

## The Relationship Between Institutionalization of Ethics and Quality of Work Life with Managers' Job Satisfaction

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**Abstract:** Having a sense of job satisfaction is very important to all working groups and the importance of having this sensation (job satisfaction) for all managers of governmental and nongovernmental organizations in the modern world clear and crisp because the increase in employee job satisfaction leads to the satisfaction of the audience groups and have a significant impact on general satisfaction of a society. This study aimed to investigate the relationship between understanding the institutionalization of ethics and understanding the quality of work life with job satisfaction and was conducted in 6 governmental organizations in Yazd City. This study is a correlational research. Population of the study has been formed by directors (around 252 persons) of 6 governmental organizations in Yazd in 2014. The sample included 153 subjects and stratified random sampling method was used. The instruments used to measure the research variables included 16-item questionnaire on quality of work life developed by Sergei, 24-item questionnaire on institutionalization of ethics developed by Singapakdi and Whittle and 5-item questionnaire on job satisfaction proposed by Dabinski. The collected data from research questionnaires were evaluated using Pearson's correlation coefficient and stepwise multiple regression method. The results of data analysis showed that there is a positive relationship between institutionalization of ethics and quality of work life with managers' job satisfaction. The results indicate that attention to understanding the institutionalization of ethics and understanding the quality of work life provide grounds for reducing occupational stress and increasing job satisfaction among managers.

**Key words:** High-level quality of work life, low-level quality of work life, institutionalization of explicit ethics, institutionalization of implicit ethics, job satisfaction

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### INTRODUCTION

Today, ethics be considered as a controversial issue in organizations. Escape from work, motiveless, wasting time at work, low productivity, low benefits and work hours and confused clients in agencies and organizations are all indicative of poor work ethic in our society. Unfortunately, the poor work ethic is a great social problem that has slowed the country's economic development as research shows when the culture of work is weakened, work capacity will face with sharp drop and sense of responsibility will fade. Problems and corrupt behaviors in major enterprises and corporations in the world has increased the importance of ethics and magazines, newspapers and numerous TV programs spend a significant portion of their space to talk about the aspects of ethics in public and private organizations. In recent years, the scandals in organizations has been increasing. Under public pressure, it is no surprise that organizations intend to institutionalize the ethics through

structures, programs and processes; although this is a common issue in organizations, yet there is little investigations regarding this field (Jose and Thibodeaux, 1999).

In summary, the studies conducted have shown that the emphasis on ethical behaviors in the workplace are significantly related to quality of work life (Koonmee *et al.*, 2010). Quality of work life is a process by which all organizational members are involved in the decisions affecting their jobs, through the open and commensurate communication channels that been created for this purpose. As a result, participation and job satisfaction would be increased and occupational stress would be reduced. In fact, the quality of work life is the reflection of a kind of organizational culture and management style; accordingly, employees have the feeling of ownership and self-esteem. Some experts have raised the quality of work life as a hierarchy of concepts including life satisfaction (on the top of the hierarchy) job satisfaction (in the middle of the hierarchy)

and satisfaction from certain aspects such as pay satisfaction, colleagues, supervisors and the like (Champoux, 1981).

Job satisfaction is one of the most important and perhaps the most controversial concepts that focused fundamental and theoretical efforts and on the other hand, it is very important at all levels of management and organizational human resource. This is important due to the role of these structures in the progress and improvement of organization and the health of workforce. And on the other hand due to the fact that job satisfaction in addition to the numerous and sometimes complex definitions and conceptions is the confluence point and shared structure of many scientific fields such as education, psychology, management, sociology, economics and even politics.

**Institutionalization of ethics:** The word “institutionalization” is a term in sociology. Institutionalizing a social affair means that this affair be rooted in the depth of society (Husseini and Abbas, 2012).

In response to ethical problems and crises organizations seeking to institutionalization of ethics through various ways such as developing codes of ethics, establishing ethics committees, determine ethical officials and publish newsletters and magazines. Brenner has stated that all organizations, whether they realize it or not have ethical programs. However, in most cases, these programs are not clearly established in the organization and are embedded in cultures, systems and organizational processes. Some experts have defined institutionalization of ethics as “the degree to which an organization explicitly and implicitly applies moral principles in decision-making processes”. Since, the study is based on a distinction that Brenner had established between explicit and implicit aspects, the literature related to each of them is separately presented.

**Implicit forms:** Inclusion of implicit ethical principles reflects an ethical behavior that is not told directly and it is crucial. Implicit aspects include organizational culture of ethical leadership and performance evaluation (Koonmee *et al.*, 2010).

**Explicit forms:** Inclusion of explicit ethical principles means that ethical behavior formally and unequivocally be expressed. Explicit aspects of these ethical programs include ethics codes, ethics training, appointing chief ethical officers and establishing ethics committees; in fact, institutionalization of explicit ethical principles is a background for institutionalization of implicit ethical principles (Kommee *et al.*, 2012).

**Quality of work life:** Although, there is no official definition about the QWL; industrial psychologists and experts in the field of general management in this case agree that QWL is a structure which is associated with employee health differ from job satisfaction. In this respect, QWL is different from job satisfaction and job satisfaction is considered as one of the numerous outcomes of QWL. In addition to job satisfaction, QWL impact on other areas of life such as family life, financial life, leisure time and the like. For this reason, focus of QWL is beyond job satisfaction and include impact of work environment on job satisfaction, job satisfaction from other areas of life, overall satisfaction from life, personal happiness and mental health. Why the quality of work life is important? There is evidence indicating that a happy employee would be productive. A happy and satisfied employee would be loyal and diligent. Some studies have shown that QWL could affect employees behavioral responses such as organizational identification, job satisfaction, job involvement, job effort, job performance, turnover intention and job alienation. In terms of literature related to QWL there are two major theoretical approaches, namely, satisfying the needs and spillover. QWL scale of this study is based on these two theoretical approaches. The approach of satisfying the needs in QWL is based on the researches by Maslow, Mac Kelleh Land and Adler (Greenhaus *et al.*, 1987).

**Scale of QWL:** What constitutes the foundation of the structure and scale of QWL is that each employee enters the organization with a series of different needs and their QWL depends on organizational resources available to meet these needs.

Briefly, Sergei and colleagues focused on conceptualize the QWL in the form of satisfying the needs in seven different domains that is mathematically shown as follows:

$$\begin{aligned} &Nshs \text{ (satisfaction of health and safety needs)+} \\ &NSef \text{ (satisfaction of economic and family needs)+} \\ &NSs \text{ (satisfaction of social needs)+} \\ &NSt \text{ (satisfaction of esteem needs)+} \\ &NSa \text{ (satisfaction of actualization needs)+} \\ &NSk \text{ (satisfaction of knowledge needs)+} \\ &NScs \text{ (satisfaction of aesthetics needs) = QWL} \end{aligned}$$

**Low level quality of work life:** Low level quality of work life is the organizational programs designed to meet the needs related to security, health, family and economic (Marta *et al.*, 2013).

**High level quality of work life:** High level quality of work life is the organizational programs designed to meet the needs related to community, self-esteem, self-actualization, knowledge and aesthetics (Marta *et al.*, 2013).

**Job satisfaction:** Job satisfaction is an important factor in increasing productivity, employees' compassion into the organization, sense of belonging toward workplace, increase quantity and quality of work, good human relations at work, making the right connections, raise morale, create interest in the work and reduce stress. Decline in job satisfaction leads to excessive absenteeism, low efficiency, displacement and transfer of employees. Study the job satisfaction is important from two perspectives:

First, from the human aspect, employees should be treated fairly and be respected. Second, behavioral aspects, attention to job satisfaction could direct the behavior of employees, so that it would affect the performance and organizational responsibilities and lead to positive and negative behavior from them (Spector, 2000).

Koonmee *et al.* (2010) examined the relationship between institutionalization of ethics, quality of work life and Thai staff working results and concluded that implicit institutionalized ethics has a positive relationship with both level of quality of work life; implicit institutionalized ethics and quality of work life positively related to the results of employees work including job satisfaction, team working and organizational commitment. Marta *et al.* (2013) examined the perception of institutionalization of ethics and quality of work life for Thai marketing managers, against American marketing managers and concluded that the impact of institutionalization of ethics on the quality of work life for Thai managers is more than American managers because Thai culture is collective, while American culture is individual. Beeri *et al.* (2013) investigated the effect of an ethical program in perception and behavior of employees in a regional council and concluded that ethical program led to greater awareness of ethical codes organizational commitment and quality of work life. Zareie Matin conducted a research entitled "Relationship between institutionalization of ethical culture and quality of working life" and concluded that there is a significant correlation between the components of institutionalization of ethical culture and quality of work life. Among the components of institutionalization of ethical culture, implicit institutionalization has a significant influence on the quality of work life. Mirkamali and Sani conducted a study entitled "the relationship between quality of work life and

job satisfaction among faculty members of Tehran University and Sharif University"; results showed that the professors of Tehran University and Sharif University have relatively low-level quality of working life and high-level job satisfaction; there is a positive relationship between the components of quality of work life and job satisfaction and there was no significant difference between the quality of working life and the job satisfaction amongst university professors. Valentine and Fleischman (2008) conducted a study entitled Cobh "ethical programs, perceptions of corporate social responsibility and job satisfaction" and in this exploratory study concluded that social responsibility is positively related to four variables of ethical programs and individual job satisfaction. Kang (2010) examined the relationship between job satisfaction and ethical conflict, ethical conflicts causes and consequences of job dissatisfaction and came to the conclusion that many employees confirm the existence of ethical conflict in their workplace; a number of disgruntled employees left the company and a number of employees remained in the hope of resolving the ethical challenges that they were facing. Roukhman examined the effect of Islamic work ethics on business results and came to the conclusion that Islamic work ethic has positive effects on both job satisfaction and organizational commitment. Golkar (2013) conducted a study entitled "the relationship between quality of work life and job satisfaction"; during a survey from human resource managers in Iran, he came to the conclusion that there is a positive relationship between institutionalization of implicit ethics and both level of quality of work life and also, institutionalization of implicit ethics and both level of quality of working life has a positive effect on job satisfaction.

Since, ethics in recent decades been regarded as one of the important variables and also in some countries, especially Iran, seems that the quality of work life of employees in the public sector is not at an appropriate level, it appears that the relationship between institutionalization of ethics and the quality of work life in public sector is a significant issue. Therefore, the main issue of this study is to understand the relationship between institutionalization of ethics, the perception of the quality of work life and job satisfaction in governmental organizations in Yazd City.

## **MATERIALS AND METHODS**

This study is a correlational research. Population of the study has been formed by directors (around 252 persons) of 6 governmental organizations in Yazd in 2014. The sample included 153 subjects and stratified random

sampling method was used. Therefore, based on the total number of managers in 6 governmental organization in Yazd, the samples were determined in every organization. They were randomly selected in each organization and questionnaires were given to them. Of 153 subject, 14.8% were female and 80.7% were male. About 7.1% of the members had associate degree, 58.1% had undergraduate degree, 28.4% had master's degree and 9.1% had PhD degree. Most of them were between 36 and 45 years old and work experience of most managers was between 16 and 20 years.

**Research tools:** The instruments used in research are among the tools that have been used in previous research outside Iran. For this reason, the questionnaires were translated from English into Farsi by an expert and then exactly matched with the original questionnaire in terms of content and concept. And their content validity was confirmed by an expert, these tools are as follows. Quality of work life questionnaire contains 16 closed-answer questions developed by Sirgy *et al.* (2001) and it is used to assess both level of quality of work life, the institutionalization of ethics questionnaire consist of 24 closed-answer questions developed by Singapakdi and Whittle and it is used to assess two aspects of institutionalization of ethics and the job satisfaction questionnaire consist of 5 closed-answer questions proposed by Dabinski; response scale of questionnaire is 5-point Likert scale which range from very low (1) to very high (5). Furthermore, according to Cronbach's alpha, the validity of the questionnaire was determined as follows: Quality of work life was equal to 0.88, the institutionalization of ethics was equal to 0.91 and job satisfaction was equal to 0.76. The collected data from research questionnaires were evaluated using Pearson's correlation coefficient and stepwise multiple regression method.

## RESULTS AND DISCUSSION

**Hypothesis:** Job satisfaction can be predicted by understanding the institutionalization of ethics and understanding the quality of work life. Table 1 shows that the correlation coefficient is significant between the understanding the quality of work life, job satisfaction, institutionalization of ethics in Yazd's governmental

organizations that is there is a significant relationship between understanding quality of work life and understanding institutionalization of ethics with job satisfaction ( $r = 0.604$ ) and ( $r = 0.458$ ). Based on the coefficient of determination ( $r^2$ ), 36.4 and 20.09% of the variance in quality of work life and in institutionalization of ethics was shared with job satisfaction. Therefore, the quality of work life and institutionalization of ethics and job satisfaction are related.

Table 2 shows that from variables entered into the regression, the two predictive variables had a significant effect on the dependent variable. Among the variables in the regression model, quality of work life ( $\beta = 0.505$ ) has the greatest impact on job satisfaction.

Table 3 shows the quality of work life in general account for 39% of the variance in job satisfaction. The remaining changes of dependent variable influence on this variable due to the complex and multi-dimensional nature of dependent variable of research that is job satisfaction and ignoring some of the variables.

The findings of this study are consistent with findings of previous research on job satisfaction these findings are consistent with results from studies by Zakerian *et al.* (2013) and Golkar (2013) regarding the relationship between quality of work life and job satisfaction. Also, these results are consistent with Koonmee *et al.* (2010), based on the relationship between the institutionalization of ethics, quality of work life and work of the staff. These findings support the results of research Flyschmn and Valentine showed that social responsibility is a positive relationship with job satisfaction of individual variables and ethics programs and with regard to specific aspects of institutionalization of ethics that is both ethical programs (Koonmee *et al.*, 2010) and according to results by Kang (2010) who showed that there is a significant relationship between the ethical conflict and job satisfaction and considering

Table 1: Correlation coefficient between quality of work life, institutionalization of ethics and job satisfaction

The criterion variable Predictive variables	Job satisfaction		
	Correlation coefficient	Square of correlation coefficient	Level of significance
Quality of work life	604/0**	364/0	000/0
institutionalization of ethics	458/0**	209/0	000/0

\*\*Correlation is significant at the 0.01 level

Table 2:  $\beta$  coefficient can be predicted in the institutionalization of ethics and quality of work life and job satisfaction

Statistical indicators Predictive variables	Non-standardized coefficients (B)	SE	Standardized coefficients ( $\beta$ )	t-values	F-value	Level of significance
Institutionalization of ethics	420/0	017/0	183/0	41/2	298/48	017/0
Quality of work life	178/0	027/0	505/0	66/6	-	000/0

Table 3: Multiple correlation coefficient, coefficient of determination, adjusted coefficient of determination

Multiple correlation coefficient	Multiple correlation coefficient	Adjusted coefficient of determination
623/0	389/0	381/0

the implications by Vitell and Singapakdi (2008) to the relationship between open corporate communications (one of the aspects of institutionalization of implicit ethics) and ethical conflict and the results of Rokhman who showed that the Islamic work ethics has a positive effects on both job satisfaction and organizational commitment. Considering the definition by Moeedfar, the work ethic is a set of do's and don'ts that employees of an organization should respect in order to fulfill their working conditions and its relationship with specific aspects of institutionalization of ethics including the ethics codes and ethical training it can be judged that the findings of this study are consistent with results of these studies based on indirect relationship between institutionalization of ethics and job satisfaction. Therefore, it can be concluded that the two variables of quality of work life and institutionalization of ethics are crelative to increase managers' job satisfaction. When there is compassion, a sense of friendship, sincerity, honesty and work-life balance in an organization, all organizational members are involved in the decisions affecting their jobs, through the open and commensurate communication channels that been created for this purpose. Feel that their individual values are consistent with the partnership and increase the satisfaction of their work and their job stress from work for them is reduced and more willing to their also, if they really feel that the quality of their working life have improved their performance or policies that will be adopted by the organization in order to increase productivity and attain higher positions simply by merit and abilities of individuals then there is a unity in the work life of employees. This gives employees more power to do their job and makes it easier to handle the organization's non-ideal conditions. Natural consequence of the process of creating life force and the atmosphere within the group or organization and increase productivity are beyond the expected results.

## CONCLUSION

Any research, especially in the field of humanities has limitations in terms of society, time and place. Since, this research is no exception, limitations of this study are as follows: inability to control intervening variables such as fatigue, pessimism and also familial, financial, emotional, mental problems of subjects may have a negative effect on results. Since, this study was done

during summer and fall of 2013, generalizing the results should be performed with extreme caution. The study was conducted in Yazd's governmental organizations and generalizing the results to other organizations should be taken into account with extreme caution.

Researchers interested in a more complete knowledge can use other questionnaires related to quality of work life (Walton, etc.), job satisfaction and institutionalization of ethics and compare their results with the current study. This study should be carried out in other private organizations and agencies and the results compared with the study. Research carried out in line with the effect of institutionalization of explicit ethics on institutionalization of implicit ethics and the effect of institutionalization of implicit ethics on the quality of work life. It is recommended to researchers studying the relationship institutionalization of ethics, quality of work life and job satisfaction with other variables, such as the style of social responsibility, the spirit of teamwork and organizational commitment. Organizations to demonstrate their ethical programs should focus on individuals or groups of high-level management, competent and ethical programs are responsible for compliance with the specific direction. The main theme of ethical education can be provided by organizations interpersonal conflicts, personal behavior, public ratings, use of informal information and accountability for the authority.

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