

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The purpose of this chapter is to review the relevant literature concerning the constructs employed in this study. This involved exploring the various approaches and definitions characterising this existing body of knowledge. The chapter synthesises the literature from various research streams in order to provide a framework in which the links between particular factors and the quality of work life (QWL) are apparent. Moreover, issues of organisational commitment and its relationships with all the antecedents are discussed.

#### **2.2 Quality of Work Life**

Although QWL originated over three decades ago and may be considered an old theme, the interest in the construct continues to grow in most parts of the world (Saklani, 2004). Indeed, with the pace and scale of change in organisations over recent years, this concept has become a renewed concern and one of increased importance to the organisation both in respect of its human resources (employee satisfaction) and in terms of overall organisational performance (Chan and Wyatt, 2007).

A growing body of evidence seems to suggest that a productive workforce is increasingly important to attain sustainable competitive advantages for business organisations on a global basis (May, and Lau, 1999). As a source of competitive advantage employees must

be managed effectively and their development is crucial to the success of any organisation, as they represent an asset which cannot be left to stagnate. Given the important implications of the links between high quality employees and organisational performance, improving employees' QWL is considered one of the competitive factors needing attention in most organisations (Chan and Wyatt, 2007).

QWL refers to the quality of the relationship between employees and the total work environment of an organisation. It is a collective responsibility of the management, employees, leaders of the union, government and behavioural scientists (Davis, 1977). A high quality of work life is essential for organisations to continue to attract and retain valuable employees and as an important step toward increasing employees' perceptions that the organisation is a good place to work, and thereby increasing their level of commitment to the organisation (Lowe, Schellenberg and Shannon, 2003). In addition, organisations which have taken a strategic and systematic approach to addressing work/life issues are reported to achieve significant business gains in terms of greater retention, increased productivity, and improved customer services (Worklife Report, 2000).

### **2.2.1 Defining Quality of Work Life**

Dupuis and Martel (2006) note that theoretically, there is no agreement on how to define 'quality of work life'. In fact, QWL is a broad concept that can mean different things to different people and that transcends a variety of research areas (Davis and Cherns, 1975). However, there is a general agreement over its multidimensional nature and its usefulness

as a guiding notion in understanding work (Baba and Jamal, 1991). The main purpose of ensuring a good QWL in organisations is to improve employee satisfaction, strengthen workplace learning, help employees to manage change and transition, and to promote organisational effectiveness (Saraji and Dargahi, 2006).

Early contributors to the concept include Walton (1973), Taylor (1978), Mirvis and Lawler (1984), and Levine, Taylor and Davis (1984). Their work addressed the constructs that make up the QWL domain and its key elements. The most widely cited attempt was made by Walton (1973) who proposed eight conceptual categories relating to QWL which remain useful as an analytical tool. Briefly, the categories are: (1) adequate and fair compensation, (2) safe and healthy working conditions, (3) development of human capacities, (4) growth and security, (5) social integration, (6) constitutionalism, (7) social relevance, and (8) a balance of work in the total life space. These categories are considered appropriate to make organisations better places to work, more comfortable and satisfying. In fact, Walton's categorisation has stimulated further research on the environmental factors on organisational behaviour (e.g. Shamir and Salomon, 1985; Efraty and Sirgy, 1990; Loscocco and Roschelle, 1991; Igbaria, Parasuraman and Badawy, 1994; Winter, Taylor and Sarros, 2000).

The review of the relevant literature highlighted various definitions of the concept of QWL which include a wide range of factors. However, it is necessary to point out that these can be classified into two broad perspectives. From the organisational perspective, QWL is defined in terms of the existence of a certain set of working conditions and management practices (e.g. Hackman and Oldham, 1976; Lawler, 1982; Mirvis and

Lawler, 1984; May and Lau, 1999). This includes promotion-from-within policies, democratic supervision, employee involvement, and safe working conditions. The other side which is the individual perspective, equates QWL with employees' perceptions that they are safe, relatively well satisfied, and able to grow and develop as human beings (e.g. Walton, 1973; Kiernan and Knutson, 1990; Loscocco and Roschelle, 1991). This side relates QWL to the degree to which the full range of human needs is met, and because of the differences among people in terms of their desires and expectations, it is comparatively quite subjective.

Subsequently, with the rise in stress caused by increased complexity in the business world, work-related stress and the relationship between work and non-work domains have also been identified as factors that should conceptually be included in QWL (e.g. Danna and Griffin, 1999; Winter et al., 2000; Steijn, 2001; Sirgy et al., 2001). This social perspective is argued as being an essential element for consideration because the threat of imbalance in work and non-work life can have implications not only on the employees but also on the organisation, government and society (Grzywacz and Mark, 2000). Moreover, an understanding of the inter-relationship of the various facets of QWL offers the opportunity for effective interventions in the workplace

Table 2.1 outlines some of the many definitions of QWL from different perspectives. Each of the perspectives displays its own definitions and interpretations.

**Table 2.1: Definitions of Quality of Work Life**

<b>Perspectives</b>	<b>Definitions</b>
<b>Individual</b>	<p>1) QWL is an individual's interpretation of his/her role in the workplace and the interaction of that role with the expectations of others (Seashore, 1975; Kiernan and Knutson, 1990)</p> <p>2) QWL is the individual's affective reactions to both objectives and experienced characteristics of the work organisation (Igbaria and Parasuraman, 1994)</p> <p>3) Employee satisfaction with a variety of needs through resources, activities and outcomes stemming from participation in the workplace (Sirgy, Efraty, Siegel and Lee, 2001)</p> <p>4) QWL is related to meaningful and satisfying work which includes the opportunity to exercise one's talent and capacities, to face challenges and situations that require independent initiative and self-direction and taking pride in what one is doing and in doing it well (Serey, 2006)</p>
<b>Organisational</b>	<p>1) QWL is defining in terms of job characteristics and work conditions (Lawler, 1982). Employees are to experience high QWL if the job functions satisfy their options, interest and needs.</p> <p>2) QWL is both a goal and an ongoing process for achieving that goal. As a goal, QWL is the commitment of any organisation to work improvement and as a process. QWL calls for efforts to realise the goal through employee participation (Carlson, 1980)</p> <p>3) QWL is a set of intervention activities;it involves itself with planned organisational change aimed at improving both work system productivity and employee satisfaction (Wyatt, 1988).</p> <p>4) QWL is a process by which an organisation responds to employee needs for developing mechanisms to allow them to share fully in making decisions that design their lives at work (Robbins, 1989; Lau, Wong, Chan and Law, 2001)</p> <p>5) QWL is the workplace strategies, operations and environment that promote and maintain employee satisfaction with the aim of improving working conditions for employees and organisational effectiveness for employers (May and Lau, 1999)</p>

**Table 2.1 (Continued)**

<b>Perspectives</b>	<b>Definitions</b>
<b>Social</b>	1) QWL is a condition experienced by the individual in his/her dynamic pursuit of his/her hierarchically organised goals within the work domains where the reduction of the gap separating the individual from these goals is reflected by a positive impact on the individual's general quality of life, organisational performance and the overall functioning of society (Dupuis and Martel, 2006)  2) QWL is the effectiveness of the work environment that transmits to the meaningful organisational and personal needs in shaping the values of the employees that support and promote better health and well-being, job security, job satisfaction, competency development and balance between work and non-work life (Maimunah and Rethinam, 2008)

The varied definitions of QWL shown in Table 2.1 indicate the subjectivity of the construct, from which it can be appreciated to form a common definition, has become difficult. The most common basic points that have been developed from the definitions are the emphasis on well-being and worker satisfaction, concomitant with the concern for increased productivity and organisational effectiveness, workers' participation in the decision-making process, and the humanisation of work.

However, a review of the recent definition of QWL indicates that QWL is not only concerned with life at the workplace but also takes into account the role of work in one's life outside the workplace. Although this may add to the complexity of the construct, this consideration is nonetheless, believed to be better as it may offer the opportunity for more cost-effective interventions in the workplace. These definitions are important as they can facilitate readers' understanding of the underlying meaning behind the construct.

### **2.2.2 The Importance of QWL**

In the early years of its introduction in the late 1960s, QWL was viewed as a way of democratising and humanising the workplace as well as a means of achieving more productivity and efficiency (Wyatt, 1988). It has been well received and applied in most developed countries such as Europe, the United States of America, Canada, Australia and Japan. The improvement of QWL is considered necessary not only because it contributes to organisational efficiency and to a fall in negative employee behaviour but it also affects employees' work responses in terms of organisational identification, organisational commitment, job involvement, job performance, and organisational turnover (e.g. Sirgy and Efraty, 1990; Sirgy et al., 2001; Donovan, Brown and Mowen, 2004; Saklani, 2004).

QWL however, received less attention from researchers after the first flurry of interest, and it was not until the 1990s that it once more became the focus of scholars and practitioners, following from management's recognition of the fact that it was crucial to have a productive workforce in order to achieve sustainable competitive advantages for business organisations on a global basis. It is argued that organisations that offer better benefits and provide a good quality work environment will secure leverage in attracting and retaining their valuable employees (May and Lau, 1999).

Today, many organisations are spending significant time and resources on initiatives to improve the quality of work life of their workforce as part of the strategy to adapt the organisation to the changes in their operational environments, and to elevate employee satisfaction, which is an important tool to retain them in the organisation. According to Ballou and Godwin (2007), an organisation that provides high QWL can increase its

value because employees who are satisfied with their working environment are more productive and dedicated to working effectively and efficiently. This would accordingly increase the overall efficiency and productivity of the organisation and at the same time increase the quality of investment for its stakeholders.

Apart from that, the traditional concept of work to fulfil human basic needs is no longer relevant. This is because the values and expectations of employees today continue to diversify and change according to the evolution of the work system and standards of living of the workforce. Thus, employees seek a more meaningful and supportive work environment that will enable them to balance between work life and personal life (Maimunah and Rethinam, 2008). All these changes require organisations to provide adequate measures to enhance the QWL in work organisation, and to ensure a new work culture and a high level of motivation and commitment to the job and organisational goals on the part of employee (Chalofsky, 2003).

The benefits of QWL initiatives go to both employees and employers. In fact, the literature on QWL is replete with suggestions that enhanced QWL leads to improved employee satisfaction and fulfilment, increased mutual trust, reduced stress and improved health, increased job security, reduced labour-management conflict, and a strengthening of the company's position in a competitive market (e.g. Steers and Porter, 1983; Danna and Griffin, 1999; May and Lau, 1999; Sirgy et al., 2001; Saklani, 2004). In addition, perceptions of QWL are positive and significantly related to organisational commitment (Lowe et al., 2003).



The discussion here has noted that creating a special QWL within the socio-technical systems can be an important strategy for organisations in attempting to attract and retain valuable workforce. The quality work environment provided by the organisation is likely to be seen as a desirable place to spend time. In this sense, employees are also likely to be more satisfied at work and expected to be more productive. In return they would be more committed to their job and have a strong desire to remain as a member of the organisation (Chan and Wyatt, 2007).

### **2.3 The Development of QWL**

The concern for QWL began in the late 1960s when there was a consciousness about the quality of the relationship between the worker and the working environment (e.g. Vroom, 1964; Davis, 1977). The movement received more attention after United Auto Workers and General Motors initiated QWL programmes for work reforms (Hian and Einstein, 1990). According to many authors, the success of the QWL programmes by these companies participation programmes that gave workers more information and a voice in decision-making, represented the starting point for interest in QWL (Dupuis and Martel, 2006)

The phrase 'quality of work life' was first introduced during an international conference on QWL at Arden House, New York, in 1972 and this was followed by the creation of the International Council for the Quality of Working Life in 1973 with the objective of co-ordinating efforts and promoting research in the area of QWL.

Various authors and researchers have proposed models of QWL with different views on the concept and its core constituents. As a result of the complexity of the issues involved, there is no general consensus regarding its meaning, scope and issues covered. For example, QWL has been viewed as an approach for labour-management co-operation (Nadler and Lawler, 1983), a set of organisational interventions (Wyatt, 1988), a process (Carlson, 1980; Robbins, 1989), a method similar to work group or job enrichment (Feuer, 1989), and also as a type of working life felt by employees (Wyatt and Wah, 2001).

Meanwhile, numerous components of the concept of QWL have also been suggested. The key concepts captured and discussed in the existing literature include job security, better reward systems, higher pay, opportunity for growth, participative groups, and increased organisational productivity (May and Lau, 1999). In the scientific management tradition, satisfaction with QWL has been based solely on the 'extrinsic' aspects of the job such as salaries and other tangible benefits including the safety and hygiene of the workplace.

The human relations approach on the other hand, stresses the importance of 'intrinsic rewards' which are related to the job characteristics: skill variety, autonomy, feedback and challenge. These intrinsic rewards are the key predictors of productivity, efficiency, absenteeism, and turnover. A third option which is the 'orientations to work' approach suggests that a focus on extrinsic and intrinsic rewards is contingent upon the person, meaning that different people will have different priorities in terms of rewards. Individuals' preferences in this respect are dependent upon their past histories and

‘occupational cultures’ which are indicated in turn by their education, occupation and demographic backgrounds (Lewis, Brazil, Krueger, Lohfeld, Edward and Tjam, 2002).

Within these broad perspectives, the most common sets of QWL criteria highlighted in the literature encompass characteristics of the work and work environment that influence employees’ lives at work, and the criteria of employee welfare and well-being (Mirvis and Lawler 1984). Table 2.2 presents a summary of a number of previous studies indicating the various factors of QWL deemed to be significant for employees.

**Table 2.2: QWL Factors from Previous Studies**

Study	Factors Identified	
	Work Environment	Employee Welfare
Macarov (1951)	Features of job itself; chance to advance	Seniority
Walton (1974); Taylor (1974)	Safe healthy work conditions; opportunity to use abilities; future growth opportunity; constitutionalism; work relevance to society	Adequate and fair compensation; social integration
Lippit and Rumley (1977)	Organisational environment; physical environment	Healthy social relations
Mirvis and Lawler (1980)	Work environment	Employee welfare
Cooper (1980)	Democracy	Security equity individuation
Kahn (1981)	Task content; supervision; resources; promotion; work conditions; organisational context	Autonomy and control; relations with co-workers; wages

**Table 2.2 (Continued)**

Study	Factors Identified	
	Work Environment	Employee Welfare
Kirkman (1981)	Job mobility; quantity and quality of leisure time created by the job	Pay
Meta (1982)	---	Job security
Davis (1983)	---	Equitable pay
Delamotte and Takezawa (1984)	Challenging work content; traditional goals; influence on decision	Fair treatment, work as part of life cycle
Kalra and Ghosh (1984)	Safe and healthy working conditions; physical environment; absence undue work stress	Employee welfare; job security

*Source: Adopted from Wyatt and Wah(2001:3)*

The majority of the studies in this area as shown in Table 2.2 have focused on individual characteristics and their effects upon satisfaction or on those effects involving the wider spectrum of the work environment (Zeffane, 1994). Tremendous attention is also given to the interaction between individual motivation and performance including the role of the organisational environment in determining effectiveness as well as utilising employee potential (Shoaf et al., 2004). These include organisational features such as policies and procedures, leadership styles, operations, individuals' personal characteristics, and the broader economic and cultural climate. In this context, subjective well-being is seen as drawing upon work and non-work aspects of life (e.g. Sirgy et al., 2001; Powers, 2004; Serey, 2006; Rose, Beh, Uli and Idris, 2006).

Consequently, various studies in the area have focused on different aspects of QWL, for example, job characteristics (Hackman and Oldham, 1980; Lawler, 1982), work environment (Winter et al., 2000; Lowe et al., 2003), job satisfaction (Wilcock and Wright, 1991; Baba and Jamal, 1991; Igarria, Parasuraman and Badawy, 1994), organisational commitment (Baba and Jamal, 1991; Field and Thacker, 1992; Igarria and Parasuraman, 1994), organisational identification and alienation (Efraty and Sirgy, 1990, 1991), grievances (Katz, Kochan and Weber, 1985; Eaton and Gordon, 1992), cross-culture (Wyatt, 1988), quality of work and non-work life (Loscocco and Roschelle, 1991), need satisfaction (Sirgy et.al, 2001; Lee, Singhapakdi and Sirgy, 2007), work system (Steijn, 2001), and work-life balance (Roan and Diamond, 2003).

Although the issues about QWL and its importance in organisations have been debated and experimented with for decades, the theory development in this area is, however, scarce and empirical investigations of QWL are relatively few (Roan and Diamond, 2003). Furthermore, too often the underlying set of factors which constitute the organisational environment and that can optimise work outcomes (i.e. productivity, quality and performance) and improve quality of life of the employees at work, has also received little attention in the research arena (Shoaf et al., 2004). Most of the previous research that has documented a correlation between various work factors and individual/organisational measures (e.g. Sauter, Lim and Murphy, 1996; Wilson, Dejoy, Vandenberg, Richardson and McGrath, 2004), has tended to concentrate on factors within one dimension only, that being the organisational factors (e.g. job characteristics or structure).

Therefore, it is timely for organisations to move beyond this paradigm and develop a multidimensional model that integrates multiple factors, which interact to form an effective work environment that can facilitate efforts toward QWL orientation, thereby achieving positive outcomes for both employees and their organisations (Lowe, Koehoorn, Rondeau, Schellenberg and Wagar, 2002; Shoaf et al., 2004). The understanding of the inter-relationship of the various facets of QWL is important as these may offer the opportunity for improved analysis of cause and effect in the work environment.

#### **2.4 QWL Orientation in Organisations**

QWL involves determining the various factors that contribute to a productive organisation. This can involve changing aspects of the physical work environment (e.g. Mirvis and Lawler, 1984), changing the requirements of a job so that employees are happier (e.g. Hackman and Oldham, 1980; Lawler, 1982) or changing the organisation system in order to achieve a high level of performance (e.g. Betcherman, 1997; Shoaf, Genaidy, Karwowski and Huang, 2004). In this context, QWL orientation is primarily employer-initiated and can be viewed as an organisational-level construct that is closely linked to strategic management and an organisation's commitment to adopt changes in the arrangement of work and managing its employees with the aims to optimise work outcomes (i.e. productivity, quality) and improve the quality of life of the work system of its members (Rodrigues, 2007). It is also a process approach that concerns the methods, practices and activities that organisations undertake to improve employees' satisfaction and well-being and thereby enhance organisation effectiveness (Shoaf et al., 2004).

The impetus for this change is driven by a variety of forces but most common is the need to remain competitive in the global market. As people are now regarded as the most important factor in gaining and maintaining sustainable competitive advantages for business entities, many organisations have begun to increase their attention to the quality of work life as an approach to transforming themselves into high performance organisations (May and Lau, 1999). This shift in paradigm requires the organisation to implement new forms of work organisation and new personnel strategies, which include worker participation plans, alternative work arrangements, well-being in the workplace, labour-management co-operation, job restructuring, and the introduction of a socio-technical system (Shapiro, 2001). The importance of employee involvement or participation in achieving the strategic organisational objectives is emphasised and the core values and interventions such as structures, systems and work practices which become the building blocks to support such initiatives (Hackman and Wageman, 1995; Shapiro, 2001) are put in place.

Furthermore, as the composition of the workforce continues to change, providing a productive, flexible and dynamic working environment can be a critical asset in attracting and retaining productive employees (Earle, 2003). The ability of organisations to meet organisational and employee needs and values is essential in the effort to gain leverage in retaining valuable employees as well as in achieving strategic organisational goals. Employers believe that employees who are satisfied with their jobs are dedicated to working effectively and efficiently and thus, their own productivity is increased, thereby contributing to the enhancement of organisational performance. This leads to a win-win situation that benefits both the employee and the organisation (May and Lau, 1999).

The orientation towards QWL which is common among private sector organisations has now been extended to the public sector as an approach to planned change by organisational development researchers (e.g. Krim and Arthur, 1989; Golembiewski and Sun, 1991; Robertson and Seneviratne, 1995). Although the idea has not been fully supported in the past because of the inherent rigidity and bureaucracy of the public sector which it is argued can frustrate QWL efforts (Kanter, 1983), in order to face the current ever-changing environment and to withstand the escalating global challenges, many public sector organisations today are implementing a broad range of proactive changes designed to improved their organisational functioning. In particular, organisations are adopting decentralised structures, network and team-based arrangements, and customer-oriented approaches (Drucker, 1988).

Robertson and Seneviratne (1995) suggested that, by and large, organisational change efforts are successful in both sectors, butthat organisational performance can be improved more readily in public organisations. Moreover, the QWL effort in the public sector may also provide opportunities for employees and administrators to coalesce in the service of the public interest (Krim and Arthur, 1989).

Hence, the organisational orientation towards QWL is intended to derive anticipated benefits from changes in work organisation, to ensure adaptive behaviour and positive outcomes for organisation performance or effectiveness. Therefore, the QWL orientation in this study is conceptualised *as a systematic and collaborative effort undertaken by organisations to improve their work organisation and employee well-being by providing*



*more satisfying and meaningful jobs, a supportive social-organisational environment and accessible opportunities for work-life enhancement.*

## **2.5 Organisational Environment Factors and QWL Orientation**

This study postulates that the orientation of an organisation is determined by the factors in the objective environment in which the organisation operates. Hence, it is important to get a complete picture of the associated factors with the choice of strategic responses exhibited by organisations (Shoaf et al., 2004). The organisational environment of a workplace can be defined as all the organisational and job factors that affect the interaction between people, their work and the organisation (Bachmann, 2002). These may refer to the internal context in which the work is performed, leadership styles, the prevailing organisation culture, and/or employment relationship conditions (Lowe et al., 2003; Wilson, Dejoy, Vandenberg, Richardson and McGrath, 2004).

According to Hackman and Oldham (1980), the work environment that is able to fulfil employees' personal needs is considered to provide a positive interaction effect which leads to an excellent QWL. Although it is difficult for the organisation to fulfil the personal needs and values of each employee, if attention is given to designing work activities that are congruent with employees' needs, skills and interests, the outcome can be enhanced employee job satisfaction, which undoubtedly contributes to improved organisational performance.

Considerable evidence suggests that the organisation's commitment to the development of the workplace, and to creating favourable circumstances within it, can have a wide-ranging impact on employee well-being and ultimately on the effectiveness of the organisation itself (Lowe et al., 2003). Greenhouse, Bedian and Mossholder (1987) for example, suggest that the nature of the work environment is related to satisfaction of employees and work-related behaviours. This means that employees feel energised and valued by their employers if they consider their working environment to be interesting, challenging and rewarding, and this likely generates a feeling of satisfaction, subsequently increasing levels of commitment to the organisation and increased perceptions that the organisation is a good place to work (e.g. Sirgy et al., 2001; Ballou and Godwin, 2007).

The design of jobs and how they are integrated into organisational systems also provides the foundation for a high quality environment. Although some scholars have argued that job is an independent entity in isolation from the organisational context, studies have shown that the job is normally used as the medium through which individual employees' motivation is affected (e.g. Hackman and Oldham, 1980; Lawler, 1982). Lindstrom (1994) cited job characteristic criteria together with strategies for good work organisation such as management of change processes, occupational health and safety, and career development, as important factors to create a robust organisation. Therefore, the strategies to improve employees' well-being and organisational effectiveness must include the active job content, physical and mental job demands, and design of the work setting. In this manner, the traditional paradigm of work is expanded.

In the high-quality healthcare workplace framework of Lowe, Koehoorn, Rondeau, Schellenberg and Wagar (2002), identified four main factors of the organisational environment that interact to enable or constraint the achievement of positive outcomes for employees, organisations and patients. These factors are comprised of the work environment and the human resource practices that shape it, job design and organisational structure (including technology), employment relationships and industrial relations. They suggested that organisations can and must achieve a virtuous circle connecting work environment, individual QWL and organisational performance. In order to achieve this goal, the authors suggested that organisations need to have a bold new vision of human resources, supported by a workplace culture and leadership approach that fully values the contributions of all employees.

A study by Lowe et al., (2003) highlighted that employees are more likely to perceive their workplace as healthy if certain working conditions exist. The required conditions identified in their study include having reasonable demands, high intrinsic and extrinsic rewards, good social supports, influence over workplace decisions and available resources to do the jobs. Additionally, they also emphasised the importance of employment conditions and the way in which work is organised. These factors are believed to be key correlates of the extent to which employee perceive their work environment to be healthy.

Similarly, Wilson et al., (2004) proposed a healthy work organisation that examined the contribution of three general domains of work life, these being: the organisational attributes (i.e. the culture and leadership orientation), organisational climates (e.g.

organisational support, participation and involvement, communication, health and safety), and job design which comprises the employees' perception of their work tasks. They concluded that employees' perceptions of their organisation affect their perception of the work environment, which impacts upon the way employees relate to their jobs and envision their future in the organisation.

In the light of the above discussion, the organisation's orientation is determined not only by the features and system of practices within the organisation's framework but also by the perceptual nature of the organisational environment which is argued as critical for outcomes ranging from satisfaction to commitment and performance (Lowe et al., 2003; Schulte et al., 2006). Thus, this study proposes to capture some factors identified in previous research that commonly occur in diverse organisational settings, and to predict how the interaction of such factors will influence the organisation's orientation toward QWL, accepting as a fundamental premise, that the analysis will generate a wide range of outcomes. The factors of interest are: leadership behaviour, organisational culture, structure of the organisation, and social capital, all of which are considered as central for the constitution of an effective environment (Lowe et al., 2002; Requena, 2003; Wilson et al., 2004).

The focus of the research will be on clarifying each factor and determining how each of the respective interactions becomes a strategic enabler to facilitate a QWL orientation that would benefit the organisation and its employees. Therefore, it is postulated that the four organisational environment factors just identified (leadership behaviour, organisational culture, social capital, and organisation structure) are antecedents that may

have an influence on the QWL orientation of an organisation. Consequently, there is also a tendency to see the relationship between these factors and the dimensions of QWL orientation. Therefore, it is proposed that:

**Proposition 1:** Leadership behaviour, Organisational culture, Social capital and Organisation structure are antecedents of QWL Orientation.

Each of these factors is now discussed together with their selected dimensions including the relationship with the QWL orientation dimensions.

## **2.6 Leadership Behaviour**

Leadership is considered as one of the most relevant aspects of the organisational context. The leadership behaviour or style demonstrated throughout an organisation plays an important role in transforming objectives into reality and in attaining organisational change (Burke and Litwin, 1992). The literature on managing change has placed great emphasis on the role of the leader (e.g. Greiner, 1967; Kotter, 1995; Jick, 1993) in providing a vision for change and making it a reality. Besides occupying a role which enables them to drive change, leaders are also in the position whereby they can create the structures and experiences that bring employees together to identify and solve their own issues (Block, 2008).

According to Shoaf et al. (2004), the leader's behaviour and management styles are primary catalysts for organisational well-being. This is because leaders have the ability to create a climate within the work environment where they are able to assist employees to

set and achieve individual, team, and ultimately organisational objectives. Furthermore, leaders and organisations today are required to respond to continuous changes in resources, technologies, marketing methods and distribution systems (Burns et al., 2006).

### **2.6.1 The Definitions of Leadership**

Over the years, the topic of leadership has been widely researched and many leadership theories have emerged. Some researchers have concentrated on leader traits or competencies, while others have considered the behaviour of leaders (Bass, 1990a). There are also those who argued that the display of leadership behaviours is determined by the situation (Stogdill, 1948; Hersey and Blanchard, 1977). More recently the focus of attention has been on the antecedents and consequences of transformational leadership (Bass, 1985; Hetland and Sandal, 2003; Perryer and Jordon, 2005; Piccolo and Colquitt, 2006). Included in these leadership theories are strategic and visionary theories of leadership (e.g. Kimberly, 2000) which are marked by a concern for the evolution of the organisation as a whole, including its changing aims and capabilities.

There are many different definitions of leadership and arguments about whether leadership is a specialised role or a shared influence process (Yukl, 2002). According to Stogdill (1974:259) “there are almost as many definitions of leadership as there are persons who attempted to define the concept”. However, there has been some consensus in the literature regarding the central elements of organisational leadership (Sadler, 2002). The definitions of leadership from various authors are presented in Table 2.3.

**Table 2.3: Definitions of Leadership**

<b>Authors</b>	<b>Definitions</b>
Rost (1991)	Leadership is an influence relationship among leaders and followers who intend real changes that reflect their mutual purposes (p.102)
Rowden (2000)	Leadership is the behaviour of an individual that results in non-coercive influence when that person is directing and co-ordinating the activities of a group toward the accomplishment of a shared goal (p.30)
Hellriegel and Slocum (2004)	Leadership is the process of developing ideas and a vision, living by values that support those ideas and that vision, influencing others to embrace them in their own behaviours, and making hard decisions about human and other resources (p.250)
Politis (2005)	Leadership is defined as influence processes affecting the choice of objectives of the group or organisation and the perceptions of followers (p.185)
Yukl (2006)	Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives (p.8)

The above definitions of leadership more often refer to a social process involving influence and persuasion and a range of possible outcomes – the achievement of goals, the enhancement of group cohesion, and the reinforcement of change of organisational behaviour. In other words, leadership is a widely dispersed activity within organisations that resides in all levels of the management hierarchy. It is typically utilised to influence others toward the development and achievement of organisational purpose.

## **2.6.2 Leadership Dimensions**

According to a survey of western literature, task orientation and relationship orientation are the basic ingredients of leadership in organisations. Relations-oriented leadership behaviours focus on the quality of the relationship with followers, whereas, task-oriented leadership behaviours focus on the task to be accomplished by followers (Bass, 1990a). The classification of these two dimensions of leadership behaviours has been used to differentiate and explain different types of leadership behaviours and as measures of individual and organisational effectiveness (Brown, 2003). Kunnanatt (2007) reported that it is the effective integration of these two dimensions that produces leadership effectiveness. There is no consensus on what combination of these two dimensions makes leaders effective, most researchers believing that there is no one best leadership style or behaviour that matches the needs of all contexts or cultures.

Early studies on leadership reported that authoritarian versus democratic approaches could be identified, and therefore used this dichotomy as a basis upon which to make distinctions among leadership behaviour. These two dimensions of leadership later came to be considered as task orientation and people orientation (also referred to as relationship orientation). In fact, these new distinctions have been found in many leadership models and research inquiries, both early and recent ones under different names (e.g. Waldman and Yammarino, 1999; Avolio, Kahai and Dodge, 2001). For example, descriptions of relation-oriented leadership behaviours have included supportive (Bowers and Seashore, 1966), people-centred (Anderson, 1974), and democratic (Misumi, 1985). Conversely, descriptions of task-oriented leadership behaviours have included those concerned with



production (Blake and Mouton, 1964), achievement-oriented (Indvik, 1986), and goal emphasising (Bowers and Seashore, 1966).

In differentiating between relations-oriented and task-oriented leadership behaviours, there are researchers who list these behaviours under the dual concepts of leadership and management. Some examples of the differentiation between leadership and management are listed in Table 2.4.

**Table 2.4: Leadership versus Management Descriptions**

Source	Leadership Behaviours	Management Behaviours
Zaleznik (1977)	adopt a personal and active attitude toward goals, shape rather than respond to ideas, alter moods; evoke images, expectations, change how people think about what's desirable and possible, develop fresh approaches to problems, increase new options, inspiring, seek risk when opportunities appear promising, set company direction, <b>what events mean to people</b> , feel separate from the organisation	take an impersonal, passive outlook, goals arise out of necessities, not desires; <b>emphasis on rationality and control</b> , negotiate and coerce, design compromises, limit choices, avoid risk, prefer working with people but maintain minimal emotional involvement, lack empathy, focus on process, communicates by sending ambiguous signals, organisation feel part of the organisation accumulates bureaucracy and political intrigue
Bennis and Nanus (1985)	innovative, original thinking, <b>focus on people</b> , seek commitment, focus on outcomes, inspires trust, long-range perspective, share information, promote networks, do the right things	use formal authority (hierarchy), see people as liabilities, seek compliance, focus on systems and structure, <b>relies on control, short-range view</b> , accepts status quo, do things right

**Table 2.4 (Continued)**

Source	Leadership Behaviours	Management Behaviours
Kotter (1990)	coping with change, setting a direction, aligning people, <b>motivating and inspiring</b>	coping with complexity, planning and budgeting, organizing and staffing, controlling and problem solving
Eicher (1998)	guiding others and the organisation, personally developing others, promoting opportunities for growth, being future oriented, embracing uncertainty, communicating organisation direction, developing key relationships, <b>inspiring others</b>	administering rules and policies, demonstrating and clarifying expectations, setting standards of performance, improving operations, <b>maintaining focus on present needs</b> , directing operations, developing the organisation, reinforcing performance

*Source: Adapted from Brown (2003)*

The above examination shows that there are some similarities in the terminology used by researchers to explain leadership behaviours. For example, ‘focus on people’ (Bennis and Nanus, 1985) is similar to ‘motivating and inspiring’ (Kotter, 1990); likewise, there is a congruence between ‘what events mean to people’ (Zaleznik, 1977) and ‘inspiring others’ (Eicher, 1998). Similarly, descriptions of management behaviour are ‘relies on control’ (Bennis and Nanus, 1985) and has ‘emphasis on rationality and control’ (Zaleznik, 1977); and ‘short-range view’ (Bennis and Nanus, 1985) and ‘maintaining focus on present needs’ (Eicher, 1998), also essentially comment on the same trait.

Additionally, there is the view that leadership behaviours are determined by the situational settings or the circumstances (Yukl, 1989). House (1971) in his Path Goal

Theory suggested that leaders who clarify goals for employees as well as explaining the paths to the achievement of those goals will increase the opportunities for goal achievement that will result in more employee motivation and satisfaction. The author further posited that both the leadership behaviours of relations-oriented and task-oriented influenced employee satisfaction and motivation to pursue goals.

The most recent descriptions of relations-oriented and task-oriented leadership behaviours reported in the literature are the transformational and transactional theories (Brown, 2003). Transformational or relation-oriented leadership has been described as idealised influence (attributed), idealised influence (behaviour), individualised consideration, intellectual stimulation and inspirational motivation. These leadership behaviours are those that instil followers with the personal desire to achieve goals. This type of leadership has been linked to outcomes such as leadership effectiveness, innovativeness, quality improvement, and both subjective and objective ratings of performance (Bass, 1995).

Meanwhile, the transactional or task-oriented descriptions include contingent reward, management-by-exception (active), and management-by-exception (passive), and this type of leadership obtains commitment from employees towards the achievement of goals through a promise of rewards or agreed upon exchanges and the threat of corrective actions for inadequate performance (Bass and Avolio, 1995, 1997). Thus, followers receive rewards for job performance while leaders benefit from the completion of tasks. Despite their differences these two leadership behaviours serve to complement each other (Bass, 1985).

Leaders also exhibit behaviours that are considered non-relation-oriented and non-task-oriented, but which are instead referred to as laissez-faire. Laissez-faire leadership behaviours are characterised as inactive, in contrast to typical proactive or reactive leadership behaviours (Bass, 1990a). However, for this study, the focus will be on the two dimensions of relation-oriented and task-oriented, particularly concerning leader behaviour as antecedent of QWL orientation.

### **2.6.3 Leadership Behaviour and QWL Orientation**

Organisational leadership research posits that leadership indeed has an impact on organisational elements and performance (e.g. Day Lord, 1988; Thomas, 1988; Weiner and Mahoney, 1981). Consequently, strong leadership and management is required to achieve optimal effectiveness, and in such circumstance, an understanding of leader traits or behaviour is essential if those in positions of leadership are to apply the most effective strategies in different situations.

Leader behaviour is a fundamental building block of the work environment (Perryer and Jordan, 2005), since leaders are largely responsible for creating an appropriate work environment and establishing processes and interactions that would assist employees to attain organisational goals. They even control resources and influence major decisions, especially strategic decisions in support of change within an organisation (Damanpour and Schneider, 2006). Therefore, the behaviours of leaders influence the perceptions of the organisational environment among followers. Since QWL orientation is viewed as a strategic preference, leaders' behaviour and positional characteristics and attitude toward change can influence organisational strategy such that it becomes conducive to QWL.

Findings involving the effects of relations-oriented and task-oriented leadership behaviours however, have produced mixed results. In general, they have revealed that both the relations-oriented and task-oriented types of leadership are effective and that the combination of these two kinds of behaviour is also effective (Brown, 2003). For example, several early studies conducted at the University of Michigan (from 1950 to 1970) regarding the superior effects of relations-oriented approaches revealed that democratic leadership behaviours resulted in greater job satisfaction and productivity as opposed to autocratic leadership behaviours (Bass, 1990a). On the other hand, there are also instances where task-oriented leadership is shown to be productive, for example Hodge (1976) found that first-line managers felt more satisfied with superiors (second-level managers) who displayed higher levels of initiating structure behaviours.

In the past, leaders of public organisations have adopted a more task-oriented approach to leadership focusing on specific rules, procedures and policies for handling predictable matter and taking corrective actions only when there has been a deviation from the rules or procedures. However, such approach is found to be less effective in today's ever changing environment and a more relations-oriented approach is advocated (Brazier, 2005).

Most of the modern public-sector leaders today face challenges in transforming their organisations into high-performing public organisations, which they make more responsive to the changing needs of all their stakeholders. Hence, it is essential for them to focus more on intangible qualities such as vision, shared values and building closer relationships with workers instead of relying solely on tangible rules and incentives to

motivate them (Sarros et al., 2002). In this context, leaders should use a combination of both transformational and transactional types of leadership to obtain optimal effectiveness (Yukl, 2002).

Studies in this genre of leadership have also shown that transformational leadership (relations-oriented) is positively related to employee satisfaction and to those in-role behaviours which constitute job performance (Bass and Avolio, 1993). For example, Seltzer and Bass (1990) in their study on managers who were part-time students on MBA programmes, reported a positive correlation between transformational leadership (relations-oriented) and three areas of outcome, these being: employees' perceptions of their leader's effectiveness; employees' extra effort; and employees' satisfaction. Among the specific transformational leadership behaviour (relations-oriented), individualised consideration correlated most strongly with leaders' effectiveness and subordinates' satisfaction, while intellectual stimulation revealed the weakest relationships among all the three outcomes areas. In another study, Yammarino, Spangler and Bass (1993) found that idealised influence or charisma, individualised stimulation, and intellectual stimulation, were positive predictors of job performance.

According to extant research, transformational leaders (relations-oriented) formulate and implement work redesign that instils a sense of pride and ownership in the product as well as work processes (Sarros et al., 2002). These aspects help to promote intrinsic motivation and inspire employees to do more than they would normally do, despite obstacles and personal sacrifice. Leaders of this type also have the greatest power to engender loyalty and commitment (Bass, 1990b). This is because such leaders possess the

ability to motivate their followers by raising their subordinates' levels of awareness about the importance and value of designated outcomes, and by transforming their (followers') personal values to support the organisational goals/visions (Brown, 2003).

Wang and Walumbwa (2007), for example, analysed the moderating effect of transformational (relation-oriented) leadership in the relationships between the QWL programme (childcare and work flexibility benefits), organisational commitment and work withdrawal in China, Kenya and Thailand. Their results suggested that the integration of a QWL programme with leadership that is supportive, caring and empathetic such as transformational (relation-oriented) leadership (Avolio, 1999) is likely to be more effective in enhancing employee organisational commitment and reducing withdrawal behaviours. In this context, the leader plays an important role in transforming the organisation into a quality workplace and enhancing employee well-being. Therefore, it is reasonable to expect a positive causal relationship between leadership behaviour and organisational orientation toward QWL.

## **2.7 Organisational Culture**

Another factor embraced within the model of organisational life is culture of the organisation. Culture is an abstraction, yet the forces that are created in the social and organisational situation deriving from culture are powerful (Schein, 1992). The construct is considered as the bone marrow of an organisation that allows the organisation to address the ever-changing problems of adaptation to the internal integration of the organisation's resources, personnel and policies to support external adaptation (Pool, 2000). Culture has been characterised by many authors as the way things are done in the

organisations (Deal and Kennedy,1982) andas something to do with people and the unique quality and style of organisations (SKJ Lee and Yu, 2004).

Organisational culture forms an integral part of the general functioning of an organisation. A strong culture provides shared values that ensure everyone in the organisation is on the same track (Martin and Terblanche, 2003). Organisational culture is also a powerful tool for influencing employees' behaviour and improving performance (Den Hartog and Verburg, 2004). It is through culture that organisations can implement a new vision and revise its orientation in a positive way. Additionally, as has been evidenced by books such as *The 100 Best Companies to Workfor America*, it is the organisational culture which helps to attract and retain valuable workforce in the organisations (Singh, 2008).

### **2.7.1 The Definition of Organisational Culture**

The definitions of organisational culture vary from a very short description given by Deal and Kennedy (1982) to a more sophisticated one, for example, as proposed by Schein (1985). However, the general notion among organisational thinkers has been that the culture of an organisation is more holistic in nature, being historically determined and socially constructed. It involves beliefs and behaviour that exist at various levels and manifests itself in a wide range of features of organisational life (Hofstede, Neuijen, Ohayv and Sanders, 1990). Table 2.5 presents some of the many definitions of organisational culture from various authors.



**Table 2.5: Definitions of Organisational Culture**

<b>Authors</b>	<b>Definitions</b>
Uttal (1983)	As a system of shared values (what is important) and beliefs (how things work) that interact with an organisation's people, organisation structures and control systems to produce behavioural norms (p.66)
Deshpande and Webster (1989)	The pattern of shared values and beliefs that help individuals understand organisational functioning and thus provide them with norms for behaviour in the organisation (p. 4)
Schein (1990)	A pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaptation and internal integration and that have worked well enough to be considered valid, and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems (p.111)
O'Reilly and Chatman (1996)	A system of shared values (that define what is important) and norms that define appropriate attitudes and behaviours for organisational members (p.160)
Denison (1996)	The deep structure of an organisation, which is rooted in the values, beliefs and assumptions held by organisational members (p. 654)
Robbins (1996)	Culture is the social glue that helps hold the organisation together by providing appropriate standards for what employees should say and do (p.687)

The above definitions have in common. the view that culture consists of some combination of shared values, belief, assumptions, and practices that shape and guide members' attitudes and behaviour in the organisation. These beliefs and expectations serve as a normative order that powerfully influences how people perceive, think, feel and behave (Goodman, Zammuto and Gifford, 2002). As such, culture may directly and indirectly influence individual attitudes concerning outcomes such as commitment, motivation and satisfaction and the quality of work life as a whole.

## **2.7.2 Organisational Culture Dimensions**

The organisational literature acknowledges the difficulty of measuring and identifying a typology of organisational cultures mainly because the shared assumptions and understandings lie beneath the conscious levels for individual (Lund, 2003). Some researchers have identified these assumptions in stories, language, artefacts, and norms that emerge from individual and organisational behaviour (e.g. Deal and Kennedy, 1982; Adler and Jelinek, 1986; Robbins, 1996). This range of dimensions illustrates the complexity attached to the concept, which has hindered research into the phenomenon, such that researchers have encountered difficulties in trying to arrive at a coherent definition of organisational culture, and a way to 'measure' the construct (Vadi, Allik and Realo, 2002).

Detert (2000) reported that there has been little effort to synthesise what dimensions of organisational culture have been studied to date, and which of these cultural dimensions are most related to the implementation of change programmes and the subsequent improvements in human and organisational outcomes. However, most social scientists tend to converge on an operational definition of culture as the attitudes, values, beliefs and behaviours that are shared by a particular group (Rousseau, 1990; Triandis, 1996), agreeing that the definition uses identifiable, measurable, and enduring behavioural components.

Many studies also have been conducted to assess some of these components (e.g. values) attempting to measure the characteristics and the recognisable facets of organisational

culture (Taormina, 2008). This research activity has given rise to a number of organisational culture typologies over the years, as shown in Table 2.6.

**Table 2.6: Typologies of Organisational Culture**

<b>Authors</b>	<b>Dimensions</b>	<b>Descriptions</b>
Hofstede (1980)	Power distance	The degree of concentration of authority and the amount of inequality in the distribution of power within the organisation/society.
	Uncertainty avoidance	The extent to which people are comfortable or uncomfortable with uncertainty and little structure.
	Masculinity/ Femininity	A reflection of hardness or softness; toughness versus tenderness in a culture.
	Individual/ Collectivism	The extent to which individuals are supposed to be self-reliant and look after themselves, as opposed to being more integrated into a group.
	Long/short-term orientation	The degree to which society does or does not value long-term commitments and respect for tradition.
Wallach (1983)	Bureaucracy	Is perceived as hierarchically structured, orderly, procedural, and highly-regulated.
	Innovativeness	Is perceived as creative, enterprising, risk-taking, and result-oriented.
	Supportiveness	Is characterised by equitable, sociable, trusting and collaborative behaviours.
Quinn and Rohrbaugh (1983)	Group	Focuses on flexibility and internal integration – tends to value belongingness, trust and participation.
	Developmental	Emphasises flexibility and external orientation – tends to focus on growth, resource acquisition, creativity and adaptation to the external environment

**Table 2.6 (Continued)**

<b>Authors</b>	<b>Dimensions</b>	<b>Descriptions</b>
Quinn and Rohrbaugh (1983)	Rational	.Focuses on the external environment and control – encourages competition and the successful achievement of well-defined goals.
	Hierarchical	Emphasises stability and internal integration – stresses centralisation and regulations.
Denison (1990)	Involvement	Members are involved in decision-making; leaders are elected by the members, informal control systems and high degree of ‘self-management’.
	Consistency	Internal controls system based on shared system of values, beliefs and symbols; values are widely understood; high ability to reach consensus on decisions and have clear sets of “do’s” and “don’ts”.
	Adaptability	A system of norms and beliefs supports an organisation’s capacity to receive, interpret and translate signals from the external environment into internal behavioural changes that increase its chances for survival, growth and development.
	Mission	Importance of a set of definition on the function and purpose of the organisation and clear direction and goals,
Deshpande, Farley and Webster (1993)	Competitive	Emphasises values relating to demanding goals, competitive advantage, marketing superiority and profits.
	Entrepreneurial	Emphasises innovation, risk-taking, high level of dynamism and creativity.
	Bureaucratic	Values formalisation, rules, standard operating procedures, and hierarchical coordination
	Consensual	Includes elements of tradition, loyalty, personal commitment, extensive socialisation, teamwork, self-management and social influence. These are all important in the organisational values.

**Table 2.6 (Continued)**

<b>Authors</b>	<b>Dimensions</b>	<b>Descriptions</b>
Sarros, Gray and Densten(20 05)	Competitiveness	Is characterised by achievement orientation, an emphasis on quality, being distinctive and being competitive - to reflect an external orientation
	Performance orientation	Is characterised by high expectations for performance, enthusiasm for the job, being results-oriented and highly organised - to reflect an internal or individual orientation.
	Innovation	Is characterised by being innovative, quick to take advantage of opportunities, risk-taking, and taking individual responsibility.
	Supportiveness	Is characterised by a team orientation, sharing information freely, being people oriented and collaboration.
	Emphasis on rewards	Is characterised by fairness, opportunities for professional growth, high pay for good performance and praise for good performance.
	Social Responsibility	Is characterised by being reflective, having a good reputation, being socially responsible and having a clear guiding philosophy.
	Stability	Is characterised by stability, being calm, security of employment and low conflict.

From the above typologies, Hofstede's (1980) classification of culture is the most well-known and widely adopted in a variety of contexts, having become the catalyst for many studies throughout the social sciences (Blodgett, Bakir and Rose, 2008). Hofstede identified four dimensions (power distance, uncertainty avoidance, individualism/collectivism and masculinity/femininity) for understanding national cultural differences. The classification was then applied to the study of organisations, where it has been used to provide a cultural explanation of differences in management style (Lim, 1995).

Hofstede's model developed to include five dimensions after the work he did with Bond (Hofstede and Bond, 1987) in Hong Kong/China which identified the long and short-term orientation.

Apart from Hofstede's framework, several other classifications and models have been designed for differentiating and comparing cultures at the organisational level. Wallach's (1983) Organisational Culture Index (OCI), for example, describes organisational culture in terms of three dimensions: bureaucratic, innovative, and supportive. According to the author, the culture of an organisation can be a combination of these three dimensions to varying degrees and through these combinations the 'flavour' of the organisation can be derived. Wallach characterised each facet with adjectives that reflect distinguishing attitudes, behaviours and values, and as noted by Yahyagil (2004), the resulting model has been used to create the cultural profile of an organisation based on perceptual descriptions of its members, providing a useful framework to adopt in the study of person-organisation fits (Yahyagil, 2004).

As opposed to Wallach's (1983) model, Denison's typology focuses on the concrete actions, conditions and practices that are rooted in an organisation's values system. Denison's Organisational Culture Model examined the cultural attributes of an organisation within two categories, these being the internal integration and external orientations of organisations. From the two categories, four cultural dimensions were identified, namely involvement and consistency, which are related to internal dynamics, and adaptability and mission which are related to the organisation's external environment.

In a similar vein, Quinn and Rohrbaugh (1983) also present a framework of culture characterised by two dimensions – the Competing Values Framework (CVF), which has been widely used to examine organisational culture in the literature (e.g. Denison and Spreitzer, 1991; Yu and Wu, 2009). According to Quinn and Kimberly (1984), the value orientations in CVF can be used to explore the deep structures of organisational culture that condition levels of compliance, motives, leadership, decision-making, effectiveness and organisational forms. The two dimensions further result in four types of cultural orientation, described as: group, developmental, rational, and hierarchical. Each of these orientations represents different values about motivation, leadership, and strategic orientation within organisations.

Equally important is the typology developed by Deshpande, Farley and Webster (1993) that identifies four types of corporate culture: competitive, entrepreneurial, bureaucratic, and consensual. This comprehensive framework of corporate culture has shown its applicability in the marketing context. According to Deshpande and Webster (1989:3), the most relevant aspect of organisational culture from a marketing perspective is the marketing concept, which includes “a fundamental shared set of beliefs and values that puts the customer in the centre of the firm’s thinking about strategy and operations”.

Conversely, the Organisational Culture Profile (OCP) developed by O’Reilly, Chatman and Caldwell (1991), which recently has been revised and shortened by Sarros, Gray and Densten (2005), established seven dimensions of organisational culture that reflect some aspects of goal accomplishment (performance orientation, competitiveness, and innovation), concern for people (supportiveness and emphasis on rewards) and

environment (stability and social responsibility). The profile also includes an internally-focused and an externally-focused dimension which is considered suitable for organisations that are implementing and evaluating culture change interventions (Sarros et al., 2005). Details of the revised OCP which consists of 28 items and seven dimensions appear shown in Table 2.7.

**Table 2.7: Factors and Items of the Revised OCP**

<b>Factors</b>	<b>Items</b>
1. Competitiveness	Achievement orientation An emphasis on quality Being distinctive – being different from others Being competitive
2. Social Responsibility	Being reflective Having a good reputation Being socially responsible Having a clear guiding philosophy
3. Supportiveness	Being team-oriented Sharing information freely Being people-oriented Collaboration
4. Innovation	Being innovative Quick to take advantage of opportunities Risk-taking Taking individual responsibility
5. Emphasis on rewards	Fairness Opportunities for professional growth High pay for good performance Praise for good performance



**Table 2.7 (Continued)**

<b>Factors</b>	<b>Items</b>
6. Performance orientation	Having high expectations for performance Enthusiasm for the job Being results-oriented Being highly organised
7. Stability	Stability Being calm Security of employment Low conflict

*Source: Adopted from Sarros et al. (2005:167)*

This new version of OCP will be applied in this study to identify the dominant culture type that influence QWL and also to evaluate its suitability in the Malaysian context.

The above discussion has revealed that there is no consensus on a finite set of key dimensions able to describe and to compare organisational culture across a large range of organisations (Gordon and Di Tomaso, 1992). Although some of the typologies introduced do possess certain similarities in term of the dimensions they incorporate, they are described in different ways. As can be observed, there are dimensions or conceptual domains that do appear to be common to some of the typologies. For example, an innovation dimension, indicating dynamism, openness to change, creativity, propensity to experiment and risk-taking is apparent. This dimension appears in Wallach's (1983) Organisational Culture Index and also in the Sarros et al. (2005) Organisational Culture Profile (Revisited). Likewise, the elements of innovation are similar in tone to the entrepreneurial culture of Deshpande et al. (1993) and the developmental culture quadrant in the Competing Values Model of Quinn and Rohrbaugh (1983).

Another significant dimension highlighted is the element of control which is similar in tone to the 'bureaucratic' dimension. If one compares the classification of Wallach (1983) with that of Deshpande et al. (1993), it can be seen that both typologies contain elements of bureaucratic culture where values like formalisation, rules and standard operating procedures, including the importance of hierarchy, are highlighted. This element also appears in the hierarchical culture quadrant in the Competing Values Model of Quinn and Rohrbaugh (1983) and is similar in tone to the power distance dimension identified by Hofstede (1980) and the consistency dimension of Denison (1990).

Another core dimension that commonly appears is the results/outcome orientation dimension. It focuses on having high expectations for performance and being results-oriented. This orientation refers to the performance orientation in the Organisational Culture Profile (Revisited) of Sarros et al. (2005), to the rational culture quadrant of the Competing Values Model, and to the innovativeness in the Wallach (1983) Organisational Culture Index. Furthermore, a people orientation dimension reflecting perceived support, co-operation, teamwork, mutual respect, and consideration between organisational members is also prevalent. This element appears in Wallach's (1983) supportive culture type, Denison's (1990) involvement dimension, and in the Sarros et al. (2005) supportiveness dimensions. Also related to a people orientation is likely the group culture quadrant in the Competing Values Model of Quinn and Rohrbaugh (1983), and the consensual culture dimension of the framework produced by Deshpande et al (1993).

As mentioned earlier, although the classifications of culture proposed by these various authors are different, the elements that define the culture types are very similar. Given

what has been said earlier about the complexities of culture, it is the fact that most organisations will not fit perfectly into any of these descriptions, but they will generally possess certain dominant features that have been identified in several of these culture types. It should also be noted that organisations may be comprised of several sub-cultures which may in themselves, have opposing values and emphasis. Contradictory interests between departments, consumers, and top management may also result in different notions of what is good, important and appropriate (Bagraim, 2001).

Due to the pervasive influence of culture throughout any organisation, it is important that management recognise and understand the underlying dimensions of the culture prevailing in their organisations, and its impacts upon employee-related variables such as satisfaction, commitment, cohesion, and performance. This, in fact, can help management assess the inherent strengths and limitations of organisational strategies. Clearly, the link between organisational culture and QWL is established, and the following section discusses this issue in more detail.

### **2.7.3 Organisational Culture and QWL Orientation**

There have been relatively few studies investigating organisational culture and its impact on the quality of work life. For example, in a study among public utility companies, it is found that organisations with stronger group and developmental cultures score significantly higher than hierarchical culture in terms of satisfaction with work and promotions (Goodman, Zammuto and Gifford, 2001). Kerr and Slocum (1987) note that an organisation that is people-oriented, values and respects its people and treats them fairly and with tolerance will engender reciprocal responses of commitment, satisfaction

and propensity to remain with the organisation. It is also expected that such reciprocity will extend to organisational behaviours, including information sharing. The focus of studies recently however, is more on independent relationships such as culture and performance or effectiveness (e.g. Jean Lee and Yu, 2004; Harrington and Santiago 2006; Risher, 2007).

Another shortcoming of previous research is that it has not precisely identified the relationship between different types of organisational culture and QWL orientation and its effect on job-related outcomes. Basically, the culture impact on outcomes is demonstrated via its effect on job satisfaction, which is generally considered to be a component part of the QWL. As a global construct, job satisfaction is perceived as one of the many outcomes of QWL (Sirgy et al, 2001). It is therefore, not surprising that the construct is generally considered to be the primary indicator of the QWL (Davis and Cherns, 1975; Loscocco and Roshelle, 1991).

Several researchers have examined the link between job satisfaction and organisational cultures. For example, Nystrom (1993), investigating healthcare organisations, found that employees in strong cultures tend to express greater organisational commitment as well as higher job satisfaction. It is, therefore, manifests itself, and in self-reports of perceived higher QWL. Similarly, Odom, Boxx and Dunn (1990) investigated the relationships between organisational culture and three elements of employee behaviour, namely, commitment, work-group cohesion, and job satisfaction. They concluded that the bureaucratic culture, which dominated their sample of transportation organisations, has

not been conducive to the creation of employee commitment, job satisfaction, and work-group cohesion.

In terms of the influence of organisational culture on individuals' affective reactions to organisational life, Aiken and Sloane (1997) showed in their study, that organisational design and support increased the retention and commitment of health professionals. Factors of organisational support (adequate support services, continuity, time and autonomy in decision-making), teamwork, and good relationships among organisational members, were all found to be statistically significant and consistent with the concept of QWL. Furthermore, research by Petty, Beadles, Lowery, Chapman and Connell (1995) on group co-ordination indicated that a cultural emphasis on co-operation and teamwork are conducive to organisational effectiveness.

In the business environment context, organisations that provide a constructive culture are recognised for doing things well, and value executives who accomplish their own goals. These organisations embrace creativity, which promotes quality over quantity of work. The findings of Pool's (2000) study, which examined the relationship between organisation culture and job stressors, support this view since executives working in a constructive culture reduced the role stressors in their working environment. In fact an inverse relationship between role conflict and role ambiguity was identified in this constructive, whereas a positive relationship between these constructs was revealed in a passive culture. Pool (2000) concluded that the organisational culture (whether passive or constructive) could hinder job performance, job commitment, and job satisfaction.

With regards to QWL across cultures, it is important for organisations to consider whether the philosophy and outcomes associated with any organisational changes are congruent with the broader cultural values. This is because there are different conceptions about work experiences between employees, as for instance, in the Southeast Asian nations and in western countries like the USA and Canada. According to Wyatt (2000), a particular conception of QWL is an outcome of forces from within a certain set of socio-cultural circumstances and, therefore, the implementation of QWL in various cultures must be adjusted within certain socio-cultural constraints and cannot be applied indiscriminately across a wide spectrum of countries.

In the context of Malaysia for example, Rashid et al. (2003) discussed the influence of corporate culture and organisational commitment on financial performance. Using Malaysian companies as its sample, the study demonstrated that there has been a significant correlation between corporate culture and organisational commitment. In fact, the results have important implications for managerial development, especially in relation to human resource development and motivation for employees. The authors assert that there must be a match between the type of organisational culture and the type of organisational commitment in order to motivate employees. Furthermore, not all cultures aim to develop committed employees. This is because different types of organisational culture may have different levels of acceptance on attitudes toward organisational change. For instance, it is suggested that consensual culture is more appropriate in developing affectively-committed employees compared to a competitive or entrepreneurial culture, while in an entrepreneurial or competitive culture, a continuance type of commitment is recommended for the organisation to succeed.

Although there is little evidence to suggest that there is a strong relationship between organisational culture and commitment, characteristics of culture such as corporate values and beliefs have been suggested to be related to commitment and organisational performance (Peter and Waterman, 1982; Trice and Beyer, 1993). Furthermore, organisational commitment has been identified as an important outcome of the ‘goodness’ of the QWL (Davis and Cherns, 1975; Loscocco and Roschelle, 1991). For instance, a supportive work environment often results in greater commitment and involvement among employees (Lok and Crawford, 1999). Employees who experience a supportive work environment will feel satisfied with their jobs, are less likely to leave and more likely to display organisational commitment (Lund, 2003).

From the above discussions of the link between organisational culture and QWL orientation it is reasonable to propose that there is a positive relationship between these factors and that the impact of the construct can be significant.

## **2.8 Social Capital**

Another important attribute of organisations which is increasingly recognised is social capital. Initially the term appeared in community studies (Nahapiet and Ghoshal 1998) but it has gained considerable attention in the context of organisation studies in recent years, referring as noted by Fukuyama (1995:10) to the “ability of people to work together for common purposes in groups and organisations”. Most of the research has been conducted in the areas of organisational social capital (e.g. Nahapiet and Ghoshal 1998; Leana and Van Buren, 1999; Bolino, William, Bloodgood 2001) and corporate social capital (Gabbay and Leenders 2002).

Social capital is considered to be one of the workplace characteristics that can potentially affect employee well-being (Fortune, 2006). It is known that higher levels of social capital lead to greater levels of satisfaction and quality of work life (Requena, 2003). This relational factor helps to build a network of co-operative relationships among organisational members and increases mutual trust that provides an infrastructure through which information and knowledge are shared and simultaneously, it can build intellectual capabilities necessary for solving problems in an organisation and hence, help in realising organisational goals (Nahapiet and Ghoshal, 1998; Gant, Ichniowski and Shaw, 2002).

Social networks can also help organisational members to co-ordinate task interdependencies and assist in the process of accepting organisational change (Berman, West and Richter, 2002). Furthermore, the durability of relationships can facilitate flexibility in the ways work is organised and executed, and enhance organisational well-being and effectiveness.

### **2.8.1 The Definition of Social Capital**

There have been various definitions of social capital reported in the literature. In fact, this concept is still evolving and it is noted that empirical research in a number of different disciplines is called for to assist with the fundamental conceptualisation of the construct (Daniel, Schwler, and McCalls, 2003). For researchers, the term is popular partly because of the broad range of outcomes it can explain (Halpern, 2005), and not surprisingly, the multiplicity of uses for social capital has led to a multiplicity of definitions. Despite that, there is a growing consensus that social capital stands for the ability of actors to secure



benefits by virtue of membership in social networks or other social structures (Porters, 1998).

In organisation studies, analysts use the notion of social capital to refer both to the network of relationships that exists among individuals in a particular group, and to the assets that are mobilised through that network (e.g. Nahapiet and Ghoshal, 1998; Burt, 1992; Putnam, 1993). The concept of social capital has proved to be powerful in explaining actors' relative success in a number of arenas of central concern to organisational researchers, for example, social capital influences career success (Burt, 1992), helps workers to find jobs (Lin and Dumin, 1996), creates intellectual capital (Nahapiet and Ghoshal, 1998), reduces turnover rates (Krackhardt and Hanson, 1993) and organisational dissolution rates (Pennings, Lee and van Witteloostuijn, 1998), influences employment practices and human resource policy (Leana and Van Buren, 1999), and facilitates inter-unit resource exchange and product innovation (Gabbay and Zuckerman, 1998) among others.

Social scientists have offered a number of definitions of social capital. Although these definitions are broadly similar they have been described differently as can be seen in Table 2.8 which presents some of the many definitions advanced by various scholars. The various offerings in Table 2.8 indicate that there is no single definition of social capital; rather, it appears that the particular definition adopted by a study is dependent upon the discipline and the level of investigation. In fact, the common thread spanning most definitions of social capital is the focus on social relations that have productive benefits (Claridge, 2004).

**Table 2.8: Definitions of Social Capital**

<b>Authors</b>	<b>Definitions of Social Capital</b>
Coleman (1990)	Any aspect of social structure that creates value and facilitates the actions of the individuals within that social structure (p.302)
Bourdieu and Wacquant (1992)	The sum of the resources, actual or virtual, that accrues to an individual or a group by virtue of possessing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition (p. 119)
Fukuyama (1995)	The ability of people to work together for common purposes in groups and organisations (p. 10)
Putnam (1995)	Features of social organisation such as networks, norms and social trust that facilitate co-ordination and co-operation for mutual benefits (p.67)
Nahapiet and Ghoshal (1998)	The sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit. Social capital thus comprises both the network and the assets that may be mobilised through that network (p. 243)
Knoke (1999)	The process by which social actors create and mobilise their network connections within and between organisations to gain access to other social actors' resources (p.18)
Leana and Van Buren (1999)	As a resource reflecting the character of social relations within the organisation, realised through members' levels of collective goal orientation and shared trust (p.540)
Adler and Kwon (2002)	The goodwill available to individuals or groups. Its source lies in the structure and content of the actor's social relations. Its effects flow from the information, influence and solidarity it makes available to the actors (p.23).
Inkpen and Tsang (2005)	The aggregate of resources embedded within, available through, and derived from the network of relationships possessed by an individual or organisation (p.151)

*Source: Adapted from Adler and Kwon (2002)*

Social capital also crosses several levels of analysis and has been described using both a macro and a micro lens (Leana and Van Buren, 1999). It is argued that the variety of definitions identified in the literature is due to the highly context- specific nature of social capital and the complexity of its conceptualisation and operationalisation. The differences, however, rather than being recognised as alternative manifestations of social capital, are taken to be complementary, each offering a different view of the institutions and processes at work (Serageldin, 1998).

### 2.8.2 Social Capital Dimensions

As a set of resources rooted in relationships, social capital has many different attributes and special attention should be given to clarify the various characteristics (Putnam, 1995). It can be noted in the literature that a number of frameworks of social capital have been proposed by researchers. Table 2.9 outlines some of these models that been developed by researchers over the years.

**Table 2.9: Social Capital Dimensions**

<b>Authors</b>	<b>Dimensions</b>	<b>Description</b>
Coleman (1988)	Obligation, expectations and trustworthiness	Individuals can depend on each other.
	Information channels	Individuals can obtain information from each other.
	Norms and effective sanctions	Individuals are expected to act in the interests of the group or collective.

**Table 2.9 (Continued)**

<b>Authors</b>	<b>Dimensions</b>	<b>Description</b>
Nahapiet and Ghoshal (1998)	Structural	Concerns the overall pattern of relationships found in organisations – involves the extent to which people in an organisation are connected (i.e., do employees know one another?)
	Relational	Concerns the nature of the connections between individuals in an organisation – focuses on the quality or nature of those connection (i.e., are they characterised by trust, intimacy, liking and so forth?)
	Cognitive	Concerns the extent to which employees within a social network share a common perspective or understanding – focuses on whether these connections have a cognitive component to them as well (i.e., do employees truly understand one another?)
Leana and Van Buren (1999)	Associability	A willingness of network members to subordinate individual interests for the good of the collective.
	Trust	A willingness of members to be vulnerable to another party.
Lowe and Schellenberg (2001)	Trust	Is based on the expectation that an employer or client will act fairly, with the assumption of interdependence, mutual exchange and norm reciprocity.
	Engagement	Feeling obligated to take care of something and seeing it as one's own.
	Communication	Is a basic feature of any effective and co-operative work relationship, workers have clear understanding of their work role, receiving the information required to perform and receiving feedback on how they do it.
	Influence	Means having a say in decisions affecting one's work, including exercising discretion over work schedules and how the work gets done.
Daniel et al (2003)	Structural	As the fundamental elements of the network such as types of ties and connections and social organisations.
	Content	In which social capital resides includes the type of norms, trusts, shared understanding and those variables that hold it together.

Of the dimensions shown above, the framework proposed by Nahapiet and Ghoshal (1998) is widely accepted and is considered useful for examining social capital within organisational settings. This is based on three specific aspects or dimensions of social capital: a structural dimension (properties of the social network as a whole), a relational dimension (transactional content of what is exchanged in a particular relationship), and a cognitive dimension (shared sets of systems for interpretation and mutual understanding dimensions). Among the three dimensions of social capital, the structural dimension has received the most attention and is the most common way that social capital is operationalised in research, especially through social network analysis (Leana and Pil, 2006).

In making the distinction between the structural and relational dimensions of social capital, Granovetter (1992) describes structural embeddedness as the overall pattern of connections between organisational members, and relational embeddedness as the kind of personal relationships people have developed with each other through a history of interactions. The concept focuses on the particular relations people have, such as respect and friendship, that influence their behaviour. It is through these ongoing personal relationships that people fulfil such social motives as sociability, approval and prestige.

The third dimension of social capital which Nahapiet and Ghoshal (1998) call the cognitive dimension, refers to the fact that as individuals interact with one another as part of a collective, they are better able to develop a common set of goals, and a shared vision for the organisation. Describing this dimension, Leana and Pil (2006:354) mention that

“the shared vision and goals, and the collectively held values that underlie them, help promote integration and create a sense of shared responsibility and collective action”.

On the other hand, Coleman (1988) focused on the importance of social relations as the main dimension of social capital. The author specifically emphasised that certain types of social relations are especially important and identified some forms of social capital that include obligations, expectations and trustworthiness of structure, information channels, norms and effective sanctions. Likewise, Leana and Van Buren (1999) posit two components of social capital: (1) associability which they defined as the willingness and ability of participants in an organisation to subordinate individual goals and associated actions to collective goals and actions, and (2) trusts, which they referred as a willingness to be vulnerable to another party. The authors suggest that organisations need to have some level of each of the two elements in order for organisational social capital to exist. Without some degree of associability, even the most trusting employees will be unable to realise the benefits of organisational social capital because they cannot agree upon nor co-ordinate, their common activities.

Similarly, Lowe and Schellenberg (2001) in their analysis of the changes of the work context highlighted the multidimensional character of the relationship linking workers with employers, business clients, and other workers. They stress the importance of the employment relationship (a term used interchangeably with social capital) in workplaces and labour markets, especially in terms of a range of positive outcomes that are associated with it, such as job satisfaction, improved workplace morale, opportunities for skill development and use, low turnover and low absenteeism. They identified trust,

commitment (also referred to as engagement), communication, and influence, as the core dimensions of the employment relationship. According to the authors, in the work context, trust is based on the expectation that an employer or client will act fairly, with the assumption of interdependence, mutual exchange and norm reciprocity. Commitment or engagement refers to an individual's personal identification with an organisation and its goal. Influence means having a say in decisions affecting one's work, including exercising discretion over work schedules and how the work gets done. Finally, communication is considered as the basic feature of any effective and co-operative work relationship, required because workers need to have a clear understanding of their work role, to receive the information required for them to perform, and to receive feedback on how they do this.

Most research in the area of social capital emphasises relationship networks. Organisations definitely work better if organisational members have a good amount of social capital (Lin, Cook and Burt, 2001). According to Fukuyama (1995), social capital is important for the well-functioning of economic institutions, since high levels of trust among citizens is known to contribute towards the superior performance of institutions in a society. This result from the fact that the individuals involved are able to share their common norms and values which makes it easier in terms of exchanging information and knowledge, thus leading to lowering the cost of doing business.

At the same time, individuals are also less likely to fear opportunistic behaviour on the part of their colleagues, enabling an environment of collaboration and exchange that can benefit both organisations and the individuals who work within them (Leana and Pil,

2006). In fact, the most effective groups and organisations are those with the highest levels of trust or social capital.

At the organisational level, Lin et al. (2001) found out that job prospects dramatically improved for individuals with ties to their distant and non-redundant contacts. Individuals with networks rich in structural roles (for example, salespeople, senior managers) are more likely to be promoted early, especially at the executive levels (Burt, 1992). This is due to their ability to co-ordinate other people, identifying opportunities to add value to the organisation and getting the right people to develop the opportunities. All these capabilities add to an individual's value in the organisation.

Similarly, Kraatz (1998) showed that strong ties create 'high-capacity information links' between organisations. For example, a group that needs to adapt to environmental change could use social capital as a mechanism for vicariously learning from the insights and experiences of their peers in other organisations. Consequently, this reduces the transaction costs that accrue to the organisation.

Nahapiet and Ghoshal (1998) emphasise the importance of social capital for the development and dissemination of knowledge within organisations. In this context, social capital becomes an important resource or mechanism that allows individuals to work together more effectively and efficiently, especially when they know one another, understand one another, and trust and identify with one another. Previous studies have indicated that organisations characterised by high levels of social capital are more likely to be more successful than their competitors with relatively low levels of social capital. In



other words, high-quality relationships between employees give organisations a sustainable edge over their competitors (Nahapiet and Ghoshal, 1998).

Cohen and Prusak (2001:10) highlighted four main benefits for organisations with high levels of social capital, as follows:

- (i) better knowledge sharing, due to established trust relationships, common frames of reference and shared goals;
- (ii) lower transaction costs, due to a high level of trust and a co-operative spirit (both within the organisation and between the organisation and its customers and partners);
- (iii) lower turnover rates, reducing severance costs and hiring and training expenses, avoiding discontinuities associated with frequent personnel changes, and maintaining valuable organisational knowledge; and
- (iv) Greater coherence of action due to organisational stability and shared understanding.

The above discussion clearly shows that social capital is a quality created between and among people and organisations and, therefore, both social capital and human capital need to be managed jointly (Pennings et al., 1998). As Wright and Snell (1998) observe, the ability to leverage one's intelligence, education, and experience depends in some part on how well, to whom, and from whom, one exchanges information and ultimately, knowledge. Thus, social capital is the contextual complement of human capital.

### **2.8.3 Social Capital and QWL Orientation**

An old proverb notes that “the fish does not see the water it swims in”. Similarly, we often fail to see the importance of social capital that surrounds us (Cohen and Prusak, 2001) which is the underlying social and psychological dynamics of workplaces (Lowe, 2000). Today, individualism is gaining in pre-eminence and organisational life is becoming a pure exchange relationship (Saklani, 2004). At the same time, the relational and social component of QWL is slowly weakened with the present day realities.

In recent years, however, management has begun to address ways to create work environments that support worker well-being and organisational performance. High-quality work environments provide an appropriate avenue to nurture strong social capital among organisational members which then promotes an improved quality of work life, and enhanced organisational performance (Lowe et al, 2002).

According to Requena (2003), social capital is found to be a better predictor of the quality of life at work and job satisfaction compared to the characteristics of the worker, the company or organisation, and the work environment. The construct acts as a lubricant for good functioning in the social institutions, in general and in the economic institutions, in particular. In this case, the higher levels of social capital (measured based on five dimensions: trust, social relations, commitment, communication and influence) implied greater levels of satisfaction and quality of work life. For instance, the relation that a worker maintain with others in the workplace will undoubtedly be determined by the elements relating to a better or worse relationship, trust, and commitment between superiors and subordinates, and such experience may well enhance a worker’s QWL.

Social capital is positively related to an organisation's ability to elicit the commitment of its employees, to be flexible, to manage collective action, and to develop high levels of intellectual capital (Leana and Van Buren, 1999). In relation to this, the quality of communication plays an important role. For example, the exchange of information from one member to the others transpires along communications linkages. Workers will have a clear understanding of their role when they receive the appropriate information to perform their role, and receive feedback on how well they discharge this. Furthermore, good quality communication can serve to construct perceptions of meaning and reality itself (Watson and Papamarcos, 2002). All these will directly affect the level of employee commitment to the organisation.

Social participation describes employee participation that is interpersonal or involves social contact, such as attending non-mandatory meetings and being involved in social activities within an organisation (Bolino et al., 2002). This particular nature of personal relationships is one of the important dimensions of the QWL (Walton, 1975), being likely to facilitate the formation of relationships between organisational members, and thus increase the number of network ties. Furthermore, this connection might enable information and assistance to be transferred between units or departments which would enhance the overall configuration of ties within the network, and improve organisational efficiency and performance (Burt, 1992).

Consistent with this idea, the role of social capital in organisational settings provides the infrastructure through which information and knowledge flow. These conduits of information and knowledge build the intellectual capabilities for solving problems in an

organisation (Nahapiet and Ghoshal, 1998; Gant, Ichniowski and Shaw, 2002). In this context, employee perceptions of the quality of social relationships at work (i.e. reliable communication, interpersonal trust, and positive perceptions of normative frameworks) (Watson and Papamarcos, 2002) serve to develop QWL and organisational commitment. In fact, it is this element that enriches human being.

What these views hold in common is a primary focus on the outcomes of social capital. The treatment of the social-psychological processes that foster social capital is, however, different among the authors (Watson and Papamarcos, 2002). Further examination of the processes and their impact on outcomes such as organisational commitment; reveal that social capital can be advantageous to both individuals and the organisation. Moreover, managers can play a central role in the development of those factors that enhance interpersonal relationships that, in turn, affect both the quality of an employee's work life and the competitive posture of the firm.

Practically, managers and organisations seeking to build the social capital necessary to outperform their competitors need to do more than merely encourage social interactions among employees, and progress to nurturing motivation and providing resources to achieve this aim (Lesser, 2000). This may require them to provide a good working environment that can inspire their employees to be more productive and improve their well-being. As Bourdieu observes (1986:249), "[t]he existence of connections is not a natural given, or even a social given ... it is the product of an endless effort at an institution".

**Table 2.10: Causal Relations between Social Capital and Organisation-level Outcomes**

Illustrations of hypothesised determinants of social capital	Social Capital		Illustrations of hypothesised outcomes of social capital
	Networks in which reciprocity operates	Network characteristics (across network types)	
<p><i>Personal characteristics</i> <i>Family characteristics</i></p> <p><i>Resources:</i> Basic skill Skills Formal qualifications Experience</p> <p><i>Attitudes and values:</i> Shared goals Team involvement Morale Trust Tolerance of diversity</p> <p><i>Characteristics of work place:</i> Dispersed/centralized Number of networks Links between networks</p> <p><i>Perceived organisational support:</i> Supervisor and organisational support; fairness; commensurate rewards/entitlements; Employers provide perceived entitlements and job conditions</p>	<p><i>Informal ties</i> characterised by familiar/personal forms of negotiated trust and reciprocity (between individuals at work)</p> <p><i>General relationships</i> characterised by generalised trust and reciprocity (e.g. at the level of the organisation)</p> <p><i>Institutional relationships</i> characterised by trust in institutions: Relationship between union/worker and management</p>	<p><i>Size and extensiveness:</i> Number of informal ties, work contacts etc.</p> <p><i>Density and closure:</i> e.g. workers know each other's friends/ co-workers</p> <p><i>Diversity:</i> Ethnic diversity Educational diversity Diversity of experience/skills</p>	<p><i>Worker well-being:</i> Job satisfaction Improved morale/emotional needs met. Capacity to progress Reduced stress/illness Less risks of accident</p> <p><i>Worker performance:</i> Capacity to overcome problems Capacity to learn new skills Capacity to innovate Less reaction to job stress Improved in-role and extra-role performance Improved promotion prospects</p> <p><i>Organisational productivity:</i> Increased output Improved quality Reduced absenteeism Less tardiness Lower turnover Faster and more effective flow of skills and information</p>

*Source: Adopted from Stone and Hughes (2002:2)*

Table 2.10 shows the causal relations between social capital and organisation-level outcomes. Stone and Hughes (2002:2) provide the only attempt to model the core dynamics of 'social capital' (although their work is focused at the national levels and is not designed to deal with the aspects of 'social capital' which are relevant at the organisational level). Their general model is presented here to show the mechanisms of social capital at work within the organisation. The factors in the first column determine those in the second and third columns, which in turn determine the fourth outcomes column. In addition, the determinants of social capital can also be outcomes and vice versa.

Base on the above arguments, the present study anticipated that this relational factor of social capital will have greater influence on QWL orientation. Obviously, it is not enough to have a job that generates labour satisfaction. Besides the physical conditions of the workplace, Requena (2003) believes that the relations that a worker maintains with others in the work place is a chief factor that contribute to determine the quality of life at work that a person experiences.

Furthermore, the strength of social relationship at work has important consequences not only for workers but also the organisation as a whole (Lowe and Schellenberg, 2003). Trust, social relationship, engagement and communication possibilities in daily work are elements which explain a great proportion of the quality of working life that people can obtain in their workplace (Lowe, 2000). For all these reasons, social capital is considered to be a good explicative factor of QWL. Therefore, it is proposed that:

**Proposition 2:** The relational factor in the work environment (social capital) will have greater influence on the orientation of the organisation toward QWL.

## **2.9 Organisation Structure**

Organisation structure is a critical factor both for a company/organisation and its members. It is the structure which provides the guidelines for the system of reporting that drives an organisation, dividing it into areas that are responsible for certain aspects of the organisation's purpose. The organisational structure is also a reflection of the manager's determination of what the firm does and how it completes the work given the chosen strategies (Hitt and Hoskisson, 1999). In the long run, organisation structure can spell the difference between success and failure for a company/organisation as well as for the individuals who work there (Fontaine, 2007).

The right organisational structure can play an important role in an organisation's evolution. As a means to help management achieve its objective, the structural form of an organisation not only shapes, to a considerable degree, the behaviour of the individuals within it, but it also determines the jobs that people do as well as the nature of interaction within and outside the organisation (Robbins, 2003). Besides that, its characteristics can act as an information filter, limit what an organisation can see and perceive and, therefore, what it can learn (Miles and Snow, 1978).

### 2.9.1 The Definitions of Structure

Organisation structure has been defined from many perspectives. The definitions of organisation structure from various authors are presented in Table 2.11.

**Table 2.11: Definitions of Organisation Structure**

<b>Authors</b>	<b>Definitions</b>
Mintzberg (1979)	The sum total of the ways in which (an organisation) divides its labour into distinct tasks and then achieves coordination among them (p.2)
Miles (1980)	As those features of the organisation that serve to control or distinguish its parts. It is a firm's formal role configuration, procedures, governance and control mechanisms, and authority and decision-making process (p.66)
Fredrickson (1986)	An organisation's internal pattern of relationships, authority and communication (p. 282)
Walton (1986)	As the basis for organising, to include hierarchical levels and span of responsibility, roles and positions, and mechanisms for integration and problem-solving (p.7)
Robbins (1990)	Organisation structure is how tasks are located, who reports to whom and the formal co-ordinating mechanisms and interaction patterns that would be followed (p.5)
Wilson (2003)	As the way in which an organisation defined itself functionally, occupationally, hierarchically and spatially (p.277)

The above definitions indicate that the organisation structure is basically the arrangement of organisational parts that exist to provide organisational effectiveness. It reflects the form of internal relationships, the line of authority and communication and the allocation of rights and duties in organisations. It is these elements that can be modified to introduce change within an organisation and that provide the foundation for a quality work



environment. However, the chosen structure can either facilitate or hamper organisational pursuit. Ideally, organisations must adopt structures which are flexible, allow for greater management participation and support, and more importantly, recognise the importance of change if the aim is to secure improved organisational effectiveness and well-being.

### **2.9.2 The Dimensions of Organisation Structure**

Organisation structure has been characterised by reference to a variety of dimensions and illustrated by using a variety of 'types' (e.g. functional or divisional), but according to Drago (1998), it has been described and investigated in two principal ways. One way has been to consider the organisation from the perspective of certain characteristics such as centralisation or decentralisation, form of departmentalisation, span of control, and/or degree of formalisation. Having adopted this approach, the inter-relationships between these various characteristics and other organisational or environmental variables are then investigated. The other way has described organisation structures as sets of characteristics that fit together to form effective organisations, for example, Burns and Stalker's (1961) mechanistic and organic structures.

In respect of the first method categorised by Drago (1998), three major dimensions of organisation structure have received more attention than any other dimensions in most of the organisational behaviour studies (Robbins, 1990). These are formalisation, centralisation and complexity.

Formalisation refers to the degree to which jobs within the organisation are standardised and the extent to which employee behaviour is guided by rules and procedures (Robbins

and Coulter, 2005). It addresses the degree to which management clearly delineates duties, authority, and accountability. An employee's role expectations are formed via formalisation (Lapidus, Roberts and Chonko, 1997). It is proposed that formalisation through various rules and procedures, creates a feeling of security in the organisation, protects arbitrary management decisions, enhances role-clarity, and reduces conflict (Prakash and Gupta, 2007). The rules and procedures also help provide co-ordination and directedness (Bartol and Martin, 1991). Hence, this leads to employee commitment, involvement, and increases organisational effectiveness. However, the employees have less input into decisions regarding how their work is to be done and, therefore, the need for them to consider alternatives is removed (Frederickson, 1986).

The second dimension, centralisation, refers to the degree to which decision-making is concentrated at a single point in the organisation (Robbins and Coulter, 2005). A high level of centralisation is the most obvious way to co-ordinate organisational decision-making, but it places significant cognitive demands on those managers who retain authority (Frederickson, 1986). The authority is not widely delegated and the higher levels of management make decisions with little or no input from lower-level employees, although as noted by Robbins and Barnwell (1998), they do nonetheless, often rely on information fed to them from individuals lower in the vertical hierarchy. Highly centralised organisations also possess low levels of flexibility and employees have limited autonomy and control over their work.

Conversely, in decentralised organisations, managers decide what and when to delegate, they carefully select and train personnel, and develop adequate control through the shared

decision-making system (Carrel et al., 1997), which shows decision-making as being dispersed throughout the hierarchy and across departments (John, 1988). Khandwalla (1995) posits that decentralisation has a positive motivational effect upon employees, which further enhances the quality of work life they experience.

With respect to the effects of centralisation and formalisation on organisational behaviour, there has been competing theoretical. Several researchers (e.g. Beyer and Trice, 1978; Price and Delbecq, 1977; Roger, 1983) have argued that stricter channels of authority (centralisation) and more rigid rule specification (formalisation) may reduce conflict and ambiguity, thereby promoting the successful implementation of innovation practices in an organisation. On the other hand, it also limits members' decision-making discretion or threatens professional autonomy (Perrow, 1972).

Finally, complexity generally is defined as the amount of differentiation that exists within different elements constituting the organisation (Dooley, 2002; Robbins, 1990). Robbins (1992) and Hall (1977) suggest three potential sources of complexity – horizontal and vertical differentiation, and spatial differentiation. Horizontal differentiation considers the degree of horizontal separation between units based on the orientation of members, the nature of the tasks, and their training. The larger the number of different occupations within an organisation that require specialised knowledge and skills, the more complex that organisation (Robbins, 1992). Diversity will increase the likelihood that organisations will have different goal emphases as well as training needs, and departmentalisation is the way in which organisations typically co-ordinate activities that have been horizontally differentiated. Consistent with this view, Bommer and Jalajas

(2004) found that the greatest innovation happens where different functional units interact to develop products and processes that best meet the needs of customers.

Likewise, vertical differentiation refers to the depth of the organisational hierarchy. Complexity increases with the number of hierarchical levels. Tall structures as compared with flat structures provide closer supervision and tighter 'boss-oriented' controls, with the result that co-ordination and communication become complicated. The third component, spatial differentiation, encompasses the degree to which the location of an organisation's facilities and personnel are dispersed geographically. The existence of multiple locations increases complexity. An increase in any one of these sources will increase an organisation's complexity (Robbins, 1992). However, the three components do not have to come as a package because they may differ significantly within a given organisation (Robbins, 1992).

In connection with the second method of describing organisation structure, Burns and Stalker (1961) viewed their mechanistic and organic structures as two ends of a continuum. Mechanistic organisations rely on the hierarchy, formal authority and written rules to conduct business, all of which constrain employee freedom and flexibility and are more suitable for a stable environment (Mintzberg and Quinn, 1992). Organic organisations on the other hand, are characterised by flexible, loose, decentralised structures. In these settings, formal lines of authority are less clear, power is decentralised, communication channels are open and more flexible, and formal rules and regulations take a back seat to adaptability in helping employees accomplish goals (Burns and Stalker, 1961; Khandawalla, 1977; Lawrence and Lorsch, 1967). Due to the lack of

formal structure in organic organisations, this would support higher levels of commitment, shared beliefs among employees and information exchange (Amabile et al., 1996). In fact, most organisations today display some characteristics of both, and intermediate stages exist between the two structure types.

Martin (2005) argued that the design and structure of an organisation is not something that occurs by chance or as a result of some dictates from shareholders. It is how the elements of organisational structure operate in concert to enhance the efficiency and effectiveness of the organisation as a whole that matters (Kirkpatrick and Ackroyd, 2003). Furthermore, an organisation is something over which people have stewardship for a period of time and the processes are sometimes constrained by a number of forces such as size, technology, markets, legal requirement, as well as by the ability and objectives of individuals within the organisation.

A considerable amount of research has demonstrated the interaction of organisational structure with a variety of factors to influence various organisational outcomes (Lawrence and Lorsch, 1967; Pugh et al., 1969; Barclay, 1991; O'Neill et al., 1997; Sarros et al., 2002). Thus, structure alone will not guarantee the success or failure of an organisation. The weaknesses and deficiencies of a particular structural configuration however, can be offset to a significant degree by the support mechanisms introduced by the management (Mintzberg, 1979, 1981). As Lusthaus et al. (2002) observe, the ability of an organisation to structure and restructure itself to adapt to changing internal and external conditions is important for maximising organisational performance.

### **2.9.3 Organisation Structure and QWL Orientation**

The link between organisation structure and quality of work life remains relatively unknown, as the direct relationship between both variables has not been subject to thorough review, especially in public sector organisations. The Burns and Stalker (1961) categorisation of mechanistic and organic structures suggests that these ways of organising influence innovation and change, and consequently, several scholars have investigated the effects of a wide range of structural conditions such as centralisation, formalisation, specialisation, professionalism, and functional differentiation.

For example, the link between a set of organisational and group variables and the level of group (department) innovation was assessed by Mohamed (2002) in a survey that collected from a sample of 150 government divisions in the United Arab Emirates. The study supported the hypotheses that departments operating within a decentralised power structure are more innovative than their counterparts in a centralised structure because the decentralised structure gives more discretion and power to individual departments to initiate change and make decisions on their own in response to changing circumstances. The author also revealed that membership diversity is positively related to departmental innovation. This is because the diversity of the workforce brings more perspectives and ideas and is a source of innovation and creativity (Watson, Kumar and Michaelson, 1993).

Research into organisational behaviour has also hypothesised organisational complexity to stimulate innovation (Tannenbaum and Dupuree-Bruno, 1994). Organisational complexity such as the division of labour and differentiation are likely to have positive

effects on human resource innovation because diversity within organisations results in a range of ideas and broader knowledge base (Marshall and Vredenburg, 1992).

According to Andriopoulos (2001), structures in creative organisations tend to be flexible with few rules and regulations, loose job descriptions, and high autonomy. These characteristics imply that decentralisation is important for creativity to be enhanced in an organisation. Furthermore, a lower degree of formalisation would permit openness, which encourages new ideas and behaviours (Pierce and Delbecq, 1977) while formal systems can become so ritualistic that they drive out all creative behaviours in the organisation (Lenz and Lyles, 1983).

Likewise, Hage and Aikens (1970) suggested that a decentralised, participatory structure helps to open the channels of communication, and increase organisational members' awareness, commitment and involvement, all of which further facilitate awareness of potential innovations. Additionally, they found centralisation to be inversely related to propensity to change and agreed that overly bureaucratic organisations stifle individual initiative, risk-taking behaviour, and sense of worker empowerment.

Organisational research also presents views of attitudinal outcomes of organisational formalisation (Sarros et al., 2002). On one hand, formalisation is viewed as 'enabling' when it provides needed guidance and clarifies job responsibilities, thereby reducing role ambiguity and increasing a person's affective commitment to the organisation (Organ and Greene, 1981). However, on the other, formalised rules and procedures can limit the motivational levels of employees (Hackman and Oldham, 1981; Morris and Steers,

1980). This is based primarily on past research that shows written work rules and work policies restrict the free flow of information and limit the discretionary behaviour of employees. Pierce and Delbec (1977) further argued that high formalisation discourages new ways of doing things.

On another note, Hackman and Oldham (1980) contend that employees whose jobs are highly structured, experience lower levels of skill variety and task identity, thus experiencing a sense of meaninglessness, a critical psychological state that signifies lower levels of internal work motivation. Consistent with this view, Robbins (1990) asserts that the greater the number of rules and procedures, the greater the rigidity and inflexibility within the organisation. For instance, a highly formalised organisation with regulating mechanisms that spell out clear responsibilities for departments may lead to more standardised employee behaviours, thus contributing to the development of a corporation's repertoire of behaviours that dictate how various decision-making activities will be handled (Lau et al, 2000).

Several job-related outcomes are also hypothesised to be a direct result of structural conditions. For instance, previous work has demonstrated the effect of centralisation on worker alienation which directly affects workers' experience at work (Sarros et al., 2002). In large bureaucratic structures, hierarchically centralised authority can exert a negative effect on workers by limiting their ability to experience self-control and/or to significantly change the nature of work activities (Sarros et al., 2002). When employees are not allowed to participate in decisions about their work they exhibit high levels of alienation that subsequently affect the quality of their working experience.



However, when employees are allowed to participate in decisions about their work they exhibit higher levels of job involvement/satisfaction and lower levels of alienation. For example, Zeffane and Macdonald (1993) in their study of the Australian telecommunications industry, found negative associations between strategic/operational participation and work alienation for non-managerial staff, thus supporting the proposition that employees who participate in decision-making experience high levels of involvement and satisfaction (an indicator of QWL) and low levels of alienation. According to Savery and Luks (2001), when employees are empowered they have more control over how they perform their work, and this will reduce their risk of stress and improve their well-being.

The relationship between many structural variables and subsequent levels of performance or job satisfaction is, however, not consistent, but understanding how employees perceive their organisation's structure has proved to provide a more meaningful predictor of their behaviour. The discussion above indicates clearly that the three dimensions of structure have major implications on the orientation of the organisation toward QWL. Therefore, it is reasonable to expect a causal relationship between organisation structure and quality of working life orientation.

The discussion on organisation structure ends the clarification of all the four components that constitute the organisational environment factors. In interaction, these factors become strategic enablers in the facilitation of QWL orientation that can benefit the organisation and its employees.

The following section discusses organisational commitment as the dependent variable and its relationship with QWL orientation.

## **2.10 Organisational Commitment**

Organisational commitment is a popular topic in the study of organisational behaviour (Meyer and Allen, 1997). It is an important attribute from an organisation's perspective. This is in part due to its job-related outcome at the individual level that has been linked to a number of other job-related outcomes such as employees' absenteeism, turnover, job effort and performance (Randall, 1990; Mathieu and Zajac, 1990). According to Batemen and Strasser (1984:95), the reasons for studying organisational commitment are related to "(a) employee behaviours and performance effectiveness, (b) attitudinal, affective, and cognitive constructs such as job satisfaction, (c) characteristics of the employee's job and role, such as responsibility and (d) personal characteristics of the employee such as age, job tenure".

Organisational commitment is more than just a passive attachment to an organisation. Committed employees feel the need to go beyond job requirements in order to make a significant contribution to the organisation (Mowday, Steers and Porter, 1979). Given that the consequences to an organisation of employees with low commitment can be costly; this whole issue of how to achieve commitment from a workforce deserves the attention of the management (Hartmann and Bambacus, 2000).

The commitment principles involve a variety of complex aspects of organisation and management, including planning, decision-making, implementation, and evaluation, all of which affect the present performance, and future of the organisation (Awamleh, 1996). Therefore, it is important to understand the conditions that contribute to the development of commitment and the consequences of commitment from the employees' perspective. Furthermore, the management of any organisation should also try its best to increase employees' level of commitment through creating an appropriate atmosphere to achieve those ends.

### **2.10.1 The Definition of Organisational Commitment**

Organisational commitment has been a subject of interest that attracts many researchers. The construct has evolved into a complex concept that can serve as a summary index of work-related experiences and as a predictor of work behaviours and behavioural intentions (Bennett and Durkin, 2000). There are multiple definitions of organisational commitment found in the literature. Some scholars have conceived it as a pattern of behaviours, a set of behavioural intentions, a motivating force, or an attitude (Meyer and Allen, 1997). However, at least two major perspectives of the concept are highlighted: an attitudinal perspective and a calculative/normative perspective (Subramaniam and Mia, 2000).

An attitudinal perspective refers to the psychological attachment or affective commitment formed by an employee in relation to his/her identification and involvement with the organisation (Porter et al., 1974; Allen and Meyer, 1990). The calculative/normative perspective refers to an employee's commitment to continue working for the organisation

based on the notion of investment in it (Allen and Meyer, 1990). Table 2.12 shows the definitions of organisational commitment as provided by various authors.

**Table 2.12: Definitions of Organisation Commitment**

<b>Authors</b>	<b>Definitions</b>
Becker (1960)	Commitment comes into being when a person, by making a side bet, links extraneous interests with a consistent line of activity (p. 32)
Sheldon (1971)	An attitude or an orientation toward the organisation which links or attaches the identity of the person to the organisation (p.143)
Buchanan (1974)	A partisan, affective attachment to the goals and values of an organisation, to one's role in relation to the goals and values and to the organisation for its own sake, apart from its purely instrumental worth (p.533)
Marsh and Mannari (1977)	Commitment as an obligation to remain with the organisation. The authors state that an employee with a "lifetime commitment" is one who "considers it morally right to stay in the company, regardless of how much status enhancement or satisfaction the firm gives him over the years" (p.59)
Mowday, Porter and Steers (1982)	The relative strength of an individual's identification with and involvement in a particular organisation (p.27)
Wiener (1982)	The totality of internalized normative pressures to act in a way which meets organisational goals and interests (p.421)

**Table 2.12 (Continued)**

<b>Authors</b>	<b>Definitions</b>
Bateman and Strasser (1984)	As multidimensional in nature, involving an employee's loyalty to the organisation, willingness to exert effort on behalf of the organisation, degree of goal and value congruency with the organisation, and desire to maintain membership (p.95)

Meyer and Allen (1997)	Commitment is a psychological condition that relates the criteria in the employee relationship in the organisation and the implications on the decision to remain in the organisation (p.11)
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*Source: Adapted from Allen and Meyer (1997)*

In all cases, researchers have agreed that organisational commitment can be referred to as the attachment formed by employees to their employing organisations. Based on an approach that has been widely used, organisational commitment is defined as an attitude held by an employee toward his/her employing organisation (Mathieu and Zajac, 1990).

### **2.10.2 Organisational Commitment Dimensions**

Generally, there are two contending views of organisational commitment dominating the literature: these being the models of Mowday, Porter and Steers (1979) and Allen and Meyer (1990).

#### **(i) The Mowday, Porter and Steers Model**

The Mowday et al. (1979) model has dominated the operationalisation of the concept for the last three decades. They identified commitment-related attitudes and commitment-related behaviours, stating that organisational commitment involves the internalisation of the organisation's values and goals, willingness to work hard on behalf of the organisation, and a strong desire to remain within it. Additionally, they developed a research instrument called the organisational Commitment Questionnaire (OCQ) to measure the construct, and this has continued to be the most widely used research instrument to measure organisational commitment. Mathieu and Zajac (1990) noted that

out of 174 studies they investigated, 103 used the OCQ instrument. The reported figures however, may actually be an underestimation of today's literature output.

### **(ii) The Allen and Meyer Model**

This model emerges as an alternative viewpoint to the model proposed by Mowday et al. (1979). Allen and Meyer (1991) developed a framework that is designed to measure three different types of organisational commitment: affective, continuance, and normative. Affective organisational commitment describes an employee's emotional attachment to, identification with, and involvement in the organisation (Mowday et al., 1979; O'Reilly and Chatman, 1986). Employees with a strong affective commitment stay with the organisation because they want to do so.

Continuance commitment refers to employees' assessment of whether the costs of leaving the organisation are greater than the costs of staying (Reichers, 1985), and employees who perceive that the costs of leaving the organisation are greater than the costs of staying remain because they have no real alternative. The third type normative commitment refers to employees' feeling of obligation to the organisation. Employees with high levels of normative commitment stay with the organisation because they feel they ought to (Weiner, 1982).

Allen and Meyer (1991) contend that the three dimensions of organisational commitment are regarded as components rather than types because employees could have all the three components to a varying degree. For example, one employee might feel both a strong attachment to an organisation and a sense of obligation to remain while others might enjoy working for the organisation but also recognise that leaving would be very difficult

from an economic standpoint. There are also those who might experience a certain amount of desire, need, and obligation to remain with the current employer (Allen and Meyer, 1997). For them, a committed employee is one who “stays with an organisation, attends work regularly, puts in a full day and more, protects corporate assets and believes in the organisational goals” (Allen and Meyer, 1997:3). This employee positively contributes to the organisation because of his/her commitment to the organisation. However, even though the authors present this argument, it does not imply that there is a rationale for summing all the scales to obtain an overall score for organisational commitment.

In Malaysia, studies on organisational commitment have been considered an important area in understanding employee behaviour. Many researchers have examined and established the importance of organisational commitment in their studies (e.g. Rohani, Fauziah and Illias, 2004; Normala, 2010). The research findings from the research conducted revealed that there exists a link between organisational commitment with various antecedents and outcomes. However, little is known about the relationship between QWL and organisational commitment in Malaysian firms and public organisations.

### **2.10.3 Organisational Commitment and QWL Orientation**

Fostering organisational commitment is generally considered an attractive means of goal achievement and development and part of the stability mechanism of any organisation. It is essential for any organisation to hold its people and motivate them to increase their level of commitment through the creation of an appropriate working atmosphere in order

to achieve the organisational objectives (Steers, 1977; Awamleh, 1996). Furthermore, employee commitment is a two-way street -organisations and managers must demonstrate commitment to their employees before receiving commitment from them (Romzek, 1990).

There are many factors that influence employee commitment, and as pointed out in the literature, the environment in which the organisation operates is great influential in this respect (Romzek, 1990). In this context, an ideal work environment is characterised to include aspects of effectiveness, efficiency, human well-being, and a favourable organisational climate (Cacioppe, 1984). Therefore, an employee who enjoys a sense of QWL via his/her employing organisation is likely to feel positive about the organisation and this positive attitude is likely to result in commitment to the organisation. Greenhause et al., (1987) state that a happy employee is a productive employee; and a happy employee is a dedicated and loyal employee. Therefore, employees who feel committed to their organisation develop a sense of belongingness and are able to fulfil the human need for meaningful work.

Buchanan (1974) suggested that commitment is influenced by the nature and quality of an employee's work experience during his/her tenure in an organisation. In this circumstance, work experiences are considered as a major socialising force which is an important influence in forming psychological attachments with the organisation. Experiences that are found to influence commitment include group attitudes toward the organisation (Buchanan, 1974), organisational dependability, and trust (Buchanan, 1974; Hrebiniak, 1974), and rewards or the realisation of expectations (Grusky, 1966).



Conversely, external job opportunity will decrease commitment, whereas social support from one's spouse, parents, and friends outside work will increase it.

Organisational commitment has also been associated with many organisational and behavioural outcomes. However, the impact of organisational commitment varies for organisations and individuals (Meyer et al., 1989) as the underlying motivations of each form of commitment are different. Most frequently, organisational commitment has been used to predict withdrawal behaviours associated with workplace attendance. For example, Mathieu and Zajac (1990) found that organisational commitment was positively correlated with job attendance and had a negative linear relationship to tardiness and turnover. This finding supports the results of several other studies on withdrawal and organisational commitment (e.g. Jaros, Jermier, Koehler and Sincich, 1993).

With regard to the behaviours associated with high levels of organisational commitment, the literature reveals that the most important category includes those behaviours associated with or demonstrating the willingness of the individual to exert considerable effort on behalf of the organisation (Mowday, Steers and Porter, 1982). This willingness may be manifested in such commitment behaviours as working more hours than the organisation formally requires or at times not typically associated with the job in question. If one is committed to the organisation, and there is work that needs to be done, one would be inclined to stay to finish that work.

Studies have also linked organisational commitment to measures of effectiveness. For instance, research has found a relationship between high-commitment human resource

policies and positive organisational outcomes such as productivity and profitability (Huselid, 1995; MacDuffie, 1995). Additionally, there is some evidence indicating that best practice can encourage employees' attitudes and behaviour towards strengthening the competitive strategy of an organisation (Agarwala, 2003). In fact, several researchers have used the term high commitment practices to refer to innovative HR practices (e.g. Wood, 1995).

Perceptions of QWL are also positively and significantly related to organisational commitment (Weiner, 1982). Fields and Thacker (1992) in their study found that company commitment increased only when employees perceived QWL efforts as successful, but union commitment increased irrespective of the perception of QWL success. Meanwhile, Mathieu and Zajac (1990) suggested that people's perceptions of their own competence play an important role in the development of affective commitment. In this regard, employees who had strong confidence in their abilities and achievement had higher commitment compared to those who are less confident. However, according to the authors it is difficult to know whether affective commitment to the organisation derives directly from true 'dispositional self-confidence' or from other plausible explanations.

General support for the relationship between job characteristics and commitment has also been reported (e.g. Flynn and Tannenbaum, 1993; Mottaz, 1988). Mathieu and Zajac (1990) found that autonomy, challenge, and variety were positively correlated with commitment and ambiguity was negatively correlated with commitment. The perceived

importance of various job characteristics however, demonstrated a small but significant relationship with commitment (Mottaz, 1988).

While existing theoretical job characteristics models (Hackman and Oldham, 1976) do not address commitment directly, there is sufficient empirical information to suggest that job characteristics can also influence organisational commitment directly. For example, Shao and An (2002) suggests that highly committed employees perform better than their less committed counterparts. This is in part due to workers who enjoy a sense of QWL with their organisation being likely to feel positive about it, which in turn predisposes commitment.

This discussion on relationship between QWL and organisational commitment concludes the explanation of organisation commitment. Subsequently, it is pertinent to examine QWL as the mediating factor between the four antecedents and organisational commitment.

### **2.11 QWL as the Mediating Factor between the Antecedents and Organisational Commitment**

Although a number of studies have examined the direct linkages between antecedents and job-related outcomes (e.g. Trice and Beyer, 1993; Requena, 2003; Sirgy et al., 2001; Sarros et al., 2002; Perryer and Jordan, 2005), there is still a need to examine the interaction and influence of the organisational environment on this relationship since two important questions present themselves, these being: Is the orientation of the organisation toward work improvement playing more significant role in the relationship? Is it possible

that the linkage between antecedents and the outcomes is fully or partially mediated by the organisation's orientation? Thus, an examination of the relationship between antecedents, QWL and the outcome variable, organisational commitment is warranted.

As highlighted earlier, QWL orientation is conceptualised as a process approach that concerns the methods, practices and activities undertaken by organisations to improve employees' satisfaction and well-being and enhance organisational effectiveness (Shoaf et al., 2004). This means that organisations are continuously adjusting their internal configurations such as structure, technology, work processes and culture in order to meet the needs of its own specific circumstances within the current dynamic environment (Golembiewski and Sun, 1991; Sun, 2000). Such efforts are also a strategy for breaking the cycle of events that will benefit both labour and management (Lau and May, 1999; Lau, 2001).

The process approach also calls for the active involvement of people throughout the organisation in order to realise the stated goals. Through their involvement, people can make more meaningful contributions to the business and at the same time experience greater feelings of satisfaction, pride in accomplishment and personal growth. More importantly, QWL brings together the needs and development of people with the goals and development of the organisation.

QWL orientation is treated as the mediating factor in the relationships between the antecedents and organisational commitment. The organisational factors that interact, enable the forming of an appropriate environment for intervention efforts to occur which further facilitates or contributes to optimise the work outcomes. In other words, QWL

involves promoting a work environment conducive to the satisfaction of employee needs and the enhancement of organisational effectiveness (Koonmee et al., (2009). Thus, improvement of the environmental factors (such as physical environment, safety and other working conditions) and relational factors (such as work group relations and labour-management relations) which are regarded as the main factors of QWL,has been emphasised (Fulmer, Gerhart and Scott, 2003; Saklani, 2004).

The organisational studies literature has also highlighted job conditions the work environment, and employee welfare and well-being as critical factors (Walton, 1974; Mirvis and Lawler, 1984; Loscocco and Roshelle, 1991; Sirgy et al., 2001; Lewis, Brazil, Krueger, Lohfeld and Tjam, 2001). Although there is still no consensus on the specific elements of an organisation that interact to create positive outcomes, prior research has shown that improvement efforts in respect of both job content and work environment significantly influence work outcomes (Lau and May, 1999; Shoaf et al., 2004; Saklani, 2003; Sirgy et al., 2001).

### **2.11.1 Leadership Behaviour, QWL and Organisational Commitment**

Leadership behaviours have been linked to a variety of outcomes such as employee commitment to the organisation (Barling, Weber and Kelloway, 1996), organisational commitment and lower levels of job stress (Podsakoff, Mackenzie and Bommer, 1996), and job satisfaction and satisfaction with a leader (Lowe, Kroeck and Sivasubramaniam, 1996). The positive associations between leadership and followers' behaviours is well documented (Judge and Piccolo, 2004) and studies have begun to examine the process by

which those effects are ultimately realised (e.g. Avolio and Shamir, 2002; Kark, Shamir and Chen, 2003).

According to Smircich and Morgan (1982), one of the powerful influences a leader can have on followers is in the “management of meaning”. They suggested that leaders can influence followers by “mobilising, meaning, articulating and defining what has previously remained implicit or unsaid, by inventing images and meanings that provide a focus for new attentions, and by consolidating, confronting or changing prevailing wisdom” (1982:258). For example, leaders who exhibit transformational behaviour can influence how followers judge a work environment by using verbal persuasion and by clearly communicating the value of an organisation’s mission (Shamir and Arthur, 1993).

Leaders are also central characteristics of a work context that act as relevant information points when followers make judgments about their jobs (Salancik and Pfeffer, 1978). Employees will exhibit higher levels of job involvement/satisfaction when they are given a high level of autonomy and control over their own work which in turn, affects their commitment. Thus, leaders who engage in individualised consideration by coaching and teaching are likely to have followers who experience more autonomy and feedback in their jobs. For instance, supportive leaders promote intrinsic motivation and provide employees with the psychological support needed by them to cope with complex job demands (Shamir, House and Arthur, 1993).

Organisational researchers have posited that the primary stimulus for organisational commitment comes from the work environment (Steers, 1977), and it is the various leaders within the organisation who define and shape that environment. One means of capturing key facets of the environment is by considering the job characteristics. According to the Hackman and Oldham (1980) Job Characteristics Model, organisations can encourage positive work attitudes and increased work quality by enhancing jobs along five dimensions (i.e. variety, identity, significance, autonomy, and feedback). Although perceptions of core job characteristics are dependent upon the structural aspects of the formal job description, leaders can foster such perceptions through their own actions.

In a similar vein, research by Bass and Avolio (1994) indicates the power of transformational leadership (or sometimes refer to relation-oriented leadership) in inspiring workers to achieve beyond expectations to produce results that transform organisations and their workers into cohesive and dedicated work environments. Other research also shows empirically how transformational leadership contributes to effective outcomes built on trust and commitment (Avolio, 1999). In fact, Kelloway and Barling (2000) assert that followers of this type of leader become more committed and loyal to the organisation.

Studies on the leadership-organisational commitment relationship by Rowden (2000) indicate that a leader's sensitivity to members' needs is related to organisational commitment. Managers who are clear about the goals and values of the organisation will

encourage and guide their subordinates to work hard and maintain higher levels of output. Such a manager readily gains the respect and acceptance of subordinates and is able to get work done through them. Consequently, subordinates will remain committed by the ongoing process of nurturance (Kunnamatt, 2007). Drawing on earlier work by Salancik (1977), the authors argued that individuals who are more committed to goals will try harder to achieve them and persist in that effort longer, thereby providing a powerful driver of task performance (Locke and Latham, 2002).

In the context of the public sector, Mintzberg (1996) argues that control is normative and that it is attitudes grounded in values and beliefs that matter. Therefore, there is no substitute for human dedication and an organisation without human commitment is like a person without a soul. There is also a need to explore more comprehensively the effects of leadership behaviour on organisational context such as job characteristics and work environment and its impact on organisational commitment. The associations between the variables would provide further understanding of the workplace environment and ways in which to improve it. Thus, strategies for good work organisation such as employee support as well as redesigning jobs and work settings must also be emphasised in the attempt to create a robust organisation (Lindstrom, 1994). The present study consequently posits that the organisation's orientation toward QWL mediates the effects of leadership on organisational commitment.



### **2.11.2 Organisational Culture, QWL and Organisational Commitment**

The attributes of an organisation that successfully fosters a dynamic, adaptable, and vital nature are often linked to deeper assumptions in the form of beliefs and values. These underlying norms, beliefs and values are some of the building blocks of organisational culture (Korte and Chermack, 2007) which is referred to as components of basic assumptions (Schein, 1992).

Organisational culture has been identified as an important aspect of organisational behaviour and is useful in helping to understand how organisations function (Silverthorne, 2004). The culture also governs the way organisational members react to change and new ideas that determine the policies, practices and systems used to manage the organisation (Risher, 2007). Within the existing literatures, there are reports of studies that have suggested organisational culture to exert a considerable influence, particularly in areas such as performance and commitment (Deal and Kennedy, 1982; Peters and Waterman, 1982). For instance, Deal and Kennedy (1982) emphasised the need for a strong adaptive organisational culture to cope with a changing internal and external environment. In their view, a strong organisational culture is a powerful tool to influence employee behaviour and improve performance, and hence, is extremely important. Similarly, Kotter and Heskett (1992) found that firms with 'adaptive values' are strongly associated with superior performance over a long period of time as compared to demonstrating simply short-term performance. Others like Petty et al. (1995) found that a cultural emphasis on co-operation and teamwork were conducive to organisational effectiveness.

Relatively fewer studies have investigated the link between organisational cultures and job-related outcomes. For example, Odom et al. (1990) investigated the relationships between organisational culture and three elements of employee behaviour, namely, commitment, work-group cohesion, and job satisfaction. They concluded that the bureaucratic culture, which dominated their sample of transportation organisations, was not the culture most conducive to the creation of employee commitment, job satisfaction, and work-group cohesion. In related studies, Nystrom (1993) investigating health care organisations, found that employees in strong cultures tend to express greater organisational commitment as well as higher job satisfaction.

The organisation's orientation toward QWL is pertinent to the ideal of gaining employee commitment (Bhatnagar, 2007), since the environment in which people work and the interpretations of those environments can have considerable effects upon the perceptions, attitudes and behaviours of all people in the organisation (Shivers-Blackwell, 2006). Research provides evidence that the relationship between organisational culture and job-related outcomes such as commitment, satisfaction, and performance, is affected by perceptions of the particular working environment involved. For example, writers such as Connor and Becker (1994) and Dose (1997) argue that managers' perceptions of the organisational culture existing in their workplace are key determinants of their work attitudes, and thus provide an important framework for understanding managers' decisions and behaviour at work.

According to Silverthorne (2004), an organisation with a culture that is basically supportive in nature is likely to have the highest level of employee of job satisfaction and

organisational commitment. The organisational design and support in the form of adequate support services, continuity, time, job challenge, and autonomy in decision-making all increase the retention and commitment of employees (Gifford and Zammuto, 2002). Similarly, organisational cultures that emphasise values of fraternal relationship, mentors, and respect for individual members, foster loyalty, long-term commitment, and aid employee satisfaction (Kerr and Slocum, 1987). In contrast, organisational cultures that emphasise order and control, aggressiveness, and a strong desire for individual achievement, may be viewed as resulting in a 'ruthless' work environment not conducive to employee long-term security, loyalty, or satisfaction (Shellenbarger, 2000).

Different organisations exhibit subtle differences in culture. In the context of business research, Deshpande and Farley (1999) studied the relationship between corporate culture and market orientation in Indian and Japanese firms, finding that the most successful Indian firms had an entrepreneurial culture while Japanese firms had an entrepreneurial and competitive culture. Risher (2007), however, suggested that organisations in the public sector have a somewhat similar cultural pattern that is a bureaucratic culture which stresses a formalised, structured place; and being led by a co-ordinator emphasising stability. The motivating factors within a bureaucratic culture are security, order, rules and regulations, but this culture may encounter problems in maintaining employee commitment and satisfaction since it offers no opportunities for innovation, or indeed any support to employees (Orgaard, Larsen and Marnburg, 2005).

Organisational culture also compliments rational managerial tools and processes like strategic direction, goals, tasks, technology, structure, communication, decision-making,

co-operation and interpersonal relationships in influencing behaviour and change (Martin and Terblanche, 2003). The influence runs both ways, with the dominant culture having an impact upon the policies and practices adopted by the organisation, as well as on the employees (Den Hartog, 2004). Proper alignment of all the elements of culture is however, essential to establish and maintain favourable conditions and a quality work environment that supports and promotes the perceptions and behaviours of its employees. Moreover, the facilitative conditions created by organisations may provide a good fit which will intrinsically motivate employees to do a good job resulting in a positive impact on outcomes (Silverthorne, 2004).

Based on the findings mentioned above, it can be concluded that the QWL orientation is an important ingredient in the association between organisational culture and organisational commitment (Gifford and Zammuto, 2002). Perceptions of a quality work environment and job-related variables are critical for outcomes ranging from job satisfaction, and commitment to performance (Lowe et al., 2002). Thus, the present study posits that the organisation orientation toward QWL mediates the effects of organisational culture on organisational commitment.

### **2.11.3 Social Capital, QWL, and Organisational Commitment**

As mentioned earlier, social capital is an integral part of the organisation's intangible assets. The construct complements financial and human capital as an asset that is more valuable, scarce and imperfectly tradable (Pennings and Lee, 1998). As an asset, it can benefit both the organisation (e.g. creating value for shareholders) and its members (e.g. enhancing employee skills) (Leana and Van Buren, 1999). The quality of social

relationships at work serves to develop organisational commitment because the favourable conditions or quality work environments provide an appropriate avenue to nurture strong social capital among organisational members which also precipitate improved quality of work life, and organisational performance (Lowe et al., 2002). The underlying elements of social capital (i.e. good social relations, trust, engagement and open communication) obtained from the work environment have been shown to generate satisfaction and well-being among the people involved in the organisation, and such satisfaction and well-being consequently have significant direct and indirect effects upon organisational commitment (Watson and Papamarcos, 2002).

Social capital also means the ability to sustain long term relationships and associations (Pennings and Lee, 1998). The joint problem-solving and mutual adjustment that are used to work out problems among organisational members or between units or departments speed up the decision-making process and provide access to privileged and tacit information (Uzzi, 1997). Furthermore, communicative action also serves to construct perceptions of meaning and reality, for example, when management makes efforts to explain to its members on why certain events occur or when justifying its action (Watson and Papamarcos, 2002). Kraatz (1998) showed that strong ties create 'high-capacity information links' between organisations and in instances where organisations need to adapt to environmental change, social capital provides a mechanism for vicariously learning from the insights and experiences of their peers. In this context, the level of interpersonal trust and relationship perceived by members will directly influence organisational commitment.

Research also indicates that the work environment is the major determinant of organisational commitment (Steers, 1977), and that this environment includes personal characteristics, job characteristics, and work experiences. For example, the interpersonal interaction in the work environment such as social communication exchanges and cohesion among organisational members, and the friendship and support provided by co-workers and management, affect individuals' personal functioning at work which further influences their attitudes toward the organisation (Westerman and Simmons, 2007).

Similarly, when the environment encourages growth through providing for participation in decision-making and autonomy in the job context, those who perform the job can exercise greater control over the job context, consequently gaining a feeling of ownership over their job and towards the employing organisation (Pierce, O'Driscoll and Coghlan, 2004). Under this circumstance, the design of the organisation's authority and decision-making systems acts as an important mediating factor in the relationship between social capital and organisational commitment.

For an organisation to function correctly, it is fundamental that the trust, social relations and engagement and a robust process of communication be engendered. These elements make possible the achievement of tasks that would be impossible without them or that could be achieved only at extra costs. The network of co-operation between organisational members generates a high degree of flexibility which contributes to a reduction in the hierarchical levels of the structure. In a survey study of work transformation, Scully and Preuss (1996) found that elements of social capital were significant in 'transformed teams' or in those workgroups that engaged in activities such

as task rotation and meaningful team meeting. Such elements can enable team members to share knowledge, skills and expertise, and facilitate improved creativity through interdependence and mutual adjustment (Shapiro, 2001).

The work environment structure that promotes greater trust and participation among organisational members provides the infrastructure through which information and knowledge flow. These conduits of information and knowledge build the intellectual capabilities necessary for solving problems in an organisation (Nahapiet and Ghoshal, 1998; Gant et al., 2002). The use of common language allows organisational members to effectively exchange information with and provide assistance to other members. The common perspective also enables them to perceive and interpret events in similar ways. As this shared understanding becomes solidified, efficiencies are often gained through mutual awareness and a reduction in the numbers of unexpected behaviours exhibited by organisational members (Bolino, Turnley and Bloodgood, 2002).

Based on the discussion above, social capital elements serve to increase organisational commitment among employees (Watson and Papamarcos, 2002). We argued that organisations that move toward QWL provide an appropriate environment to nurture social capital among organisational members. Thus, the relationship between social capital and organisational commitment is mediated by QWL orientation.

#### **2.11.4 Organisational Structure, QWL, and Organisational Commitment**

Researchers have long considered structure to be a crucial determinant of organisational outcomes. Fundamentally, the reason is because organisation structure is the anatomy of

the organisation, providing a foundation within which the organisation functions and affecting the behaviour of organisation members (Dalton, Todor, Spendolini, Fielding and Porter, 1980). The way a structure is designed or evolves over time affects the way people and groups behave within the organisation. For example, organisations with a flexible structure tend to be better at innovating than those with a rigid structure such as a centralised organisation (Hage and Aiken, 1970).

Similarly, a highly formalised organisation tends to tolerate little variability in the way its members perform their tasks (John, 1988) and further constrain the behaviour of individuals (Robbins and Barnwell, 1998). In relation to the formalisation dimension of structure, organisational research presents two conflicting views of the attitudinal outcomes (Adler and Borys, 1996). On the one hand, formalisation is viewed as 'enabling' when it provides needed guidance and clarifies job responsibilities, thereby reducing role ambiguity and increasing a person's affective commitment to the organisation. On the other hand, formalisation is viewed as 'coercive' when rules and procedures limit a worker's rights to exert significant control over his/her activities (Sarros et al., 2002).

According to the Hackman and Oldham (1980) Job Characteristics Model, jobs that are highly structured and defined by formal systems outside the control of employees, limit skill variety (i.e. the number of diverse skills needed to perform job tasks) and task identity (i.e. the extent to which employees perform the job from beginning to end). Lower levels of skill variety and task identity mean that employees experience a sense of



meaninglessness that signifies lower levels of internal work motivation, and this feeling of meaningless is likely to affect commitment to the work.

Research also indicates that in large bureaucratic structures, the hierarchy of centralised authority can exert a direct negative effect on worker outcomes by limiting the ability of workers to exert self-control and/or significantly change the nature of work activities (Gaziel and Weiss, 1990). In this case, the structural characteristics influence information flows as well as the context and the nature of human interaction which in turn affect the level of commitment to the organisation. In a similar vein, West (2000) posits that high centralisation is a negative predictor of innovation.

In contrast, an organisational environment that allows workers to participate in decisions about their work exhibits higher levels of job involvement and satisfaction (Brown, 1996; Sarros et al., 2002). In this respect, participatory work environments can be facilitated by increasing organisational members' awareness, commitment and involvement. The link between a set of organisational and group variables and the level of group (department) innovation was assessed by Mohamed (2002). Survey data were collected from a sample of 150 government divisions in the United Arab Emirates. The study found that decentralised structures give more discretion and power to individual departments to initiate change and make decisions on their own in response to changing environments.

Dawis and Lofquist (1976) also hypothesised that experience with a wide range of activities or different people would increase the likelihood of people engaging in their styles of adjustment. Fay and Frese (2001) suggested complexity of work as one of the

main factors that influence employee proactive adaptive performance. For example, a decentralised participatory structure helps to open channels of communication and facilitate awareness of potential innovations. In this regard, the communicative action means that there is an open flow of information between organisational members that helps them in problem-solving and in constructing and maintaining better interpersonal relationships, thereby affecting individuals' desires to establish or maintain membership in an organisation.

Based on the discussion above, it can be concluded that organisation orientation toward QWL provides partial support for the relationship between organisation structure and organisational commitment (Davis and Cherns, 1975; Hackman and Oldham, 1980). High structured and bureaucratic organisations can be negatively or weakly associated with organisational commitment through job characteristics and poor working environment whereas structural complexity implies diversity of interests which stimulate proposals for innovation. Thus, the present study posits that the organisation orientation toward QWL mediates the effects of organisation structure on organisational commitment.

Therefore, based on the above arguments, this study anticipates that the relationship between antecedents and QWL orientation will influence the organisational commitment observed among employees. Therefore, it is proposed that:

**Proposition 3:** The QWL orientation mediates the relationship between social capital, organisational culture, organisation structure, leadership behaviour and organisational commitment.

This leads to the next discussion on the proposed conceptual framework of the study, which is followed by the propositions.

## **2.12 Proposed Research Framework**

In the light of the above discussion, there has been a renewed interest in the issue of the quality of people's work lives (Kirby and Harter, 2001). Indeed, the pace and scale of change in organisations recently has focused attention on the QWL. Through case studies, Grindle and Hilderbrand (1995) found that effective organisations are more often driven by strong organisational cultures, good management practices and effective communication networks than by rules and regulations or procedures and pay scales. Hence, in the formulation of a research framework for studying the antecedents of QWL orientation, a multi-disciplinary approach that takes account of the complexities involved is essential.

In this respect, a synthesis of key ingredients of high quality healthcare workplaces (Lowe et al., 2002), the Social-Technical System Theory (Davis and Trist, 1974), and several other QWL approaches discussed earlier, provide useful guidance. Such a strategy moves beyond previous studies that concentrate on a particular factor from sets of factors. The link between QWL orientation and organisational commitment in this

study is developed based on the growing body of literature on worker's perceptions of the quality of their work environment, the job characteristics model as well as HRM.

In addition, this study also attempts to address certain issues identified in previous research that are regarded as important for organisations in their efforts to be efficient and effective and to simultaneously increase the fulfilment levels of organisational members. Hence, this research proposes a framework which takes into account some of the possible components of the antecedents of QWL orientation that can be explored and proven through an empirical study.

In the study it is hypothesised that four antecedents affect the QWL orientation in the organisation and that positive organisational outcomes such as organisational commitment will result from that orientation. The conceptual framework in Figure 2.1 illustrates the relationship between antecedents of the QWL orientation and organisational commitment. This enables the study to provide an integrated model incorporating the combined effects of the antecedents and their relationship with QWL orientation and organisational commitment.

The framework suggests that the four sets of factors interact to enable or constrain the achievement of positive outcomes for employees and the organisation. These are (a) leadership behaviour, (b) organisational culture, (c) social capital, and (d) organisation structure. The study considers leadership behaviour as one of the most important antecedents of QWL orientation. This is in part due to the fact there is considerable agreement that leaders play a major role in the success or failure of the organisation they

lead (Hennessey, 1998). It is the leader who sets the direction of the organisation and his/her followers to adopt goals and values that are consistent with the organisation's vision. In fact, leaders play an important role especially in transforming objectives into reality (Kotter, 1995), and hence, this factor cannot be ignored as it has greater effects in predicting organisational outcomes.

Apart from that, organisational culture that has been described as glue that holds organisations together has also been suggested by some organisation studies researchers to have an influence as well the quality of working life (Pettigrew, 1979; Smircich, 1982). Often considered the bedrock of behaviour in an organisation, organisational culture reflects the collective judgment of members as to how an organisation ought to function, and it potentially affects a range of organisational and individual outcomes (Chow et al., 2000; Romzek, 1990).

Another important factor that is considered is the issue of the employment relationship or social capital, a construct, which as noted by Lowe and Schellenberg (2001), has gained the attention of the organisational behaviour researchers and social scientists due to its important consequences for individuals, employers and unions. Social capital is considered an asset at the individual, community, and firm or organisation level. It is the underlying social and psychological dynamics of the workplace that help in developing organisational and individual competitiveness (Lowe, 2001; Watson and Papamarcos, 2002).

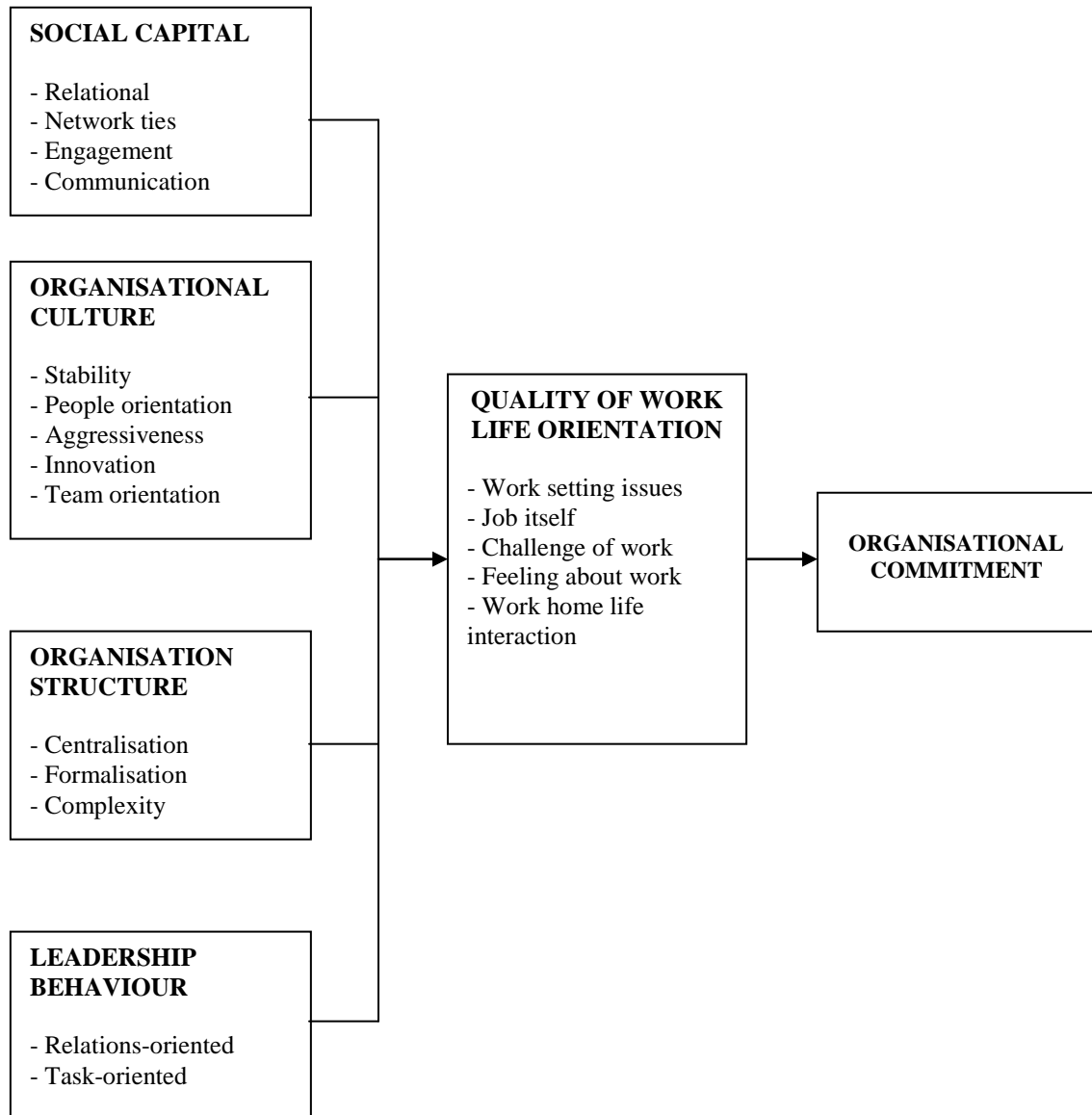


Figure 2.1: A Conceptual Framework

Meanwhile, the importance of organisation structure is often documented in studies pertaining to change management and QWL. Identified as a crucial determinant of organisational outcomes (John and Martin, 1984), structure acts as a mechanism that

reduces behaviour variability (Mintzberg, 1979; O'Neill et al, 1997). The debate with respect to structure, mainly in terms of 'flat' versus 'tall' structures, has also been deemed to be important since the type of structure is known to contribute towards the quality of the working experience of organisational members.

The integration of these organisational sources is posited to yield descriptive dimensions of the quality of work life orientation or quality work environment that are able to address the needs and life-enhancing experience characteristics as perceived by organisational members. In relation, the perceptions of employees are also important in understanding the QWL orientation and its effect because the success of any change effort depends on the commitment and behaviour of its organisational members (Katz, 1964; Porter et al., 1974). Furthermore, previous research also showed that employee perceptions are correlated with desired organisational outcomes (Vroom, 1964; Schneider, 1990). Thus, the perception of organisational members of the quality of work life orientation of the organisation is posited to have significant relationship with organisational commitment.

### **2.13 Research Propositions and Hypotheses**

The conceptual framework of the study shows the relationship discussed in the above review. It also underpins the formulation of the hypotheses and propositions of this study. These propositions and hypotheses are presented below.

**Proposition 1: Social capital, Organisational culture, Organisation structure and Leadership behaviour are antecedents to Quality of Work Life Orientation (QWL)**

**H1: Social capital is positively related to QWL orientation**

H1a: There is a positive relationship between relational and QWL orientation

H1b: There is a positive relationship between network ties and QWL orientation

H1c: There is a positive relationship between engagement and QWL orientation

H1d: There is a positive relationship between communication and QWL orientation

**H2: Organisational Culture is positively related to QWL orientation**

H2a: There is a positive relationship between stability and QWL orientation

H2b: There is a positive relationship between people orientation and QWL orientation

H2c: There is a positive relationship between innovation and QWL orientation

H2d: There is a positive relationship between aggressiveness and QWL orientation

H2e: There is a positive relationship between team orientation and QWL orientation

**H3: Organisational Structure is negatively related to QWL orientation**

H3a: There is a negative relationship between centralisation and QWL orientation

H3b: There is a negative relationship between complexity and QWL orientation

H3c: There is a negative relationship between formalisation and QWL orientation

**H4: Leadership behaviour is positively related to QWL orientation**

H4a: There is a positive relationship between relation-oriented and QWL orientation

H4b: There is a positive relationship between task-oriented and QWL orientation



**Proposition 2: The relational factor (social capital) will have greater influence on the orientation of the organisation toward QWL.**

H5: There is a significant and positive relationship between social capital dimensions and QWL orientation

**Proposition 3: The QWL orientation mediates the relationship between social capital, organisational culture, organisation structure, leadership behaviour and organisational commitment.**

**H6: QWL orientation mediates the relationship between social capital dimensions and organisational commitment dimensions**

H6a: QWL orientation mediates the relationship between relational and organisational commitment dimensions

H6b: QWL orientation mediates the relationship between network ties and organisational commitment dimensions

H6c: QWL orientation mediates the relationship between engagement and organisational commitment dimensions

H6d: QWL orientation mediates the relationship between communication dimensions and organisational commitment dimensions

**H7: QWL orientation mediates the relationship between organisational culture dimensions and organisational commitment dimensions**

H7a: QWL orientation mediates the relationship between stability and organisational commitment dimensions

H7b: QWL orientation mediates the relationship between people orientation and organisational commitment dimensions

H7c: QWL orientation mediates the relationship between innovation and organisational commitment dimensions

H7d: QWL orientation mediates the relationship between aggressiveness dimensions and organisational commitment dimensions

H7e: QWL orientation mediates the relationship between team orientation and organisational commitment dimensions

**H8: QWL orientation mediates the relationship between organisation structure dimensions and organisational commitment dimensions**

H8a: QWL orientation mediates the relationship between centralisation and organisational commitment dimensions

H8b: QWL orientation mediates the relationship between complexity and organisational commitment dimensions

H8c: QWL orientation mediates the relationship between formalisation dimensions and organisational commitment dimensions

**H9: QWL orientation mediates the relationship between leadership behaviour dimensions and organisational commitment dimensions**

H9a: QWL orientation mediates the relationship between relation-oriented and organisational commitment dimensions

H9b: QWL orientation mediates the relationship between task-oriented and organisational commitment dimensions

**Proposition 4: QWL orientation enhances the likelihood of organisational commitment**

**H10: QWL orientation dimensions have a positive effect on Organisational Commitment**

H10a: The organisational work setting issues have a positive effect on organisational commitment

H10b: The challenge of work has a positive effect on organisational commitment

H10c: The job itself has a positive effect on organisational commitment

H10d: Work home life interaction has a positive effect on organisational commitment

H10e: Feeling about work has a positive effect on organisational commitment

**Proposition 5: Organisational commitment is a function of social capital, organisational culture, organisation structure, leadership behaviour and QWL orientation**

**H11: There is a positive relationship between social capital, QWL orientation and organisational commitment**

H11a: There is a positive relationship between relational dimension, QWL orientation and organisational commitment

H11b: There is a positive relationship between network ties dimension, QWL orientation and organisational commitment

H11c: There is a positive relationship between engagement dimension, QWL orientation and organisational commitment

H11d: There is a positive relationship between communication dimension, QWL orientation and organisational commitment

**H12: There is a positive relationship between organisational culture, QWL orientation and organisational commitment**

H12a: There is a positive relationship between stability dimension and QWL orientation and organisational commitment

H12b: There is a positive relationship between people orientation dimension and QWL orientation and organisational commitment

H12c: There is a positive relationship between innovation dimension and QWL orientation and organisational commitment

H12d: There is a positive relationship between aggressiveness dimension and QWL orientation and organisational commitment

H12e: There is a positive relationship between team orientation dimension and QWL orientation and organisational commitment

**H13: There is a negative relationship between organisation structure, QWL orientation and organisational commitment**

H13a: There is a negative relationship between centralisation dimension and QWL orientation and organisational commitment

H13b: There is a negative relationship between complexity dimension and QWL orientation and organisational commitment

H13c: There is a negative relationship between formalisation dimension and QWL orientation and organisational commitment

**H14: There is a positive relationship between leadership behaviour, QWL orientation and organisational commitment**

H14a: There is a positive relationship between relation-oriented dimension and QWL orientation and organisational commitment

H14b: There is a positive relationship between task-oriented dimension and QWL orientation and organisational commitment

**H15: QWL Orientation is positively associated with organisational commitment**

H15a: Work setting issues have a positive association with organisational commitment

H15b: Challenge of work has a positive association with organisational commitment

H15c: Job itself has a positive association with organisational commitment

H15d: Work-home life interaction has a positive association with organisational commitment

H15e: Feeling about work has a positive association with organisational commitment

## **2.14 Chapter Summary**

This chapter has provided the framework for this study and reviewed the literature relating to the quality of work life (QWL) and its underlying dimensions. Antecedents of QWL namely, social capital, organisational culture, organisation structure, and leadership behaviours; and organisational commitment as the dependent variable, have been discussed and elaborated upon, with the main aim of establishing a context for discussing the interrelationship between the constructs identified.

A multidimensional or a holistic approach of quality of work is adopted in this study, where the interaction of organisational factors will yield quality of work life dimensions that enable or constrain the achievement of positive outcomes for employees and organisations. This chapter has also established a framework together with propositions and hypotheses of the study in order to provide the reader with certainty and clarity while simultaneously facilitating a better understanding and appreciation of the area of quality of work life orientation.

The next chapter present discussion on the Malaysian Public Service which related to some historical background, enterprise structure, functions and major policy related to public service reforms and implementation. This should provide the understanding about the setting of this study.