work life and performance of employees, correlation has been applied.

Table 2: Correlation Analysis

(Income, Quality of Work Life and Performance)

| Predictors | Income of Employee | Over All Quality Work Life | Overall Performance |
|----------------------------|--------------------|----------------------------|---------------------|
| Income of Employee | 1 | 0.441** | 0.434** |
| p-value | | 0.000 | 0.000 |
| Over All Quality Work Life | | 1 | 0.709** |
| p-value | | | 0.000 |
| Overall Performance | | | 1 |
| p-value | | | |

** Correlation is significant at the 0.01 level (2-tailed).

Table 2 depicts that there is a **significant, positive and moderate degree of correlation of (0.441) income with overall quality of work life** (p-value<0.05) and (r-value: 0.434) **overall performance** (p-value<0.05).

And there is a **significant, positive and high degree of correlation of** (r-value: 0.709) **overall quality of work life and overall performance of employees** (p-value<0.05). Thus it is concluded that there is a significant correlation between income, quality of work life and performance of employees. So in that case the null hypothesis is rejected.

Objective 2: To analyze the impact of quality of work life and income on the performance of employees.

Hypothesis

Ho₂: There is no significant impact of income, quality of work life on performance of employees.
 i.e. (a) The regression coefficient of Performance on QWL and Income are not significant
 (b) The fitted regression equation is not significant.

Ha₂: There is a significant impact of income, quality of work life on performance of employees.

Statistical processor applied

To test the impact of quality of work life and income on the performance of employees regression analysis has been applied.

Regression Analysis

Impact of QWL (Over all) and Income of Employee on Performance of Employee
Method: Enter Method

Table 3: Model Summary: Multiple Linear Regression

| Model | R | R Square | Std. Error of the Estimate |
|-------|--------------------|----------|----------------------------|
| 1 | 0.722 ^a | 0.521 | 4.04484 |

a. Predictors: (Constant), Income of Employee, Overall QWL

Table 4: ANOVA

| | Sum of Squares | Df | Mean Square | F | p-value. |
|------------|----------------|-----|-------------|---------|--------------------|
| Regression | 3416.245 | 2 | 1708.127 | 104.404 | 0.000 ^a |
| Residual | 3141.264 | 192 | 16.361 | | |
| Total | 6557.518 | 194 | | | |

a. Predictors: (Constant), Income of Employee, Overall QWL

b. Dependent Variable: Overall Performance

Table 5: Regression Coefficients (Linear Regression)

| Predictors | Unstandardized Coefficients | | t value | p-value |
|--------------------|-----------------------------|------------|---------|---------|
| | B | Std. Error | | |
| (Constant) | 11.921 | 2.101 | 5.675 | 0.000 |
| Overall QWL | 0.337 | .029 | 11.545 | 0.000 |
| Income of Employee | 0.685 | .254 | 2.700 | 0.008 |

a. Dependent Variable: Overall Performance

Interpretation

Table 3 explains that the multiple correlation of Performance with QWL and Income is 0.722 with the average variability (R-Square) as 0.521. The table 4 shows the test for significance of linear regression equation with the help of F-test. The p-value of F-Test is below 0.05 which is a case of rejecting the null hypothesis. That is the fitted regression equation is significant for the study. The fitted regression equation is developed with the help of Table 5 and given as follows:

$$\text{Performance} = 11.921 + 0.337(\text{QWL-Overall}) + 0.685(\text{Income of Employee})$$

Thus it shows that there is positive impact of quality of work life and income on performance of employees.

Findings

- The test shows that there is a significant, positive and moderate degree of correlation of income with overall quality of work life and overall performance and there is a significant, positive and high degree of correlation of overall quality of work life and overall performance of employees.
- The test shows that there is a positive impact on quality of work life and income on performance of employees, that means if quality of work life improves and income increases, performance of employees will also improve.

Conclusion

Behind any successful company there is a big hand of employees working directly or indirectly for them. If employees working in the company are satisfied, company can easily achieve their set goals and sustain their position in the competitive market by exploring the performance of the employees. Quality of work life (QWL) is one of the major factors that drive an employee to deliver his/her best potential. Quality of work life plays an important role in insurance company which helps in improving the satisfaction level of the employees and ultimately improves the performance level of employees in the company. Monetary benefits are considered as one of the major priorities for every employee in improving the performance of employees, so insurance companies should provide them income on the basis of their skill and experience. It also says that when the standard of quality of work life and pay scale increases the performance level of employees also increases.

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