

# Comparative Analysis of QWL and Organizational Commitment among selected Public and Private Sector Banks in Karnataka, India

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## Abstract

Two of the most important psychological phenomenon that affects an organization's survival and growth are quality of work life and organizational commitment. The primary objective of this research study is to examine the association between quality of work life and organizational commitment and also to make a comparative analysis of quality of work life and organizational commitment between public and private sector bank employees. To conduct this research, the researcher has used stratified random sampling technique. The required information was collected from 322 people employed in public and private sector banks in and around Mysore and Bangalore city. A structured questionnaire was prepared by considering standard components of quality of work life and organizational commitment. The factors for Quality of work life considered for the study were adequate and fair compensation, use of capacities at work, social integration, occupied space by work in life, work condition, opportunities at work, constitutionalizing at work and social relevance and importance of work. Similarly, the dimensions of Organizational commitment were affective, continuance and normative component. The collected information was then subjected to pearson's correlation to examine the association between quality of work life and organizational commitment. Descriptive and inferential statistics were used to make a comparison between public and private sector bank employees. Results of the analysis revealed that the factors of quality of work life had a positive and significant relationship with the dimensions of organizational commitment. The results also indicated that there was no significant difference in the commitment of employees working in public and private sector banks. However, difference was seen only with adequate and fair compensation and use of capacities among public and private sector banks.

**Keywords:** *Quality of work life, organizational commitment, affective, continuance, normative commitment*

## Introduction

Today, organizations operate in a highly competitive environment. As we are aware that right from the era of Industrial Revolution there has been a lot of debate on how an organization has to function in an organized and structured manner. In this direction, the organizations are also facing a lot of new challenges to reap higher profitability by means of higher production. As the productivity and profitability of any organization depends on the dedication and commitment level of employees, the focus now has shifted upon identifying the ways of making the employees committed towards their work and workplace. One such way of developing commitment among employees is by providing support to balance their work life so that they can enjoy both personal and professional life equally. Here, in the present study the predominant focus is comparing the Quality of work life

and organizational commitment of employees working in public and private sector banks and also to assess the association between quality of work life and organizational commitment.

### Quality of Work-life

Quality of work life is an important component in social psychology. Quality of work life is a confluence of various factors that are allied to create physical and psychological wellbeing of an employee at workplace. It helps to create and build sustainable organization. So, every organization irrespective of its size must embed this component so as to create a sustained growth which ensures wellbeing of organizational health.

Quality of work life concentrates about people, work and organization. Its administrative elements are: (i) Concern about the impact of work on people as well as on organizational effectiveness and (ii) Participation in organizational problem solving and decision making (Nadler and Lawler). QWL is also a collaborative approach where it encompasses within all aspect of organizations which have impact on the employee wellbeing which has direct effect on organizational growth.

Walton has provided eleven criteria / characteristics that influence QWL. They are attitude of employees, fair compensation and job security, personal and career growth opportunity, balance between personal and professional life, nature of job, level of stress, risk and reward, participative leadership style, career prospect, fun at work and alternative work arrangement technique. So, with these factors it can be understood that QWL is an inclusive concept of various dimensions of organizations. Hence, it is very important to ensure that QWL is given top priority in order to enhance employee wellbeing and growth of organization.

### Organizational commitment

Another important concept that is linked to positive aspect of QWL is organizational commitment. In simple words it is defined as an employee's psychological affiliation to the work and organization they work for and this is the key corner stone on which an entire edifice can be built. It can also be defined as member's psychology towards his / her attachment to the organization. Organizational commitment offers various benefits like high productivity, reduced absenteeism, excellent team work etc. Three important components of organizational commitment are affective, continuance and normative commitment.

Organizational commitment is defined as "a psychological state that (a) characterizes the employee's relationship with the organization, and (b) has implications for the decision to continue or discontinue membership in the organization" (Meyer & Allen, 1991, p. 67).

**Affective commitment** is an emotional attachment of an employee towards organization. In this, the employee exhibit a high level of commitment and it can also be predicted. This type of commitment is characterized by employees enjoying their work, feeling good to be in the organization and exhibit a sense of gratification for being associated with the organization.

In **continuance commitment**, an employee is likely to develop commitment because he has worked in the organization for a long period of time and has developed attachment with the organization. Continuance commitment may be because of various reasons like fear of losing monetary and non monetary benefits, fear of losing positions and responsibilities relating to seniority and fear of losing friends earned over years.

In **normative commitment**, the employee feels obligated to stay because there are certain aspects that have positively impacted him and so they continue to work in the organization. This sense of obligation an employee may have because of reasons like upbringing, emphasizing more on loyalty, being cognizant about organizations support in endeavours of employees and many more.

### Statement of the Problem

One of the greatest challenges faced by contemporary organizations is employee attraction and retention. The retention of employees in the organization predominantly depends on various factors like work environment, rewards and recognition, compensation policy, promotion and Quality of Work-life offered by organizations. Not only this, Quality of Work-life of employees has cascading effect on other organizational factors like productivity and profitability. These organizational factors largely get affected by the commitment level of

employees. Holistically, it can also be stated that organizational commitment of employees gets influenced by their Quality of Work-life. In the current research study, an attempt is made by the researcher is assess and identify the association / relationship between Quality of Work-life and Organizational Commitment. Alongside, the researcher has also made an effort to experiment and compare the quality of work life and organizational commitment amongst public and private sector bank employees.

### Research objectives

1. To examine the relationship between Quality of Work-life and organizational commitment.
2. To compare the quality of work life and organizational commitment between public and private sector banks.

### Research Hypothesis

1. H0: There exists no significant relationship between Quality of Work-life and organizational commitment.  
H1: There exists significant relationship between Quality of Work-life and organizational commitment.
2. H0: Quality of work life and organizational commitment scores of public and private bank employees do not differ significantly.  
H1: Quality of work life and organizational commitment scores of public and private bank employees differ significantly.

### Research methodology and procedural framework

The current study was conducted using descriptive and cross sectional field survey research design. The population selected for the current study was Bank employees. These respondents were selected from both Public and Private sector Banks from in and around Mysore and Bangalore Districts. The respondents were administered with a structured questionnaire. The questionnaire comprised of three sections: Section A, Section B and Section C. Section A aimed at collecting demographic information; Section B comprised of questions relating to Quality of Work-life and Section C contained questions on Organizational Commitment. Latent variables for Quality of Work-life and Organizational Commitment were selected after intense review of research articles. The components considered for Quality of work-life are adequate and fair compensation, use of capacities at work, social integration, occupied space by work in life, work condition, opportunities at work, Constitutionalizing at work and social relevance and importance of work. The components for organizational commitment are Affective commitment, Continuance commitment and normative commitment. Each of the items in the questionnaire was rated on Likert's five point rating scale.

### Sample size

The sample respondents for this research survey consisted of Bank employees employed either in public sector or private sector banks located in and around Mysore and Bangalore city. The questionnaire was distributed to 400 bank employees out of whom the return rate was 322 respondents. Among the 322 respondents, 133 employees belonged to public sector banks and the remaining 189 respondents belonged to private sector banks. The gender composition of the respondents was 60.9% male (N=196) and 39.1% female (N=126).

### Sample Composition

Public sector Banks		Private Sector Banks	
Banks	Sample	Banks	Sample
Canara	42	HDFC	68
SBI	48	Axis	38
IoB	20	ICICI	43
BoB	23	Yes	40

Total = 133	Total = 189
Grand total = 322	

### Measures and scales

The researcher has administered a cross sectional field survey, which was conducted with the aid of a self structured questionnaire. The questionnaire was prepared by considering the standard components developed by Allen Meyer for Organizational commitment and Walton model for Quality of Work-life. The parameters of the Walton model were subjected to cosmetic changes as per the requirement of the study. The factors of quality of work life and components of organizational commitment were tested for reliability using Cronbach's alpha. Each of these components were rated by using five point Likert scale (1 - Strongly disagree, 2 - Disagree, 3 – Neutral, 4 – Agree and 5 – Strongly disagree). Pearson's product moment correlation is used to assess and examine the relationship between Quality of Work-life and Organizational commitment.

### Analysis and results

#### Hypothesis 1

Following is the results of Pearson's product moment correlations between factors of quality of work life and dimensions of organizational commitment.

Factors of quality of work life		Dimensions of organizational commitment			
		Affective	Continuance	Normative	Total OC
Adequate and fair compensation	Cor.	.522	.434	.296	.508
	P value	.001	.001	.001	.001
Use of capacities at work	Cor.	.399	.371	.272	.423
	P value	.001	.001	.001	.001
Social Integration	Cor.	.387	.432	.323	.465
	P value	.001	.001	.001	.001
Occupied space by work in life	Cor.	.379	.423	.410	.495
	P value	.001	.001	.001	.001
Work condition	Cor.	.312	.288	.260	.350
	P value	.001	.001	.001	.001
Opportunities at work	Cor.	.355	.221	.184	.308
	P value	.001	.001	.001	.001
Constitutionalizing at work	Cor.	.312	.172	.137	.251
	P value	.001	.002	.014	.001
Social relevance and importance of work	Cor.	.447	.267	.192	.366
	P value	.001	.001	.001	.001
Total QOWL	Cor.	.565	.484	.380	.581
	P value	.001	.001	.001	.001

**Interpretation:**

From the above table, it can be inferred that all the factors of quality of work life that is adequate and fair compensation, use of capacities at work, social integration, occupied space by work in life, work condition, opportunities at work, Constitutionalizing at work and social relevance and importance of work holds a positive and statistically significant relationship with all the dimensions of organizational commitment that is affective, continuance and normative commitment with “r” value being positive and p value < 0.05. The correlation table also indicated that there exists a statistical significant and positive relationship between overall quality of work life and overall organizational commitment with “r” having a positive value and p value < 0.05.

In other words, it can also be interpreted that quality of work life and organizational commitment are directly proportional to each other. This means that any changes caused in quality of work life will cause equal and proportional changes in organizational commitment.

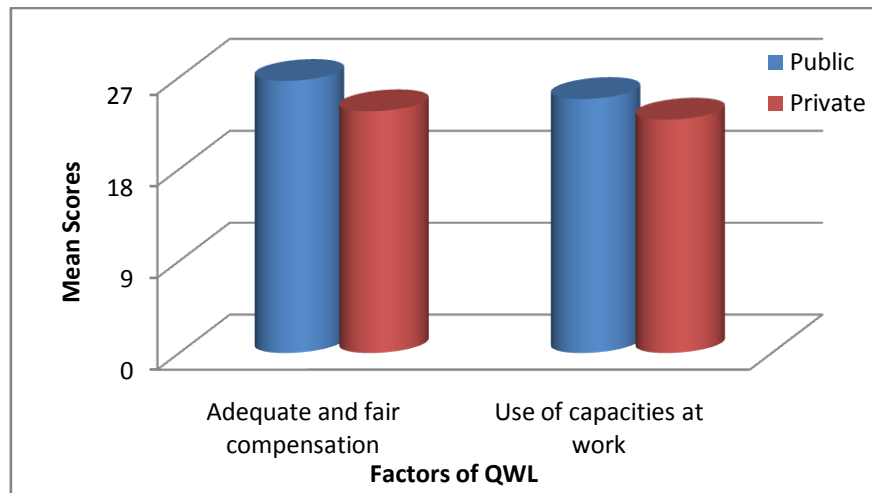
**Hypothesis 2**

Mean scores of employees working in public and private sectors on **various factors of quality of work life** and results of Independent samples t tests.

Factors of quality of work life	Sector	Statistics			
		Descriptive		Inferential	
		Mean	S.D	‘t’ value	P value
Adequate and fair compensation	Public	26.64	7.500	3.436	<b>.001</b>
	Private	23.67	7.742		
Use of capacities at work	Public	24.87	6.936	2.615	<b>.009</b>
	Private	22.85	6.749		
Social Integration	Public	24.68	8.121	0.132	.895
	Private	24.57	7.124		
Occupied space by work in life	Public	20.83	6.175	-0.301	.763
	Private	21.02	5.325		
Work condition	Public	25.76	6.397	0.352	.725
	Private	25.51	6.028		
Opportunities at work	Public	22.00	5.186	-0.169	.866
	Private	22.10	5.287		
Constitutionalizing at work	Public	29.26	7.207	-0.442	.659
	Private	29.63	7.418		
Social relevance and importance of work	Public	17.89	4.419	-1.216	.225
	Private	18.47	4.111		
Total QOWL	Public	195.56	34.709	1.022	.307
	Private	191.42	36.589		

### Interpretation

Independent samples t tests revealed significant mean differences between employees working in public and private sectors. From the above table, it can be inferred that the mean scores of only two factors of quality of work life that is adequate and fair compensation ( $t=3.436$ ;  $p=.001$ ) and use of capacities at work ( $t=2.615$ ;  $p=.009$ ) was significantly higher compared to the mean scores of private sector. In rest of the factors, there were no significant mean differences between employees working in public and private sectors as revealed by non-significant t values.



Mean scores of employees working in public and private sectors on various dimensions of **Organizational commitment** and results of Independent samples t tests.

Dimensions of organizational climate	Sector	Statistics			
		Descriptive		Inferential	
		Mean	S.D	't' value	P value
Affective	Public	28.95	7.800	0.813	.417
	Private	28.26	7.146		
Continuance	Public	27.88	8.632	-1.218	.224
	Private	28.96	7.191		
Normative	Public	29.94	8.660	-0.951	.342
	Private	30.79	7.375		
<b>Total OC</b>	Public	86.77	20.789	-0.582	.561
	Private	88.02	17.543		

### Interpretation

In all the dimensions of total organizational commitment scores, Independent samples t tests revealed non-significant mean differences between employees working in public and private sectors as all the obtained t values did not reach the significance level criterion of 0.05 level. In other words, the mean scores of employees working in public and private sectors were statistically same.

### Discussion and conclusion

This research study focused on examining the relationship / association between Quality of Work-life and Organizational commitment. From the data analysis, it is evident that there exists a significant and positive

relationship between the factors of Quality of Work-life and the dimensions of organizational Commitment. Also, it was found that the overall scores of Quality of work-life had a significant and positive relationship with organizational commitment. Furthermore, as the scores in various factors of quality of work life increased, scores on dimensions of organizational commitment also increased linearly and significantly. This can be interpreted that the components like adequate and fair compensation, use of capacities at work, social integration, occupied space by work in life, work condition, opportunities at work, Constitutionalizing at work and social relevance and importance of work contribute towards the quality of work-life which has the direct influence on the commitment level of employees in the organization.

In other words, organizations in order to get the best out of their employees and make them committed towards their workplace, it is necessary that they offer adequate and fair compensation, help employees in managing their work-life, provide a healthy work environment and opportunities, promote workforce diversity, encourage equal and fair treatment to the employees irrespective of their caste, creed and religion and offer best possible support and opportunities to their employees in applying the skills possessed by them.

Through the analysis, it is evidenced that all the dimensions of organizational commitment among private and public sector bank employees were similar and did not show any significant difference. Similarly, all the factors of quality of work life except adequate and fair compensation and use of capacities at work were similar and did not show any significant difference.

As it is observed through the writings of many management practitioners, there is mutual interdependence between employees and organization. This means, the objectives of the organizations are fulfilled through their employees and the objectives of people are fulfilled through the organization. Hence, the organizations must ensure that they support their employees in their physical and psychological wellbeing which in turn will be reflected in their commitment levels at organization. In the mean while, Private sector banks must concentrate on providing better income security and job security to their employees so that they can fully utilize and channelize their employees' capability and competence towards organizational performance.

### Limitations and scope for further research

The current study has collected the required information from selected banks from in and around Mysore and Bangalore city. This information is collected from people employed either in public and private sector banks. The structured questionnaire designed and prepared for this study has considered some of the standard components as given by the Allen Meyer for organizational commitment and Walton for Quality of work life. The analysis of the study is limited to the responses provided by the respondents.

There is a huge scope for further research in this area. The same study can also be extended to Non Banking Financial Corporation (NBFC). Also, this study can be conducted by considering various other components for Quality of work life and organizational commitment.

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