

## **Investigate the Effect of Quality of Working Life on Improvement of Productivity in Active Manufacturing Cooperatives of Isfahan's Industry Sector**

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**Abstract:** The aim of this study was to investigate the relationship between quality of working life and improvement of productivity in active manufacturing cooperatives of Isfahan's industry sector in 1394. This study is practical in terms of aim and descriptive-survey in terms of collecting data. The population of the research is the staff and managers of the active manufacturing cooperatives of Isfahan's industry sector that are working in 1394 and the sample size became 254 people, through the stratified random sampling. According to the 7 hypothesis expressed in this research, results show that quality of working life and improvement of productivity in active manufacturing cooperatives of Isfahan's industry sector have a significant relationship and the impact of quality of working life on the improvement of productivity in active manufacturing cooperatives of Isfahan's industry sector is 0.95. In addition, the individual components of quality of work life (financial benefits, training and educational opportunities, democracy in the organization, participation in decision-making, job design and work space in the organization) have a significant relationship with the improvement of productivity.

**Key words:** Quality of working life, productivity, financial benefits, education, democracy, participation in decision-making, job design and workplace organization

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### **INTRODUCTION**

Human resources are the most basic strategic resources of each organization. Undoubtedly, the success of organizations and workplaces to make efficient use of human resources depends on behavioral science. To meet the challenges of efficient use of this resource, more and more comprehensive understanding of the concepts and structures of the human resources and special tools are required. And eventually, skills to use these structures and instruments is essential. Present organizations with a strategic approach to human resources consider it as a smart and valuable property and are more concerned to improve the quality of life and job satisfaction. Improvement of staff QOL requires efforts of organization management on the development of protectionist policies of human resources. On this basis, the optimum use of human resources relies on human resources strategies and practices that protect the body, spirit and preservation of human dignity of staff. Action involving welfare, health, job security, job design, job importance, development and career progression, training and improvement and so forth are, together, considered as the

quality of working life. Quality of working life today has become as a major social issue throughout the world. While in the past it was only an emphasis on personal life. In today's society Improvement of working life has become as one of the most important goals of the organization and its employees. Since, there is a direct relationship between the action of human resource management and the quality of working, revitalizing the staff by enhancing the quality of working life is key to the success of any organization. Quality of working life is a comprehensive program that increases employee satisfaction. Learning would strengthen the environment and help them in management, changes and transformations. In recent years, the quality of working life programs has served an important role in increasing the labor productivity and thus, the efficiency and effectiveness of organizations and large companies.

**The relationship between productivity and quality of life:** Growth of an organization cannot only be determined by a team of senior managers but human resources should be regarded as the core capital of organization and research and by adopting appropriate policies, incentives in their

efforts will be created within this it can be expected for other management resources to be used more effectively by staff. This is not allowed except with a real understanding of the needs and conditions in the workplace and the factors that increase the performance and productivity. The attention paid today to the quality is a reflection of the importance that people attach to it. Quality of working life is a matter of complex variables of working environment and produces an overall assessment of the person's job is the person (Lewis *et al.*, 2001). Although, there is no official definition of quality of working life but industrial psychology and management scholars have considered it as a structure that relates to the welfare of the staff and its focus is beyond job satisfaction. This structure is the effect of the consent of work, satisfaction in the areas of non-life, overall life satisfaction, personal happiness and subjective well-being encompasses (Sigry *et al.*, 2001).

Beaudoin and Edgar (2003) know the quality of working life of real working conditions in the organization And believe that the quality of working life specifically shows the attitude and feeling that employees have and include a wide aspect of learning and working environment that affect employee health. The quality of working life includes the improving techniques of organization which include a set of real working conditions and working environment in an organization such as wages and benefits, welfare, health and safety, participation in decision-making, democratic administration and enriching the diversity of jobs. Quality of working life is one of the techniques of development organization that tries to provide three factors of satisfaction and motivation, responsibility and commitment to work together. The importance of the quality of working life due to the increasing complexity of society and the labor market will be necessary to pay more attention to human resources (Dargahi *et al.*, 2007). Quality of working life is crystalized in reaction to job satisfaction and mental health of their employees and the program is comprehensive and inclusive which focuses on improving employee satisfaction. In all organizations, improving the quality of working life and satisfaction to attract and retain the employees is necessary.

American and European leaders in the 1980s, considered the quality of working life as a means to solve problems and blind nodes of low productivity units and their staff. As one way to improve productivity is to improve the quality of working life of employees, Now a days, increase of productivity in organizations is one of the main concerns of executives and decision-makers in each country, so that many countries of have their

development plans on the basis of increased productivity, so as to increase productivity during the past 15 years is 45 times around the world. Productivity is defined as a feeling of effectiveness, efficiency, performance and capabilities of the organization, in other words taking advantage of the efficient use of labor, power, talent and skills of human resources (Iraj, 2007). Productivity is one of the factors that guarantees durability and viability of organizations in today's competitive world. And without adding new technology and manpower we can use facilities, conditions, capacity, and manpower capabilities available with reproductive vitality and creativity in achieving the goal of most organizations. Optimal efficiency can't be achieved with structural changes, adding technology, agenda setting and issuing circularsbut human is the center of any individual, social and organizational efficiency. So, the most attention and planning in the organization must be paid to human factors.

Part of the productivity slowdown is caused by a defect in the quality of working life. Any motivation to improve employee productivity depends on meeting the satisfaction of employees. In this study, we sought to examine the issue whether the quality of working life has relationship with improving the productivity of active manufacturing cooperatives of Isfahan's industry sector and the effects of each of the aspects of quality of working life on improving productivity in active manufacturing cooperatives of Isfahan's industry sector. In this study, quality of working life Includes financial benefits, training and educational opportunities, democracy, participation in decision-making, job design and workplace productivity of organization and ability, clarity, organizational support, motivation, reliability, environment and feedback.

**This research can be important in several ways:**

- To inform the management of the quality of working life and productivity and the impact of these two important on each other
- To assist the accurate and efficient management decisions in the formulation of specific strategies to help improve the situation
- To provide guidelines for the satisfaction and improve the quality of working life of employees and increase efficiency and productivity

**The main hypothesis of this study:** The quality of working life on the promotion of active manufacturing cooperatives of Isfahan's industry sector has a significant positive effect.

**Secondary objectives of this study:**

- Financial benefits as a component of the quality of working life has a significant positive effect on improving productivity of active manufacturing cooperatives of Isfahan's industry sector
- Training and education opportunities as a component of quality of working life has a significant positive impact on the promotion of productivity in active manufacturing cooperatives of Isfahan's industry sector
- Democracy as a component of quality of working life has a significant positive impact on the promotion of productivity in active manufacturing cooperatives of Isfahan's industry sector
- Participation in decision-making as a component of quality of working life has a significant positive impact on the promotion of productivity in active manufacturing cooperatives of Isfahan's industry sector
- Job design as a component of quality of working life has a significant positive impact on the promotion of productivity in active manufacturing cooperatives of Isfahan's industry sector
- Workplace in organization as a component of quality of working life has a significant positive impact on the promotion of productivity in active manufacturing cooperatives of Isfahan's industry sector

**MATERIALS AND METHODS**

The present study is functional in terms of its aim and in terms of researching it's a data collection survey and the time scale is cross-sectional. The research includes managers and employees of active manufacturing cooperatives of Isfahan's industry sector that are working in 94 and are 750 people. The sampling method of this study is a stratified random sampling method. This sampling method is used when the population is heterogeneous structured. In such cases each of them is divided population structured in a manner congruent and then randomly selected from each category, the number of each class will be determined as the ratio of total population. For this study, at first classes based on the number of cooperatives in cities of Isfahan were determined and the total number of managers and employees were separately stated. Then, on the basis of a sample size of random sampling, the sample size of the study was defined through stratified random sample of each city. After determining the reliability and variance of society, given that the total population was 750 managers and staff sample size was 254 people, 37 item questionnaire of the quality of working life in 1390 entitled

“Study on the Quality of Work Life” plus a number of other questions based on literature review were designed to be added and amended. The 52 item questionnaire of the amount of productivity is achieved from the combined questionnaire of Jahed, Achyv Hersey and Goldsmith in 1385 entitled “Organizational factors related to productivity of middle managers of Iran Khodro”. In this study, to evaluate the validity, face validity was used and Cronbach's alpha coefficient was used to measure the reliability by the SPSS software. Based on the results, the reliability of quality of working life questionnaire was 0.91 and the productivity questionnaire was 0.96. In the present study, due to the nature of the assumptions and variables the Amos and Spss software were used.

**RESULTS AND DISCUSSION**

**Testing the main research hypothesis:** Quality of working life has a significant positive effect on improving productivity of active manufacturing cooperatives of Isfahan's industry sector. General indicators of the model fitting related to the hypothesis, which deal with the relationship between quality of work life and productivity in active manufacturing cooperatives of Isfahan's industry sector are in Table 1. Also relevant structural equation model is in Fig. 1.

According to the fitting indicators and their reception areas, the model is fitted perfectly. Regression coefficient associated with this hypothesis and minor values of indicators are presented in Table 2.

Based on the results, according to the level of significance of the test of the hypothesis which is less than 0.05, it can be concluded with 95% confidence that the quality of working life of employees in active manufacturing cooperatives of Isfahan's industry sector with regression coefficient of 0.95 has positive and significant impact. Therefore, the main research hypothesis was confirmed.

**Secondary research hypotheses:** The overall indicators of model fitting related to the secondary research hypotheses which examine the relationship between quality of work life and productivity in the active manufacturing cooperatives of Isfahan's industry is in Table 3. According to the indicators of fitted and reception areas of the model, it is fitted well. (Models

Table 1: Measures of overall fit structural equation modeling analysis of the main hypothesis

	CMIN	TLI	GFI	IFI	RMR	CFI	RMSEA
Hypothesis	/DF						
The main	3	0.93	0.90	0.95	0.03	0.95	0.07
research hypothesis							

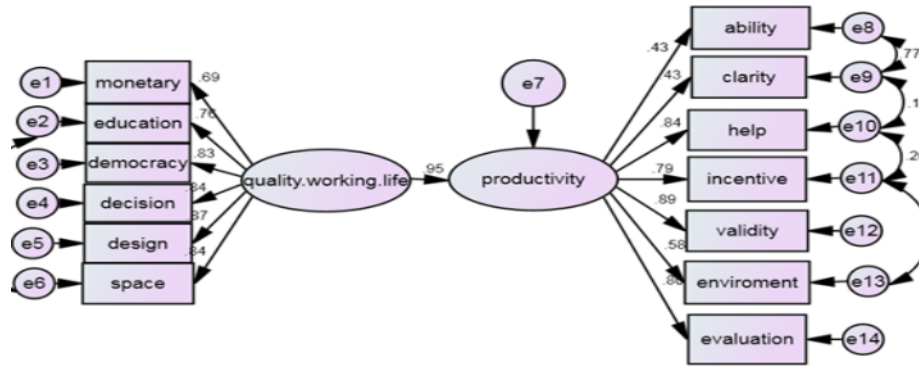


Fig. 1: Structural equation modeling to fit the model and the main

Table 2: Regression coefficients (the main hypothesis test results)

Result	p	Critical value	Regression coefficients	Hypothesis	Hypothesis number
confirmed	0/00	6.90	0.95	Improving productivity-Quality of working life	1

Table 3: overall indicators of fitted structural equation modeling analysis of secondary research hypotheses

Hypothesis	CMIN/DF	TLI	GFI	IFI	RMR	CFI	RMSEA
Secondary hypothesis 1	3.44	0.90	0.90	0.92	0.05	0.92	0.07
Secondary hypothesis 2	3.91	0.90	0.90	0.92	0.05	0.92	0.07
Secondary hypothesis 3	4.83	0.90	0.90	0.91	0.07	0.91	0.07
Secondary hypothesis 4	7.75	0.90	0.90	0.91	0.07	0.91	0.07
Secondary hypothesis 5	7.69	0.90	0.90	0.91	0.07	0.91	0.07
Secondary hypothesis 6	8.86	0.90	0.90	0.91	0.07	0.91	0.07

Table 4: Regression coefficients (secondary hypothesis test results)

Results	p	Critical value	Regression coefficients	Hypothesis	Hypothesis number confirmed
Confirmed	0.00	5.88	0.76	Improving productivity - Financial benefits	1
Confirmed	0.00	6.45	0.77	Improving productivity - Training and educational opportunities	2
Confirmed	0.00	4.98	1.06	Improving productivity - Democracy	3
Confirmed	0.00	2.67	1.04	Improving productivity - Participation in decision-making confirmed	4
Confirmed	0.00	6.61	1.04	Improving productivity - Job design	5
Confirmed	0.00	5.92	1.03	Improving productivity - Work place of organization	6

fitted of secondary hypotheses are included in the appendix). Regression coefficient associated with the hypotheses and values of minor indicators are presented in Table 4.

Based on the results, according to the level of significance of the test of the hypothesis which is less than 0.05, it can be concluded with 95% confidence that the quality of working life of employees in active manufacturing cooperatives of Isfahan's industry sector has positive and significant impact.

### CONCLUSION

The aim of this study was to investigate the connection between quality of working life and improving efficiency in the active manufacturing cooperatives of Isfahan's industry sector in 1394. The statistical results have indicated a significant relationship between quality of work life and productivity. Based on the results, it can be concluded with 95% confidence that the quality of

working life with the regression coefficient less than 0.95 has a significant positive impact on improving employee productivity of the active manufacturing cooperatives of Isfahan's industry sector. Based on the results obtained in this study all aspects of quality of work life (financial benefits, training and educational opportunities, democracy, participation in decision-making, job design and workplace of organization) have impact on improving the productivity of the active manufacturing cooperatives of Isfahan's industry sector. Based on the results, the impact of financial benefits on improving the productivity of the active manufacturing cooperatives of Isfahan's industry sector is 0.76, training and educational opportunities is 0.77, democracy is 1.06, participation in decision-making is 1.04, design jobs 1.04 and workspace of organization is 1.03.

According to the results, on the basis of the findings of the study, the following suggestions are indicated to improve the productivity and quality of working life in the active manufacturing cooperatives of Isfahan's industry sector: according to the results of the analysis of the

research hypothesis that there is a relationship between productivity and financial benefits it is recommended that the payment of salaries system in organization must be consistent with payment of salaries of other and payment of salaries and employee benefits should be on time. Also it will be suggested that reasonable and fair salary system through the job analysis should be designed and implemented.

According to the results of the analysis of the research hypothesis that there is a relationship between education and productivity we suggest that continuous training programs, new teaching methods, integrating the expertise needed to organize, motivating learning for employees, giving opportunity to review and practicing the material, transferring knowledge of employees to other employees in the active manufacturing cooperatives of Isfahan's industry sector. Workshops will also be held to up to date staff. The purpose of education is to teach the correct way to do the work and make appropriate decisions so that the cost and time spent doing things is reduced and efficiency is increased which leads to increased productivity.

According to the results of analysis of the research hypothesis that there is a relationship between democracy and productivity it is suggested to minimize the centralized leadership and organization, to create certain and acceptable freedoms in organization, to minimize recognized organization and reduce paperwork, justice should be observed in payments and with openness and giving the opportunity to people in their posts and also by applauding them leads to creativity and innovation that influence on the increase of productivity in the organization.

According to the results of the analysis of the hypothesis that there is a significant relationship between the participation of employees in decision-making and productivity, it is recommended that the distance

between employees and managers to be reduced, allowing employees to be involved in matters that concern them and the mechanisms to be implemented in the attitude of staff.

According to the results of analysis of the research hypothesis that there is a significant relationship between job design and job productivity, it is recommended to define job in order that employees have a positive feeling, determining a significant identity for the job, the job will be designed according to physical strength, mental and expertise of staff and freedom should be given to workers.

According to the results of analysis of the research hypothesis that there is a significant relationship between work environment and productivity, it is recommended that healthy physical conditions of the workplace, reasonable working hours and age limits for employment in the organization will be considered.

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