

# Quality of Working Life and Its Association with Organizational Performance: A Model Applied for Healthcare Workers

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## Abstract

**Background:** High quality working environment has been known as an essential condition for strengthening human resources in the healthcare system. Given the important effect of working life quality on staff performance, this study was conducted to assess the relationship between quality of working life (QWL) and organizational performance in healthcare and medical centers of Ardakan, Yazd, in 2016.

**Methods:** This was a descriptive, cross-sectional study conducted among healthcare workforce of Ardakan in Iran in 2016. Two-hundred sixty staff, working in healthcare centers, emergency departments and city health network participated in this study; the census method was used. To collect data, two questionnaires related to QWL (Walton) and organizational performance (ACHIEVE Model) were used. Data analysis was done using SPSS 18 and descriptive statistical tests and Pearson correlation.

**Results:** Study findings revealed a significant direct relationship between QWL and organizational performance ( $P < 0.05$ ). Furthermore, all QWL aspects (fair and adequate payment:  $r = 0.288$ , safe and healthy working environment:  $r = 0.286$ , opportunity for growth and continuous security:  $r = 0.604$ , legalism in the organization:  $r = 0.515$ , social dependency of working life:  $r = 0.445$ , overall life condition:  $r = 0.343$ , social integration:  $r = 0.538$  and development of human capabilities:  $r = 0.648$ ) were significantly associated with organizational performance ( $P < 0.05$ ).

**Conclusions:** Attention paid to QWL led to an increase in organizational performance. Thus, managers could improve their workforce performance through promoting QWL.

**Keywords:** Quality of Working Life (QWL), Organizational Performance, ACHIEVE Model, Health Workforce

## 1. Background

The philosophy of every organization is its goals and objectives that can only be achieved by trained, skilled and motivated work force. Even with the vast technological advances, the role of human resources as a strategic vital factor in organizational survival is still very bold (1). Nowadays, organizations with a strategic approach toward work force, consider this important element as a smart and valuable asset. Promoting workforce performance to achieve organizational objectives more easily has attracted much attention. Work-life balance initiatives that improve individual and organizational performance significantly help human resources' strategic decisions (2). Quality of working life (QWL) requires the managers' efforts to develop supportive policies to provide a desirable and secure working environment for their staff. In fact, the readiness of making the best possible endeavor to meet organizational objectives by the personnel greatly depends on the extent to which their expectations, needs and dignity are respected (1). Lees & Kearns (3) (2005) declared that im-

proving quality of working life could increase the probability of personnel maintenance in their workplace. A plan for QWL includes any improvement in organizational culture, which promotes the growth and excellence of employees in an organization (4). Therefore, the value system of QWL emphasizes the workforce as the most important variable in strategic management, meaning that meeting employees' needs will lead to long-term improvement and efficiency of job activities (5). The famous Richard Walton was the first person to introduce QWL programs in eight aspects, including fair and adequate payment, safe and healthy working environment, opportunity for growth and continuous security, legalism in the organization, social dependency of working life, overall life condition, and social integration and development of human capabilities. According to Walton (6) (1975), the QWL has been considered as a way to save human and environmental values that had been disregarded for technological modernization and economic growth. According to Fernandes (7) (1996), the QWL simultaneously improves employ-

ees' satisfaction and develops the efficiency and productivity of the company through improvement of workers' performance. Thus, organizations started to invest on providing suitable working environment for their employees that was well- matched with their physical, mental and social needs.

Several studies have confirmed the relationship between QWL and staff performance (8-10). In a definition given for performance, the term comprised of actual results or obtained objectives measured against intended outputs or results. Performance was also described as an overall structure referring to how an organization operates (7). Neely presented another definition for organizational performance and mentioned it as a status of providing products or services in terms of quality, effectiveness and efficiency. Based on such an explanation, performance is categorized into two components. One is efficiency, which deals with how an organization utilizes resources in producing products or services, and second is effectiveness, which describes the degree to which organizational objectives have been met (11). In another definition, performance was mentioned as a series of actions to achieve objectives based on a specific standard (12). According to above definitions, both obtained results and activity processes were regarded as performance (13). A common problem that exists in many organizations is the inability of managers to identify the causes of problems or performance deviations from the ideal situation. Paul Hersey and Marshall Goldsmith (14) (2003) developed a performance management tool, ACHIEVE model, to help managers and decision- makers better determine performance problems and their associated factors. Such a model consists of seven variables: Ability, clarity, help, incentive, evaluation, validity and environment. Using the ACHIEVE model, managers evaluate how each of the above seven factors affect organizational performance. Hence, negative impacts of each factor are identified, and the administrators could effectively plan to fix the problems. Pot & Koningsveld (8) (2009), in a study conducted to evaluate the relationship between QWL and organizational performance in four large firms in Finland, Germany, Ireland and Poland, concluded that promoting working condition could lead to higher levels of organizational performance. Ramstad (9) (2009) also confirmed that comprehensive development of organization was related to simultaneous improvement in both performance and QWL. In a research done by Beh & Che Rose (10) (2007), findings revealed a significant direct association between QWL and organizational performance. Similarly, Rastegari and Sarabi et al. (15, 16) (2014) confirmed the findings and found that provision of desirable condition in relation to each of the QWL components could improve employee performance.

## 2. Objectives

Considering the relationship between these variables, which have been proven in similar studies, we aimed to assess the relationship between quality of working life (QWL) and organizational performance in healthcare and medical centers of Ardakan, Yazd, in 2016.

## 3. Methods

This was a descriptive, cross-sectional study conducted among healthcare workforce of Ardakan in Iran in 2016. Two hundred sixty staff, working in healthcare centers (n = 154), emergency departments (n = 38), and city health network (n = 56) participated in this study; census method was used. To collect data, two questionnaires related to QWL (Walton) and organizational performance (ACHIEVE Model) were used. Walton questionnaire consisted of two parts. The first part comprised of questions on demographic information (gender, age, educational degree, marital status, etc.), and the second part included 27 questions in five Likert scale (from completely dissatisfied = 1 to completely satisfied = 5). The minimum score was 27, and the maximum score was 135. Scores of 27 - 63 were considered as poor QWL, and scores ranging from 64 - 99 and 100 - 135 were considered as moderate and good QWL, respectively. The second questionnaire with 42 questions was used to assess employees' performance from seven aspects of ability, clarity, help, incentive, evaluation, validity and environment. The minimum and maximum attainable scores for this questionnaire were 42 and 210. A panel of experts examined the face and content validity of the two questionnaires, and their reliability were verified in previous studies (17-19). In the both questionnaires, the mean scores of the items were calculated and the overall mean scores were considered as the total score for the general QWL and organizational performance. Data analysis was done, using SPSS 18 and appropriate descriptive and analytical methods.

## 4. Results

Two hundred sixty staff working in healthcare centers (n = 154, 64.7%), emergency departments (n = 38, 11.8%), and city health network (n = 56, 23.5%) participated in this study. Most of the study participants (57.1%) were male, 39.1% were in the age range of 31 - 40 years, and 41.2% had a bachelor's degree (Table 1).

Table 2 demonstrates the mean scores related to each of the eight aspects of QWL. The most and the least scores belonged to social integration ( $12.4 \pm 2.7$ ), and overall life condition ( $8.1 \pm 2.2$ ), respectively. As a whole, most of the

**Table 1.** Demographic Characteristics of the Study Participants

Variables	Frequency (%)
<b>Sex</b>	
Male	136 (57.1)
Female	102 (42.9)
<b>Age</b>	
≤ 30	78 (32.8)
31 - 40	93 (39.1)
≥ 41	67 (28.2)
<b>Educational level</b>	
≤ Diploma	61 (25.6)
Associate degree	49 (20.6)
Bachelor	98 (41.2)
≥ Master degree	30 (12.6)
<b>Work place</b>	
Healthcare centers	154 (64.7)
Emergency departments	38 (11.8)
City health network	56 (23.5)

study participants (61.1%) evaluated their working condition to be in a moderate level ( $83.2 \pm 2.7$ ).

**Table 2.** The Mean Scores of QWL in Each of Its Eight Aspects from Nurses' Viewpoint

QWL aspects	Mean $\pm$ SD	% of the Participants
Fair and adequate payment	9.4 $\pm$ 2.8	62.6
Safe and healthy working environment	9.4 $\pm$ 2.2	62.6
Opportunity for growth and continuous security	9.7 $\pm$ 2.4	64.6
Legalism	12.2 $\pm$ 3.2	61
Social dependency of working life	9.6 $\pm$ 2.1	64
Overall life condition	8.1 $\pm$ 2.2	40.5
Social integration	12.4 $\pm$ 2.7	82.6
Development of human capabilities	12.07 $\pm$ 2.8	60.35
<b>Total QWL</b>	<b>83.2 <math>\pm</math> 13.9</b>	<b>61.6</b>

The mean scores related to each aspects of employees' performance are displayed in Table 3. The maximum and minimum mean scores belonged to ability ( $16.01 \pm 3.4$ ) and validity ( $17.2 \pm 4.2$ ), respectively. Furthermore, the overall performance of most participants (65.3%) was found to be above an average level ( $137.2 \pm 21.5$ ).

As Table 4 demonstrates, statistically significant rela-

**Table 3.** The Mean Scores of Employees' Performance in Each of the Seven Aspects

Performance aspects	Mean $\pm$ SD	% of the Participants
Ability	16.01 $\pm$ 3.4	80.05
Clarity	25.1 $\pm$ 4.9	71.7
Help	15.5 $\pm$ 3.7	62
Incentive	18.8 $\pm$ 4.5	62.6
Evaluation	29.5 $\pm$ 6.01	65.5
Validity	17.2 $\pm$ 4.2	57.3
Environment	14.8 $\pm$ 3.09	59.2
<b>Total Performance</b>	<b>137.2 <math>\pm</math> 21.5</b>	<b>65.3</b>

tions were found between all aspects of QWL and employees' performance ( $P < 0.05$ ), meaning that an increase in any aspects of QWL led to performance improvement. Among different dimensions of QWL, 'development of human capabilities' had the strongest association with the dependent variable ( $r = 0.648$ ), depicting that such an aspect has been considered as the most important predictor of employees' performance.

**Table 4.** Correlation Coefficients of QWL and Employees' Performance

QWL Aspects	Performance	
	r	P Value
<b>Fair and adequate payment</b>		
Safe and healthy working environment	0.288	< 0.05
opportunity for growth and continuous security	0.286	< 0.05
Legalism	0.604	< 0.05
Social dependency of working life	0.515	< 0.05
Overall life condition	0.465	< 0.05
Social integration	0.343	< 0.05
Development of human capabilities	0.538	< 0.05
<b>Total QWL</b>	<b>0.648</b>	<b>&lt; 0.05</b>

## 5. Discussion

In this study, an association was found between QWL and employees' performance. According to research findings, both QWL and performance have been assessed and found to be in a moderate level. Heidari-Rafat et al. (20) (2010) found similar results, and declared that employees reported the quality of their working condition and their job performance to be in an average level. Nayeri (21) (2011) also found that the majority of employees evaluated their productivity to be in a moderate level, and believed

that the quality of their working life was desirable. Considering the main hypothesis of this study, a significant positive association was found between QWL and performance. Similar studies both conducted in Iran or abroad confirmed our findings. Janaabadi & Nastiezaie (22) (2012) in their study, found a statistically significant relationship between employees' performance and four variables of social integration, legalism, social dependency of working life and opportunity for improving human capabilities. In another study, such significant associations were reported between performance and the aspects of QWL, including fair payment, safe and healthy working environment, social dependency of working life and opportunity for development of human capabilities (23). Hosseinabadi et al. (24) (2013) found that among all QWL dimensions, the strongest associations were related to constant security, social integration, legalism, and overall life condition.

### 5.1. Conclusion

This study aimed to evaluate the interaction between quality of working life and employees' performance. According to the ACHIEVE model, ability, clarity of roles, help and organizational support, incentive, evaluation and getting timely feedback, validity, and environmental factors could positively influence workforce performance. In fact, provision of an appropriate workplace with sufficient organizational support, in which job responsibilities are properly clarified, motivates employees to complete their work with optimal effort. Furthermore, our study results confirmed that improvement in any features of QWL could lead to a significant increase in employees' performance. As different aspects of QWL play an important role in employees' performance, managers and decision-makers in every organization, including healthcare centers and hospitals, should assess the quality of working life from workers' viewpoint and determine its related factors.

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