

# Missing Link between Quality of Work Life and Productivity of Loan Disbursement: The Ghanaian Perspective

Emmanuel Yaw Ampofo<sup>1</sup> & Kwasi Dartey-Baah<sup>2</sup>

<sup>1</sup> School of Business & Law, Edith Cowan University, Western Australia, Australia

<sup>2</sup> Department of Organisation & Human Resource Management, University of Ghana Business School, Ghana

Correspondence: Emmanuel Yaw Ampofo, School of Business & Law, Edith Cowan University, Western Australia, Australia. E-mail: yawampofo73@gmail.com

Received: August 4, 2015

Accepted: August 17, 2015

Online Published: February 25, 2016

doi:10.5539/ijbm.v11n3p203

URL: <http://dx.doi.org/10.5539/ijbm.v11n3p203>

## Abstract

The study examines the impact of credit officers' Quality of Work Life (QWL) on productivity of loan disbursement in 10 selected Savings and Loans Companies in the Accra, Ghana. The study was quantitative, cross-sectional, descriptive and analytical. Out of 1602 employees, 310 employees were sampled. Simple random sampling technique was used to select both companies and respondents. 92% of questionnaires were self-administered and 8% were e-mailed. The finding indicated a significant positive impact of credit officers' QWL on productivity of loan disbursement ( $\beta = .274, p < .001$ ). It was suggested that it will be profitable to and prudent on the part of managers not to play with the QWL of credit officers if they really want to experience an increase in loan disbursement. Also, managers' comprehensive focus on the general happiness of credit officers by ensuring employees' holistic well-being in the organisation will lead to productivity of loan disbursement. The study becomes the first to research on both credit officers and productivity of loan disbursement in the financial sector of Ghana.

**Keywords:** quality of work life, productivity, Ghana

## 1. Introduction

In contemporary business environment, employees all over the world are passionate and keen about their working lives in organisations. Studies indicate that employees easily get attracted to and stay in organisations that offer better quality of work life (QWL) as well as accommodating environment (Noor & Abdullah, 2012; May, Lau & Johnson, 1999). Considering the inarguable mammoth contributions of employees in achieving organisational goals, improving their QWL has become one of the substantial objectives of organisations (Kaighobadi, Esteghla, & Mohebbi, 2014). QWL refers to a philosophy or a set of principles, which holds that people are trustworthy, responsible and capable of making a valuable contribution to the organisation (Rose, Beh, Uli, & Idris, 2006). QWL is pervasive in organisations in the sense that workers at every level, position, and status attach prominence to their working conditions (Kaighobadi et al., 2014). In this regard, researchers have paid attention to understanding the concept of QWL with emphasis on the factors (Islam, 2012; Adhikari & Gautam, 2010) and outcomes (Sajjad & Abbasi, 2014; Almalki, FitzGerald, & Clark, 2012; Mosadeghrad, 2013; Saraji & Dargahi, 2006).

Productivity has a direct influence on a firm's bottom line. Firms with high QWL enjoy exceptional growth and profitability (Lau & May, 1998). Earlier studies have shown the link between QWL and productivity (Bragard, Dupuis, Razavi, Reynaert, & Etienne, 2012; Nayeri, Salehi, & Noghabi, 2011; Mohammad, Ahmad, & Reza, 2013; Patil & Prabhuswam, 2013) but was mostly found in Asian and Western cultures. In Africa, the concept of QWL has similarly been researched on (Van der Berg & Martins, 2013; Omojola, 2013; Shazly & Fakhry, 2014) but there is no scientific literature found on the relationship between QWL and productivity of loan disbursement particularly in the financial sector.

## 2. Literature Review

### 2.1 Ghana Micro Financial Institution: Composition and Contributions

Steel and Andah (2003) defined microfinance as small financial transactions to low income households involved in micro enterprise (both urban and rural), using nonstandard methodologies such as character-based lending,

group guarantees and short-term repeat loans. The concept of microfinance is ancient in Ghana as there has always been a tradition of people saving and/or taking small loans from individuals and groups for the purpose of serving as a business start capital. It is believed that the Canadian Catholic missionaries in 1955 established the first credit union in Africa in the Northern part of Ghana. But, MFIs have grown vastly in number in the last twenty five years. To a large extent, the activities of MFIs have been beneficial to people in the informal sector who are engaged in small and medium enterprises (SMEs). Kessey (2014) describes these people as poor, and this could be a key reason why they are unable to provide collateral for securing loans in commercial banks. That notwithstanding, the informal sector cannot be neglected in any regard because it makes considerable contributions to production, consumption and creation of employment as well as generation of significant revenue into the Ghanaian economy. In view of these contributions, the financial sector has paid some attention to the financial operations of SMEs in the past. Statistics proves that loans and advances given to small businesses, individuals and groups by the non-bank financial institutions (NBFIs) in Ghana amounted to GH¢50.97 million in 2002 as against GH¢39.64 million in 2001, representing about 28.6 per cent growth. In 2006, loans and advances to the informal sector shot up to GH¢160.47 million which indicates 48.8 per cent higher than the previous year's total loans and advances granted by these microfinance institutions (Asiama & Osei, 2007).

Microfinance institutions in Ghana comprise rural and community banks, savings and loans companies, financial NGOs, primary societies of CUA, Susu collectors association of GCSCA, development and commercial banks with microfinance programs and linkages, and micro insurance and micro leasing services (Asiama & Osei, 2007). With reference to the Bank of Ghana (BoG), there are four tiers of MFIs in Ghana. The Tier 1 includes Rural and Community Banks (RCBs), Savings and Loans Companies (S&Ls) and Finance houses regulated under the Banking Act 2004 (Act 673), the Non-Bank Financial institutions (NBFI) Act 2008 (Act 774) and ARB Apex Bank regulations, 2006 (LI 1825). The tier 2 includes Susu Companies and other Financial Service providers such as Financial NGOs that are deposit taking and profit making and Credit Unions regulated under a legislative Instrument under the (NBFI) Act, 2008. BoG requires tier 2 firms to add the word 'Microfinance' to their registered names, hold an initial minimum paid up capital of not less than GH C 100,000.00 for one office unit, maintain a minimum adequacy ratio of 10%, open branches with prior approval from BOG, engage in activities such as accepting deposits from the public (with no single deposit exceeding 5 per cent of the company's paid up capital), advancing loans to customers that require a ceiling as follows; 5% of the company's net worth for unsecured exposure, 20% of company's net worth for secured exposure and 1 per cent of company net worth per member of a group for group loans. But, there are restrictions for Tier 2 companies including not engaging in activities such as foreign exchange or trading activities, holding any stock of goods for sale to their clients and one year renewal of their operational licenses. Tier 3 companies are money lending companies and non-deposit taking FNGOs who belong to an Umbrella Association. BoG requires these institutions to either add the word 'Money Lending' or 'FNGO' to their registered names. In addition, companies must hold an initial paid up capital of GH ¢ 60 thousand with a gearing ratio not exceeding eight times their capital. Allowable activities for these companies include advancing micro loans not exceeding 10 per cent of paid up capital and raising funds which excludes deposits from high net worth individuals, wholesale sources and donors. Tier 4 consists of Susu collectors registered with the Ghana Cooperative Susu Association (GCSA) and individual money lenders. These companies require no minimum capital but are to contribute to an insurance fund set up by the Association's umbrella body. Their permissible activities include either Susu collection or money lending only. Their activities are carried out within a defined geographical area.

However, this study is limited to only savings and loans companies (found in tier 1) in Ghana. Savings and Loans Company are licensed by the Bank of Ghana under the Financial Institutions non-Banking Law 1993 (PNDC Law 328). It is important to note that savings and loans companies have credit officers who perform core activities such as the advancement of loans to individuals in the SMEs. Their productivity is measured based on the number of people they turn into clients for a loan to be extend to. Most often, credit officers are spotted in the field such as market places, schools among others in search of clients for the company.

## *2.2 Quality of Work Life*

The concept of QWL became important to researchers and practitioners in an eon where the effect of computer technology and improved automation led to a greater de-skilling, dehumanization, and alienation at workplace in the USA and Scandinavia (Birjandi, Birjandi, & Ataei, 2010). Asgari and Dadashi (2011) emphasized that QWL tries to satisfy the needs of jobs which have become increasingly alienated. Earlier Ryan (1995) has indicated that QWL had a primary aim to share knowledge and initiate a coherent theory and practice on how to create the conditions for a humane working life. This has over the years inflamed the passion and interest of researchers

more into QWL in organisations (Rathi, 2009). However, extant studies on QWL have contributed to several definitions of QWL; making it a complex, multidimensional, generic entity (Kaighobadi et al., 2014; Rethinam, 2008).

Straw and Heckscher (1984) defined QWL as a philosophy or a set of principles which holds that employees are the most valuable assets in the organisation as they are dependable, responsible and capable of making important contribution and should be treated with dignity and respect. According to Balachandar, Panchanatham and Subramanian (2013), QWL is a beautiful experience which employees feel about their job and work place. From the standpoint of Nadler and Lawler (1983), QWL is a way of thinking about people, work and organisations. According to Cohen and Rosenthal (1980), QWL is a deliberate designed effort to bring out increased labour management and co-operation to jointly solve the problem of improving organisational performance and employees' satisfaction. Also, Robins (1989) defines QWL as a process by which an organisation responds to employee needs by developing mechanisms to allow them to share fully in decision making that design their lives at work.

In spite of the varied definitions, it can be deduced that QWL is all concerned about the general wellbeing of employees in the organisation which includes relation with people, and workplace conditions. But, the general wellbeing of employees does not just come into existence in the organisation, rather managers or leaders play significant role in improving working condition. From the perspective of Saraji and Dargahi (2006), QWL is what an employer does to add to employees lives. Thus, employees' happiness with the things employers or managers do will overtly justify and signify their good working life. Meanwhile, employees who perceive the things that managers or employers offer to them as not substantially meaningful to their lives will not be happy with their working lives. Barnett (1998) surmises that QWL is perceptual but does not exclude issues relating to employees' workplace conditions.

Research indicates that it is difficult to best conceptualize QWL (Seashore, 1975) because factors that employees consider to contribute to their QWL invariably varies across organisations and industries. In Almalki et al.'s (2012) study, it was found that factors such as unsuitable working hours, lack of facilities for nurses, inability to balance work with family needs, inadequacy of vacations time for nurses and their families, poor staffing, management and supervision practices, lack of professional development opportunities, and an inappropriate working environment in terms of the level of security, patient care supplies and equipment, and recreation facilities (break-area) are important in contributing to QWL of primary health nurses. But, Hackman and Oldham (1976) found that adequate and fair compensation, safety and health conditions at work, immediate opportunity to use and develop one's capacity, further opportunity for continuous development and safety, social integration in the working organisation, constitutionalism in the work organisation, the total space of life, and the social relevance of the worker's life are the categories for assessing employees QWL. According to Adhikari and Gautam (2010), factors of improving QWL of employees include adequate pay and benefits, job security, safe and health working condition, meaningful job and autonomy in the job. Also, Islam (2012) found work load, family life, transportation, compensation policy and benefits, working environment, working condition and career growth to significantly contribute to employee QWL. In Bangladesh, Hossain (2000) found that employees in some private and public banks consider security of employment, job/role clarity, understanding supervisors, work not stressful, access to relevant information and social and welfare facilities as important factors of their QWL. Walton (1975) categorized the QWL features into eight including: "fair pay, Law partisan, growth opportunity and permanent security, developing individual capabilities, social affiliation, environment safety, social integration.

Also, previous scientific studies conducted have shown substantial effect of employees' QWL on individual and organisational outcomes. For instance, QWL has been found to mitigate employee burnout, turnover, and absenteeism (Lee, Dai, Park, & McCreary, 2013; Schmidt, Paladini, Biato, Pais, & Oliveira, 2013). According to Walton (1975), dissatisfaction with working life is a problem which affects almost all workers at one time or another, in spite of position or status. He indicated that employees' dissatisfaction with their work life can result in disappointment, dullness, and resentment which in turn can be cost ineffective to both the individual and the organisation. Employees' QWL moves in tandem with their job satisfaction and commitment to the organisation in the sense that employees who experience delight in working in an organisation will likely feel satisfied and become committed in undertaking routine activities (Tabassum, 2012; Noor & Abdullah, 2012; Asgari & Dadashi, 2011). This is not distant from Hanlon and Gladstein (1984) assertion that QWL can lead to an improvement of organisational efficacy and employee morale. According to Saraji and Dargahi (2006), a high QWL is beneficial to organisations because it enables organisations to persist, to attract and retain employees and to enhance employee job satisfaction. Fallah (2006) also indicates that improvement in staff QWL will

tantamount to an increase in their performance. Sadique (2003) concludes that QWL provides healthier, satisfied and productive employees, which leads to efficient and gainful organisation.

### *2.3 Employee Productivity*

The goal of every organisation is to reach high productivity (Mohammad et al., 2013) amid globalization, fierce competition and swift technological advancement characterizing contemporary business world (Kanter, 1995; Tandoh, 2011). Productivity is defined in different ways across the research literature depending on the needs of the organisation and tasks that an employee needs to accomplish as part of their job description. The dictionary definition for productivity is the rate at which goods are produced, especially in relation to the time, money and workers required to produce them (Macmillan English Dictionary for Advanced Learners, 2007). The dictionary definition best links productivity to the speed at which an outcome is ascertained having all inputs in place. But, Sutermeister's (1976) defined productivity as an output per employee hour, quality considered. This definition was not based on the rate of production rather emphasized on time (per hour) and quality. From the perspective of Walter and Walters (2010), productivity means to produce more output with equal or fewer inputs. Thus, the authors placed premium on the quantity of input to derive an output. Making inference from their definition, it can be said that any input that exceeds the attainment of an output is counterproductive. To some researchers, productivity is means taking advantage of the efficient use of human resources including powers, talents and skills (Soltani, 2006) as they convert physical inputs into physical outputs (Rabin, Teasley, Finkle, & Carter, 1985). The operational definition of productivity is the quantity of loans an employee (credit officer) is able to disburse in a month. A month because that is when an employee is given commission in relation with the loans disbursed.

Studies show that a myriad of factors influence productivity in an organisation (Mohammad et al., 2013). In Hameed and Amjad's (2009) study, it was found that office design is very vital in terms of increasing employees' productivity. Additionally, it was suggested that comfortable and ergonomic office design motivates the employees and increases their performance significantly. Al, Al and Adan's (2013) proved that working hours, and workload leads to high level of employees' productivity. Thus, an increase in working hours and workload was found to cause an increase in employees' productivity. It is believed that satisfied employees contribute meaningfully to increasing productivity (Patterson, Warr, & West, 2004). Previous studies also indicate that management styles and employee morale substantially correlates with employee productivity (Karimi, Hosseinzadeh, & Azizi, 2011; Sheahan, 2013).

### *2.4 Relationship between QWL and Productivity*

Extant research indicates a significant relationship between employee QWL and productivity in organisations. According to Sadique (2003), QWL provides healthier, satisfied and productive employees. It was not surprising when Gadon (1984) reported that there are basic objectives of QWL programs: enhancing productivity and increasing the employees' satisfaction. A scientific research by Nayeri et al. (2011) indicated that a significant relationship exists between productivity and employee QWL. In view of the finding, the researchers asserted that appropriate policies should be instituted by managers to promote QWL which will in turn increase productivity. Mohammad et al.'s (2013) correlational research on the relationship between QWL and faculty members' productivity in Islamic Azad universities showed that all the components of QWL (except work life social dependence and work life environment) were significantly related with manpower productivity. Hence, QWL variable had the predisposition to predict manpower productivity in an organisation without recourse.

In Najafi's (2006) research on the relationship between QWL and profiting of middle managers of Iranian Companies, it was found that a positive and significant relationship exist between QWL and profiting. Thus, QWL contributed 20% of profiting by middle managers with the remaining share by other factors. Oswald, Proto and Sgroi (2014) reported that happier workers were 12% more productive whereas unhappier workers were 10% less productive. Patil and Prabhswam (2013) found QWL factors such as stress at work to significantly predict Human Resource Productivity in organisations. Furthermore, Firdousiya and Jayan (2013) investigated the relationship between QWL, relationship quotient and counterproductive work behaviour among law enforcement officers. The study findings indicated a significant and negative relationship between QWL and counterproductive work behaviour. They explained that improvements in the perceived quality of work will help to decrease the degree of counterproductive work behaviours from the part of the employee. They therefore indicated that one way to ensure better performance from the part of employees and enhance productive behaviours at work is to make sure that every individual employee could experience a better QWL which naturally helps to reduce the degree of counterproductive behaviours at work and thereby increase productivity. Steenhuis and DeBruijn (2006) found that an improvement in the physical conditions of work (flexible work

hours and efficient and suitable technology) and economic conditions of job (appropriate and fair salary) leads to an increase in the level of productivity of employees which subsequently results in higher organisation's productivity.

On the basis of above previous empirical studies, it is hypothesized that:

H1: Credit officers' QWL will significantly and positively impact on productivity of loan disbursement in selected savings and loans companies.

### 3. Methodology

#### 3.1 Population and Sample

The study was designed as cross-sectional, descriptive and analytical. The population of the study is made up of credit officers of savings and loans companies in Ghana. The total population of credit officers in the selected companies was 1602. The sample size for the study was 310 using Krejcie and Morgan's (1970) sample size determination formula. Questionnaire was the primary source of data collection. This was 92% self-administered and the remaining percent electronically mailed.

#### 3.2 Sampling Procedure

Two sampling procedures were used in this study. The first deals with choice of companies and the second deals with the selection of respondents. 10 Savings and Loans Companies were randomly selected from a total of 18 companies who are members of the Ghana Association of Savings and Loans Companies (GHASALC). GHASALC is an association of all Savings and Loans Companies registered under the laws of Ghana and also licensed by Bank of Ghana. The association was registered and obtained a certificate to commence business in the year 2008. The 10 companies selected from GHASALC are Women World Bank Ghana, Advans Ghana, Beige Capital, Union Savings and Loans, Opportunity International Savings and Loans Ltd., Ezi Savings and Loans, Adehyeman Savings and Loans Ltd., First Allied, Unicredit, and Sinapi Aba Savings and Loans.

Simple random sampling was used in selecting credit officers for the study. This procedure was used basically to give every credit officer an equal opportunity of being selected for the study. But, this became easier with a sampling frame consisting of the names of the credit officers in each of the companies. Credit officers regardless of the staff strength of the company were equally selected. Out of 310 questionnaires administered, 305 were correctly filled and returned.

#### 3.3 Measures

*QWL* ( $\alpha = .782$ ): A 16-item scale was used to measure QWL (Sirgy, Efraty, Siegel, & Lee, 2004). It has a 7 point Likert-scale ranging from 1= "Very disagree", to 7= "Strongly agree". Representative item is "I feel physically safe at work".

*Productivity of loan disbursement* ( $\alpha = .868$ ): A 5 item were used to measure productivity of loan disbursement. A 5-point Likert scale ranging from 1= "Strongly disagree", to 5= "Strongly agree" was used. Example of items is "I normally disburse below my loan target for the month".

#### 3.4 Data Analysis

Descriptive statistics was conducted to provide the frequencies and percentages for the demographic characteristics of the respondents. Simple linear regression was used to test the hypothesis with importance on standardized beta scores and p-value.

### 4. Results

Table 1 shows the frequencies and percentages of the demographic characteristics of respondents.

Table 1. Demographic characteristics of respondents

		F	Percent (%)
Sex	Male	216	70
	Female	94	30
Age	20-30 years	208	67
	31-40 years	90	29
	41-50 years	12	4
Marital status	Married	93	27
	Single	226	73

According to Table 2, the Cronbach's alpha coefficient for QWL is .857 and for loan disbursement is .813. Hence, the instruments used to measure the variables were acceptable measurement for the study going by the contention of Sekaran (2003).

Table 2. Reliability analysis

No. of Items	Cronbach' Alpha	Coefficient
QWL	16	.857
Loan disbursement	5	.813

Table 3 indicates that the descriptive statistics for QWL (M= 4.2910, SD=.96617) and loan disbursement (M= 3.4605, SD= .50593).

Table 3. Mean and standard deviation of QWL and productivity of loan disbursement

	M	Standard Deviation
QWL	4.2910	.96617
Loan disbursement	3.4605	.50593

Valid cases=310.

Table 4 shows that most of the respondents cumulatively were in disagreement that they normally disburse below their loan target for the month (80%). Also, cumulatively, a large proportion of the respondents were of the view that they meet loan disbursement target for the month (69%), exceed loan disbursement target for the month (70%), turn most of their prospects into clients (72%), and get many referral clients due to hard work (78%).

Table 4. Percentage score of responses on productivity of loan disbursement

Items	Strongly-Disagree	Neutral	Agree	Strongly-Disagree	Agree
I normally disburse below my loan target for the month	46%	4%	1%	14%	5%
I normally meet my loan disbursement target for the month	9%	18%	4%	24%	45%
I normally exceed my loan disbursement target for the month	10%	7%	13%	32%	38%
Most of my prospects become loan clients than I know I can	15%	12%	1%	32%	40%
I get as many referral clients in the month due to my hard work	8%	14%	0%	26%	52%

Table 5 also shows the response rates of each of the individual items in QWL. From the table, it can be said that most of the respondents cumulatively agreed with statements like I feel physically safe at work (72%), my job does well for my family (64%), my job helps me develop my creativity outside of work (59%), people at work and/or within my profession respect me as a professional and an expert in my field of work (71%), this job allows me to sharpen my professional skills (73%), I feel that I am realizing my potential as an expert in my line of work (72%), there is a lot of creativity involved in my job (60%), I do my best to stay healthy and fit (83%), and I feel that my job allows me to realise my full potential (68%). On the contrary, most of the respondents cumulatively disagreed to statements such as my job provides good health benefits (60%), and I have enough time away from work to enjoy other things in life (74%).

Table 5. Percentage score of responses on QWL

Items	Very Disagree	Moderately Disagree	Slightly Disagree	Neither Disagree Nor agree	Slightly Agree	Moderately Agree	Strongly Agree
I feel physically safe at work.	7%	15%	4%	2%	11%	37%	24%
My job provides good health benefits	31%	17%	12%	3%	8%	14%	15%
I do my best to stay healthy and fit	0%	3%	14%	0%	2%	37%	44%
I am satisfied with what I am getting paid for my work	12%	7%	14%	7%	11%	25%	28%
I feel that my job is secure for life	23%	24%	2%	13%	3%	20%	15%
My job does well for my family	2%	15%	17%	2%	13%	27%	24%
I have good friends at work	4%	2%	2%	11%	15%	24%	42%
I have enough time away from work to enjoy other things in life	36%	28%	10%	0%	14%	4%	8%
I feel appreciated at work	4%	10%	4%	16%	21%	27%	18%
People at work and/or within my profession respect me as a professional and an expert in my field of work	2%	15%	12%	5%	14%	34%	23%
I feel that my job allows me to realise my full potential	17%	3%	7%	5%	13%	30%	25%
I feel that I am realizing my potential as an expert in my line of work	4%	13%	10%	1%	9%	41%	22%
I feel that I am always learning new things that help do my job better	18%	13%	1%	7%	11%	17%	33%
This job allows me to sharpen my professional skills	11%	2%	14%	0%	18%	39%	16%
There is a lot of creativity involved in my job	16%	10%	12%	2%	14%	19%	27%
My job helps me develop my creativity outside of work	10%	13%	7%	11%	20%	22%	17%

Table 6 shows a  $R^2$  of .264. This result implies that approximately 26% of the variation in loan disbursement is explained by QWL, and the remaining 74% as the unexplained variance. Also, the F statistics of 23.114 was less than p-value of .001. Hence, it can be concluded that the model was fit for the study. Primarily, Table 6 reports the impact of QWL on loan disbursement with the aid of  $\beta$  value. Thus, with  $\beta = .274$  ( $p < .001$ ), there is a significant and positive impact of QWL and productivity of loan disbursement. This confirms the study hypothesis that QWL will significantly and positively impact on productivity of loan disbursement.

Table 6. Results of simple linear regression for productivity of loan disbursement on QWL

	B	Std. Error	$\beta$
Constant	2.336	.316	
QWL	.153	.147	.274**

$R^2 = .264$ ,  $F = 23.114$ , \*\*  $p < .001$ .

## 5. Discussion

The finding of the study indicated that QWL has significant positive impact on productivity of loan disbursement. The findings support with prior research indicating that employees' QWL positively influences their level of productivity in organisations (Mohammad et al., 2013; Nayeri, et al., 2011; Patil & Prabhuswam, 2013; Steenhuis & DeBruijn, 2006; Firdousiya & Jayan, 2013). The finding suggests that an increase in QWL will cause a corresponding increase in loan disbursement. In other words, the loan disbursement of credit officers is dependent on how their QWL. Thus, the QWL of credit officers is absolutely significant in improving and expanding the profit prospects and targets of microfinance institutions through rigorous search and unabated desire to scoop for more clients. Employees will extensively perceive their presence in the organisation as highly valuable when they are accorded utmost reverence from their colleagues and superiors, safe from avoidable workplace hazards, involved in pertinent organisation decision making, and given the platform to exhibit their potentials, and innovative and creative thoughts. The probable effect is that once employees believe that they are valuable assets of the organisation and as such being treated with dignity and respect they will contribute to increasing productivity. Soltani (2006) indicated that productivity is about taking advantage of the efficient use of human resources including powers, talents and skills. This therefore links QWL to productivity because employees' realization of their full potential in organisations is a key feature of QWL. The increase in QWL is a deliberate attempt to produce happy and satisfied employees who are willing to diligently work to productivity. Accordingly, Sadique (2003) indicated that QWL provides healthier, satisfied and productive employees. Quantitatively, Oswald et al. (2014) also found that happier workers were 12 per cent more productive whereas unhappier workers were 10 per cent less productive. It is not surprising as QWL is fundamentally improved with the objective to increase productivity (Gadon, 1984).

## 6. Practical Implication

Savings and Loans companies like every business organisation have a primary function to meet the bottom line which in effect is virtually reached through enhanced productivity. Inarguably, organisations depend on the efforts, capabilities and competence of employees to successfully achieve set targets. This really matters vastly in the service industry where productivity is not measured by physical input. In savings and loans companies, the disbursement of loans serves as an essential measure for determining credit officers' productivity. In as much as credit officers are given targets to meet, it is also the desire of organisations that credit officers exceed targets.

Also, credit officers invariably serve as a conduit through which savings and loans companies get customers. They are the "hawks" of savings and loans companies in the sense that they search for people and lure them into business with the organisation. Hence, managers should not underestimate the relevance of improving the QWL of credit officers because their continuous happiness to work hard turns into increasing the customer base of the organisation. Therefore, a savings and loans company's survival in the market and increase in its market share value depends on credit officers who are content with their work life. This suggests that managers need to continuously think about the very things (e.g. compensation issues, involvement in decision making and opportunities for developing full potentials) that affect employees in relation to their job and the organisation if they are burnt on increasing their profit margins through interest charges on disbursed loans. Walton (1975) warned that employees' dissatisfaction with their work life can result in disappointment, dullness, and resentment. Similarly, Oswald et al. (2014) indicated that unhappier workers are less productive. Thus, managers should know that turning a blind eye on QWL issues will not only be cost ineffective to employees but also affect the organisation's productivity.

Besides, managers need to consider the fact that because credit officers in most instances bring clients to the organisation they establish a good relationship with clients. Therefore, a credit officer's spontaneous voice of poor QWL to a client may change the client's decision to continue business with the organisation. This could tarnish the reputation of the organisation because to some clients organisations will only treat them well if they treat insiders such as employees well. In concluding, it will be profitable to and prudent on the part of managers of savings and loans companies not to play with the QWL of credit officers if they really want to experience an



increase in loan disbursement.

## 7. Conclusion

Business organisations strive to achieve success and this has become very critical especially in this modern business world characterized with stiff rivalry and swift technological improvement. Business survival or success is in no doubt mostly dependent on meeting the bottom line and this cannot be done without the help of employees. Invariably, competent employees are the most valuable resource every organisation can pride with, and as a result organisations predominantly depend on their effort to increase productivity. In this regard, organisations need to map strategies that will incessantly make employees not to think twice when they are to contribute to productivity. This study measured productivity in terms of credit officers' loan disbursement activities in a month. It was found that QWL significantly and positively impacts productivity of loan disbursement. Hence, QWL is a significant predictor of loan disbursement among credit officers in savings and loans companies in Ghana. Employees who are satisfied with their QWL will contribute immensely to increasing productivity of loan disbursement. In this regard, management should give strong consideration and attachment to improving employees' QWL because that causes a rise in loan disbursement among credit officers. Also, managers of Savings and Loans companies should realise that they cannot increase productivity of loan disbursement without intensifying focus on the general happiness of credit officers by ensuring employees' holistic well-being in the organisation.

## 8. Research Limitations and Direction for Future Research

The study was limited in context. This is because the study was limited to only employees in selected savings and loans companies in Accra. Thus, the findings of the study cannot be generalised to include employees of other savings and loans companies in Ghana. Similarly, only the views of employees in Accra of the selected companies were sampled ignoring the views of other employees in other regions of the country. Because the standard of living varies across the length and breadth of Ghana what really satisfies employees concerning their quality of life could also vary even in the same organisation. In view of this, future research should incorporate employees in other regions as well as. Also, future research can replicate the study by increasing the number of selected companies to include others.

Also, this study is limited in method as only quantitative method facilitated by questionnaire was used. Although, the questionnaire is an efficient means of gathering data from a large population it does not give in-depth understanding to the responses given. Thus, it gives the face value of responses as researchers are not purview to asking follow up questions that can best expose and explain the rationale behind some of employees' views provided. Future research can adopt the use of mixed method (quantitative and qualitative methods) for the purpose of triangulation.

## References

- Adhikari, D. R., & Gautam, D. K. (2010). Labour legislation for improving QWL in Nepal. *International Journal of Law and Management*, 52(1), 123-133. <http://dx.doi.org/10.1108/17542431011018534>.
- Al, Y. S., Al, A. A., & Adan, A. L. (2013). Working conditions and employees' productivity in manufacturing companies in Sub-Saharan African context: Case of Somalia. *International Journal of Educational Research*, 2(2), 67-78.
- Almalki, M. J., FitzGerald, G., & Clark, M. (2012). Quality of work life among primary health care nurses in the Jazan region, Saudi Arabia: A cross-sectional study. *Human Resources for Health*, 10(30), 1-13. <http://dx.doi.org/10.1186/1478-4491-10-30>
- Asgari, M. H., & Dadashi, M. A. (2011). Determining the relationship between quality of work life (QWL) and organisational commitment of Melli Bank Staff in West Domain of Mazandaran in 2009-2010. *Australian Journal of Basic and Applied Sciences*, 5(8), 682-687.
- Asiama, J. P., & Osei, V. (2007). Microfinance in Ghana: An overview.
- Balachandar, B., Panchanatham, N., & Subramanian, K. (2013). QWL the power of insurance company: Impact of personal factors on the QWL of the officers. *Management & Marketing Journal*, 10(1), 123-133.
- Bank of Ghana (BOG). (2011). *A Note on Microfinance in Ghana*. Working Paper. Retrieved on 28th December, 2014, from <http://www.bog.gov.gh/index.php?>
- Barnett, R. C. (1998). Toward a review and reconceptualization of the work/family literature. *Genetic, Social and General Psychology Monographs*, 124(2), 125-182.

- Birjandi, M., Birjandi, H., & Ataei, M. (2010). The relationship between the QWL and organisational commitment of the employees of Darab cement company: Case study In Iran. *International Journal of Economics, Business & Finance*, 1(7), 154-164.
- Bragard, I. G., Dupuis, D., Razavi, Reynaert, C., & Etienne, A. M. (2012). Quality of work life in doctors working with cancer patients. *Occup. Med.*, 62(1), 34-40. <http://dx.doi.org/10.1093/occmed/kqr149>
- Cohen, R., & Rosenthal, E. (1980). Should Union Participate in QWL Activities. *The QWL- the Canadian Scene*, 1(4), 7-12.
- Fallah, M. (2006). *Study and analysis of the relationship between quality of work life and performance of Kosar economical organisation staff*. Master's dissertation.
- Firdousiya, P. C., & Jayan, C. (2013). Relationship between QWL, relationship quotient and counterproductive work behaviour. *International Journal of Social Science & Interdisciplinary Research*, 2(5), 135-43.
- Gadon, H. (1984). Making sense of quality of work life programs. *Business Horizons*, 27(1), 42-46. [http://dx.doi.org/10.1016/0007-6813\(84\)90074-0](http://dx.doi.org/10.1016/0007-6813(84)90074-0)
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. *Organ. Behav. Hum. Perf.*, 16(2), 250-279. [http://dx.doi.org/10.1016/0030-5073\(76\)90016-7](http://dx.doi.org/10.1016/0030-5073(76)90016-7)
- Hameed, A., & Amjad, S. (2009). Impact of office design on employees' productivity: A case study of banking organisations of Abbottabad, Pakistan. *Journal of Public Affairs, Administration & Management*, 3(1). Retrieved from <http://www.scientificjournals.org/journals2009/articles/1460.pdf>
- Hanlon, M. D., & Gladstein, D. L. (1984). Improving the QWL in hospitals: A case study. *Hospital Health Service Administration*, 29(5), 94-107.
- Hossain, M. M. (2000). Job satisfaction of commercial banks women employees in Bangladesh- A comparative study of private and public sectors. *Indian Journal of Industrial Relations*, 35(3), 347-361.
- Islam, M. B. (2012). Factors affecting QWL: An analysis on employees of private limited companies in Bangladesh. *Global Journal of Management & Business Research*, 12(18), 139-211.
- Kaighobadi, S., Esteghlal, A., & Mohebbi, S. (2014). The relationship between QWL and performance of managers of SMEs of Shiraz industrial town: Case study in Iran. *European Journal of Business & Management*, 6(23), 220-227.
- Kanter, R. M. (1995). Mastering Change. In S. Chawla & J. Renesch (Eds.), *Learning organisations: Developing cultures for tomorrow's workplace*. Portland: Productivity Press.
- Karimi, F., Hosseinzadeh, D., & Azizi, G. (2011). Relationship between management style and productivity of employees in Islamic Azad University-Islamshahr Unit. *World Applied Sciences Journal*, 12(10), 1685-1690.
- Kessey, K. D. (2014). Micro credit and promotion of small and medium enterprises in informal sector of Ghana: Lessons from experience. *Asian Economic and Financial Review*, 4(6), 768-780.
- Krejcić, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational & Psychological Measurement*, 30(3), 607-610.
- Lau, R. S. M., & May, B. E. (1998). A win-win paradigm for quality of work life and business performance. *Human Resource Development Quarterly*, 9(3), 211-226. <http://dx.doi.org/10.1002/hrdq.3920090302>
- Lee, Y. W., Dai, Y. T., Park, C. G., & McCreary, L. L. (2013). Predicting quality of work life on nurses' intention to leave. *J. Nurs. Scholarsh.*, 45, 160-168. <http://dx.doi.org/10.1111/jnu.12017>
- May, B. E., Lau, R. S. M., & Johnson, S. K. (1999). A longitudinal study of quality of work life and business performance. *South Dakota Business Review*, 58(2), 3-7.
- Mohammad, A. A., Ahmad, M. S. A., & Reza, A. A. (2013). The relationship between QWL and faculty members' productivity in Islamic Azad Universities in district 4 of Iran. *European Journal of Experimental Biology*, 3(1), 443-448.
- Mosadeghrad, A. M. (2013). Quality of working life and turnover intentions: Implications for nursing management. *International Journal of Research in Nursing*, 4(2), 47-54. <http://dx.doi.org/10.3844/ijrnsp.2013.47.54>
- Nadler, D. A., & Lawler, E. E. (1983). Quality of working life: Perceptions and direction. *Organisational*

- Dynamics*, 11(3), 20-30.
- Najafi, A. (2006). *Study of the relationship between quality of work life and profiting of middle managers of Iranian Gas Company*. Master dissertation, Tehran, Allameh.
- Nayeri, N. D., Salehi, T., & Noghabi, A. A. (2011). Quality of work life and productivity among Iranian nurses. *Contemp. Nurse*, 39, 106-118. <http://dx.doi.org/10.5172/conu.2011.39.1.106>
- Noor, S. M., & Abdullah, M. A. (2012). Quality work life among factory workers in Malaysia. *Procedia-Social and Behavioural Sciences*, 35, 739-774.
- Omojola, A. (2010). Assessment of quality of working-life of nurses in two tertiary hospitals in Ekiti State, Nigeria. *African Research Review*, 4(2), 113-124. <http://dx.doi.org/10.4314/afrev.v4i2.58295>
- Oswald, A. J., Proto, E., & Sgroi, D. (2014). *Happiness and productivity*. University of Warwick.
- Patil, D. U., & Prabhuswam, M. S. (2013). Quality of work life-linkage with human resource productivity. *Edubeam Multidisciplinary- Online Research Journal*, VI(1), 1-8.
- Patterson, M., Warr, P., & West, W. M. (2004). Organisational climate and company productivity: The role of employee affect and employee level. *Journal of Occupational & Organisational Psychology*, 77, 193-216.
- Rabin, J., Teasley III, C. E., Finkle, A., & Carter, L. F. (1985). *Personnel: Managing Human Resources in the Public Sector*. Harcourt: Brace Jovanovich.
- Rathi, N. (2009). Relationship of QWL with employees' psychological well-being. *Journal of Business Insights & Transformation*, 3(1), 52-60.
- Rethinam, G. S. (2008). Constructs of QWL: A perspective of information and technology professionals. *European Journal of Social Sciences*, 7(1), 58-70.
- Robins, S. P. (1989). *Organisational Behaviour: Concepts, Controversies, and Applications*. New Jersey: Prentice Hall.
- Rose, R. C., Beh, L. S., Uli, J., & Idris, K. (2006). QWL: Implications of career dimensions. *Journal of Social Sciences*, 2(2), 61-67.
- Ryan, G. M. (1995). *Theoretical basis for the QWL concept* (Esprit Project 8162). Working Paper. University of Siena.
- Sadique, Z. (2003). Quality of work life among white collar and blue collar employees. *Journal of the Institute of Bangladesh Studies*, 26, 169-174.
- Sajjad, N. K., & Abbasi, B. (2014). Studying the relationship between quality of work life and organisational commitment. *Research Journal of Recent Sciences*, 3(2), 92-99.
- Saraji, G. N., & Dargahi, H. (2006). Study of quality of work life (QWL). *Iranian Journal of Publication Health*, 35(4), 8-14.
- Schmidt, D. R., Paladini, M., Biato, C., Pais, J. D., & Oliveira, A. R. (2013). Quality of working life and burnout among nursing staff in Intensive Care Units. *Rev. Bras. Enferm.*, 66, 13-17.
- Seashore, S. E. (1975). Defining and measuring the quality of working life. In L. E. Davis & A. B. Cherns (Eds.), *The quality of working life* (pp. 105-118). New York: The Free Press.
- Shazly, M. M., & Fakhry, S. M. (2014). Nurses' perception of the quality of nursing work life and related priorities for improvement in Ain Shams University specialized hospital. *Journal of American Science*, 10(1s), 123-131.
- Sirgy, M. J., Efraty, D., Siegel, P., & Lee, D. J. (2001). A new measure of QWL (QWL) based on need satisfaction and spillover theories. *Social Indicators Research*, 55(3), 241-302.
- Soltani, A. (2006). *Effectiveness of Human*. Tehran: Ardakan Publication.
- Steel, W. F., & Andah, D. O. (2003). *Rural and microfinance regulation in Ghana: Implications for development and performance of the industry*. World Bank Working Paper Series No. 49.
- Steenhuis, H. J., & DeBruijn, E. J. (2006). International shop floor level productivity differences: An exploratory study. *Journal of Manufacturing Technology Management*, 17(1), 42-55. <http://dx.doi.org/10.1108/17410380610639498>
- Straw, R. J., & Heckscher, C. C. (1984). QWL: New working relationships in the communication industry. *Labor*

*Studies Journal*, 8(3), 261.

Sutermeister, R. A. (1976). *People and Productivity* (3rd ed.). New York.

Tabassum, A. (2012). Interrelations between quality of work life dimensions and faculty member job satisfaction in the Private Universities of Bangladesh. *European Journal of Business and Management*, 4(2), 78-89.

Tandoh, V. C. (2011). *Effect of leadership behaviours on employee performance in Guinness Ghana Breweries Limited*. Thesis, KNUST.

Van der Berg, Y., & Martins, N. (2013). The relationship between organisational trust and quality of work life. *SA Journal of Human Resource Management*, 11(1), 392-405. <http://dx.doi.org/10.4102/sajhrm.v11i1.392>

Walter, J., & Walters, J. (2010). *Positive Management: Increasing Employee Productivity*. New York, NY, USA: Business Expert Press, LLC.

Walton, R. E. (1975). Criteria for quality of working life. In L. E. Davis & A. B. Cherns (Eds.), *The quality of working life* (pp. 99-104). New York: The Free Press.

### **Copyrights**

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/3.0/>).