

## **A CRITICAL ANALYSIS OF QUALITY OF WORK LIFE PRACTICES AT SALEM STEEL PLANT AND JSW STEEL LIMITED, TAMIL NADU**

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### **Abstract**

*Internationalization of both public and private sector organizations has rapidly changed the complexion of human resource management. The internationalization of organization makes human resource management more challenging because it raises a number of new issues like cross-cultural training, compensation and benefits etc. As such the human resource should be viewed with an international perspective. Another recent development that has taken place is shifting importance from service-oriented organizations to manufacturing organizations, which have resulted in growing importance of the human resource. Without predicting human behaviour at a particular point of the time and guiding them in proper direction, manufacturing organizations cannot survive and prosper. The quality of working life movement in a broader sense seeks to achieve integration among the technological, human, organizational and society demands which are often contradictory and conflicting. Quality of Working Life is more concerned with the overall climate of work and it impacts the work, people as well as the organizational effectiveness. The recognized purpose is to change the climate at work so that the human, technological and organizational interface leads to a better quality of work life and eventually to an improved quality of life in community and society.*

**Keywords: Public and Private Sector Organizations, Quality of Working Life, International Perspective, Human Resource Management**

### **Introduction**

Efficient human resource and their commitment is essential for effective management of organization. The management of four “M” i.e., Money, Materials, Machines and Men is essentially carried on by human resource of the organization. Stressing this point of view, McGregor observed that the effectiveness of organizations would be doubled if management could discover how to tap the unrealized potential present in their human resources. The depreciation that results in all other factors of production in the long run doesn't result in case of human resource. In fact, vice versa is true. Human resources with proper organization and motivation can grow and develop their potential in the long run. There is no depreciation value for human resource. Stressing this, Peter.F. Drucker remarked that man, of all resources available to man, can grow and develop. As such deriving maximum potentialities from this resource largely depends upon proper human resource managements. Most of the complexities in modern organizations arise from human behaviour. It is human resource that can make a difference and can have an everlasting impact of the survival of any organization. In this context, Oliver Sheldon observed that, “no industry can be rendered efficient so long as the basic fact remains unrecognized that it is principally human. It is not a mass of machines and technical process but a body of men. It is not a complex of matter, but a complex of humanity. It fulfills its functions, not an intricate maze of mechanical device but a magnified nervous system”. Human resources should be handled carefully by predicting the behaviour to the possible extent, in view of the complexities involved in managing them. Directing human resource of an organization is guiding entire organization towards objectives. Because organizing any functional area is in turn organizing and leading human resource of that functional area.

Organization is nothing but collection of human resource who takes up various functions to attain set objectives. "Thus all executives must unavoidably be personnel managers". Although the human resource is a sub-system of an organization, it affects all other sub-systems and entire organization in turn. Wendell L.French rightly puts it, "Personnel management is a major pervasive sub-system of all organization".

Human resource management consists of many sub-systems like training and development, compensation, industrial relation etc. Human resource management concerns itself regarding employee, right from recruitment till his retirement. Human resource management takes care of inducting suitable human resource into the organization through recruitment and selection, sharpen and enrich their capabilities and skills through training and development; motivates and provides welfare through compensation; and maintains good relations and atmosphere inside the organization. Many new sub-systems are being added to human resource management with the changing needs of employees, their culture, expectations and work environment.

The work nature and environment in Indian steel plants, is heavy in nature. Steel plants evoke images of strenuous, hot and potentially dangerous work rendering to accidents that are inevitable without proper safety measures. The neglect of safety aspect results in large number of fatalities in the steel industry. These accidents are caused due to falling from height, burns, explosion, metal spillage, suffocation, electrocution and gas poisoning leading to loss of precious lives of the workers. One such new area is „Quality of Work Life". The term "Quality of Work Life" appeared in research journals only in 1970s. It is not only monetary aspects that a modern employee concerns him with. This is also concerned with conditions of employment, interpersonal conflicts, job pressure, lack of freedom of work and absence of challenging work etc. As the style of management has changed from paternalistic to democratic, the expectations of employees increase with an impending need to achieve more and more productivity efficiently and look forward to the conducive and congenial working conditions and favorable terms of employment. Productivity efficiency of an organization largely depends upon the quality of work life provided by the organization. It creates a culture of work commitment in organizations and society at large so as to ensure higher productivity with increased job satisfaction.

Steel is the most important, multi-functional and most adaptable of all materials. The development of mankind would have been impossible without steel. Steel is an important indicator to analyze the economic development of a country. The Iron and Steel is a major industry in India. India's iron and steel industry contributes about 2 per cent of Gross Domestic Product. This industry drives the industrial progress of the country. It is one of the key industries in India and several small and medium-scale industries depend on it. The steel industry is highly scientific and technology oriented. Technological advancement and productivity improvement can be achieved only with the effective involvement of human resources. To keep the human resources effective, the management should maintain, monitor and update their needs continuously.

### **Steel Industry and QWL**

Indian economy is in need of a device to boost employment opportunities, raise income and its standards of living and to bring about a more balanced and integrated economy. Steel industry is the best solution for achieving all these goals. The prevailing capital for the promotion of steel industries and the plentiful supply of labour largely favour the development of steel industries. It is also essential to provide large scale employment and to utilize local raw materials and cater to the local market. Hence, this sector of

industry is playing a vital part in the economic structure in India. India has had consistently followed a policy of active support to the development of steel industry during the last six decades. The Government has also taken several policy measures. Among these measures, the establishment of new steel units and development of allied industries were used as the important tools for the promotion and growth of steel industry. The main objective of creating a new unit was to encourage and support and creation, expansion and modernization of steel plant is to develop the infrastructural facilities and create a necessary climate for the development of the country.

Provision of infrastructural facilities, marketing opportunities alone cannot provide success to steel sector. Due importance should also be given to the human factor. Efficient human resources and their commitment are essential for the effective management of any organization. Directing human resources of steel plants to the right path through their better quality of work life is needed for success of any industry. This study focuses its attention on the quality of work life programme now prevailing in the steel plants in Tamil Nadu. The factors of quality of work life considered for this study are: 1) Nature of Job, 2) Compensation of Employees, 3) Working Conditions, 4) Opportunities for Growth and Development, 5) Social Integration of Work, 6) Constitutionalism in the work, 7) Work and Total Life Space 8) Occupational Stress, 9) Workers Participation in Management, 10) Grievance Handling, and 11) Social Relevance of Work.

### **Problem Statement**

In today's hi-tech, fast-paced world, the work environment is very different than it was a generation ago. It is not uncommon for a person to change careers, on an average of six times in his or her life time. It is now rare for a person to stay with a single company in his or her entire working life. Because employees are often willing to leave a company for better opportunities, companies need to find ways not only to hire qualified people, but also to retain them. Unfortunately, many employees these days feel that they are working harder, faster, and longer hours than ever before.

### **Importance**

Quality of work life programmes are desirable for both human and performance needs, because it acts a motivating factor for better working, comprehends conditions at employment, includes work environment and social integration and further seeks to employ the higher skills of work and provide an environment that encourages them to improve their skills. It is therefore essential to see the problem in its totality and hence planned approach is needed to study the quality of work life. If quality of life at work could be improved, it would benefit and reward the individual employee, the company, its customers and society as a whole. That is why it is necessary to talk about work-life quality.

### **Objectives**

The study intends,

1. to study the perception of the employees towards quality of work life practices presently followed in select steel plants in Tamil Nadu and
2. to compare the quality of work life among select steel plants and suggest appropriate measures to improve the quality of work life of employees.

### **Methodology**

In pursuance of the above mentioned objectives and the hypotheses, the following methodology was adopted for the study. The study is an empirical one based on the primary and secondary data. There are

two large-scale steel plants in operation in Tamil Nadu, namely, the Salem Steel Plant and JSW Steel Limited. For this study, the employees are categorized into executives, supervisory staff and technicians/operators. This study is empirical in nature based on questionnaire survey and personal interview method. The first-hand information for this study was collected from the human resource departments and open discussion with management, managers, employees and workers in the select steel plants. As an essential part of the study, the primary data were collected from 452 employees. A pilot study was conducted with 20 employees. In the light of the experience gained from the pilot study, changes were incorporated in the revised questionnaire. Questionnaire administration was employed to collect the primary data.

## Review

Quality of Work Life is a generic phrase that covers the feelings of the workers about every dimension of work including economic rewards and benefits, security, working conditions, organizational and interpersonal relationships and its intrinsic meaning in a person's life.

According to Lau and Bruce (1998) Quality of Work Life is a dynamic multidimensional construct that currently includes such concepts as job security, reward systems, training and career advancement opportunities and participation in decision making. As such Quality of Work Life has been defined as the workplace strategies, operations and environment that promote and maintain employee satisfaction with an aim to improve working conditions for employees and organizational effectiveness for employers".

Richard Walton's article (1975) in the Davis and Cherns collection on this subject proposed eight conceptual categories relating to the quality of working life and these being,

1. Adequate and fair compensation,
2. Safe and healthy working conditions,
3. Immediate opportunity to use and develop human capabilities,
4. Opportunity for continued growth and security,
5. Social integration in the work organisation,
6. Constitutionalism in the work organisation,
7. Work and total life space,
8. Social relevance of work life.

Feroz Babu, P. (1997) observed the Quality of Work Life in textile industry, Rayalaseema region. The current status of the variable like economic and employment aspects of quality of work life were observed and examined the quality of work life in terms of the social aspects, economical aspects, opportunity for the development of human capabilities, career planning and for the improvement of work and of organization structure.

Heskett and Schlesinger (1997) define QWL as the feelings that employees have towards their jobs, colleagues and organizations that ignite a chain leading to the organizations' growth and profitability. A good feeling towards their job means the employees feel happy doing work which will lead to a productive work environment. This definition provides an insight that the satisfying work environment is considered to provide better QWL.

According to Joseph Zakhariya P.J (1999) job inherent factors indicated that job security was uppermost in the minds of all employees irrespective of officers and workmen. Analysis of the factors influencing quality of work life reveals that factors like age, experience, educational qualification, etc. bear no relation to quality of work life. However, factors like job satisfaction and job perception in terms of suitability and challenges offered were directly related to quality of work life. This was more prominent

in the case of workmen who may be attributed to the monotonous nature of jobs and lesser scope for promotion.

Venkatachalam (1999) says that study was to see whether advanced technology has an impact on the quality of work life of employees. The sample for the study constituted 227 executives and 173 non-executives of a public sector steel plant. The result of the step-wise multiple regression analysis reveals no significant influence of technology on the employees' QWL values, but revealed a clear significant impact on other QWL dimensions, work complexity, autonomy, personal growth opportunities, top management support, workers' control, concern for organization's performance, QWL feelings and the quality of their social life.

Wilson (2003) in his study observed that workers were generally satisfied with the environment in which they worked. The satisfaction rate was high among the public sector workers than the private sector workers. Regarding style of supervision both the categories were satisfied. Both the categories were not satisfied with respect to promotion and involvement in decision making. He also found that public sector employees had more satisfaction than private sector employees with respect to reward, human relations, behaviour of co-workers and nature of job.

### Discussion

In this chapter an attempt has been made to identify the factors influencing the Level of Quality of Work Life, to trace the impact of Quality of Work Life and to find out the Level of Satisfaction towards Quality of Work life in the study organizations. For this purpose a field survey method was employed to collect first hand information from 452 sample respondents. The respondents have been chosen randomly from the selected steel plants viz., Salem Steel Plant (Public sector) and JSW Steel Limited (Private sector) in the study area.

### Factors Influencing to Improve Quality of Work Life: Henry Garrett Ranking Technique

The respondents have different factors that influence and improve their quality of work life based on their different environment in the company. For this purpose of the study, factors could be classified in to eleven categories like Nature of Job, Compensation of Employees, Working Conditions, Opportunity for Growth and Development, Social Integration of Work, Constitutionalism in the Work Organization, Work and Total Life Space, Occupational Stress, Workers' Participation in Management, Grievance Handling and Social Relevance of Work. The distribution of the sample respondents according to the factors to improve the quality of work life of employees are shown in

**Table -1 Factor Influencing or Improving the Quality of Work Life**

S.NO	Factors	Total Score	Mean score	Rank
1	Compensation of Employees	29660	65.6	I
2	Opportunity for Growth and Development	29270	64.8	II
3	Working Conditions	29199	64.6	III
4	Nature of Job	29139	64.5	IV
5	Occupational Stress	24424	54.0	V
6	Constitutionalism in the Work Organization	21397	47.3	VI

7	Work and Total Life Space	20948	46.3	VII
8	Social Integration of Work	20001	44.3	VIII
9	Workers' Participation in Management	16806	37.2	IX
10	Grievance Handling	15847	35.1	X
11	Social Relevance of Work	12143	26.9	XI

Source: Primary Data

It is evident that Compensation of Employees, Opportunity for Growth and Development and Working Conditions occupy first three positions respectively and the other rankings are self explanatory.

### Correlation Analysis of SSP - JSW Employees' Perceived Factors Influencing QWL

Correlation analysis attempts to study the relationship between two variables. The correlation coefficient of the selected independent variables which impact the Quality of Work Life of employees working in JSW and Salem Steel Plant have been worked out in order to identify the most important influencing variable, having relationship with the dependent variable. Also, the correlation co-efficient among the different variables have been worked out so as to arrive at a correlation matrix, incorporating correlation co-efficient of all the selected variables with that of the dependent variable. The calculated correlation co-efficient values were compared with a critical value of simple correlation co-efficient available in the statistical Tables (Fisher and Yates) for its significance.

**Table - 2 Inter Correlation Matrix – JSW Steel Limited**

Factors	Gender	Age	Educational Qualification	Monthly Income	Cadre	Length of Service	Impact of QWL
Gender	1.000						
Age	-0.126	1.000					
Educational qualification	0.036	-0.017	1.000				
Monthly Income	-0.051	0.405*	0.085	1.000			
Cadre	-0.002	0.111	0.002	0.459*	1.000		
Length of Service	-0.088	0.375*	-0.150**	0.356*	0.144	1.000	
Impact of QWL	-0.065	0.907*	-0.063	0.365*	0.059	0.404*	1.000

Source: Computed from the Statistical Tables.

The correlation co-efficient matrices of the selected variables with the dependent variable i.e., Impact of Quality of Work Life of JSW employees is given in the Table - 2. It can be inferred that a few independent variables are significantly correlated with each other. Thus the variables like Age, Monthly Income and Length of Service are having significant relationship with Impact of Quality of Work Life. The Variable Gender has no significant relation with any other variables. The variable Age has significant relationship with the variables monthly income, Length of Service and Impact of Quality of Work Life. The variable Educational qualification has significant relationship with the variable length of Service. The variable monthly income has significant relationship with the variables age, cadre, length of service and impact of quality of work life. The variable cadre has significant relationship with the variable monthly income only. Another variable Length of service has significant relationship with the variables age, educational qualification, monthly income and impact of quality of work life.

**Table - 3 Inter Correlation Matrix – JSW Steel Limited**

Factors	Gender	Age	Educational Qualification	Monthly Income	Cadre	Length of Service	Impact of QWL
Gender	1.000						
Age	0.016	1.000					
Educational Qualification	0.049	-0.034	1.000				
Monthly Income	0.019	0.093	0.219*	1.000			
Cadre	-0.021	0.054	-0.025	0.766*	1.000		
Length of Service	0.084	0.237*	0.067	0.259*	-0.056	1.000	
Impact of QWL	0.059	0.944*	-0.014	0.030	-0.053	0.245*	1.000

**Source:** Computed from the Statistical Tables relating to Steel Industries Note: \* - Significant at 1% level; \*\* - Significant at 5% level.

The correlation co-efficient matrix of the selected variables with the dependent variable i.e., Impact of Quality of Work Life of employees who are working Salem Steel Plant is given in the Table - 3. It can be inferred that a few independent variables are significantly correlated with each other. Thus the variables like Age and length of service are having significant relationship with Impact of Quality of Work Life. The Variable Gender has no significant relation with any other variables. The variable Age has significant relationship with the variables Length of Service and Impact of Quality of Work Life. The variable Educational qualification has significant relationship with the variable monthly income. The variable monthly income has significant relationship with the variables Educational qualification, cadre and length of service. The variable cadre has significant relationship with the variable monthly income only. Another variable Length of service has significant relationship with the variables age and impact of quality of work life.

### Conclusion

To improve the Quality of Work Life of the employees in SSP and JSW Ltd., Work Assessment Committees may be constituted in the organizations, headed by a qualified professional. The Committee shall meet frequently and assess the performance and appreciate the sincere efforts made by the professionals. Quality of Work Life and Occupation Stress of employees are found significantly and negatively correlated. So reducing the levels of stress is one of the best ways to enhance QWL. Hence it is suggested that, on the basis of the outcome of the study, effective stress management programmes may be adopted in steel industries to maintain the stress at reasonable and acceptable levels. The job is of challenging nature in the private sector. If the management improves the quality of work life in good earnest by exposing their workers to the changes and improved techniques of production, the resultant effect is better performance. The compensation policy is to be further improved in both steel plants, considering the nature of work in steel industry with other industries. This will improve the Quality of Work Life, retain the existing employees which enables in organizational growth. The managements are advised to open special cells to help the workers in their career planning and career development. Career counseling and interpersonal relationships in both steel plants are to be streamlined to proper initiation of management and the unions. The Quality of Work Life in both Salem Steel Plant and JSW Steel Limited can be further improved by exposing the workers to the changing and improved techniques of

production. Both the managements should take actions to reduce job stress to improve working conditions and to avert the situation of brain drain. Both the organizations must formulate a strategy to conduct Annual Stress Audit with a combination of Stress Management and Ergonomics, which will be the most useful approach for preventing stress at work and plan suitable remedial actions for Organizational and Individual growth. This will increase the level of Quality of Work Life in these steel plants.

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