

# Quality of Work Life and Organisational Climate Factors Affecting Work Efficiency of SME Business Employees in Suphanburi Province, Thailand

Laddawan Someran<sup>a</sup>, Soraya Supaphol<sup>b</sup>, Niti Choosawat<sup>c</sup>, <sup>a,b</sup>Rajamangala University of Technology Suvarnabhumi, Thailand, Email: [noinoi5202@gmail.com](mailto:noinoi5202@gmail.com), [soraya\\_784@hotmail.com](mailto:soraya_784@hotmail.com), [nitichoosawat@gmail.com](mailto:nitichoosawat@gmail.com)

Work efficiency is a factor that arises from the mental state of employees. If the quality of working life and the atmosphere of the organisation is good, it allows employees to work productively and brings increases the efficiency of the organisation. This research aims to study the quality of life in a workplace, the organisational climate factors that affect the work efficiency of the SME business employees in Suphanburi Province. The sample consisted of 64 SME business employees in Suphanburi Province, using questionnaires as a data collection tool. The statistics used for the data analysis were mean, standard deviation (SD) and multiple regression analysis. The results of the data analysis revealed that the quality of life at work, the organisational climate, and the work efficiency were rated at a high level. In addition, the hypothesis testing revealed that the quality of work life factors, which were benefits to society, safe and healthy working conditions, security and progress of work, had an impact on work efficiency. Responsibility and acceptance also had a significant effect on work efficiency.

**Key words:** *Quality of work life, Organization atmosphere, Work efficiency, SME.*

## Introduction

Thailand is an important agricultural hub for the world. There are many agricultural products that are exported each year (Pamornmast, Jermisittiparsert & Sriyakul, 2013). In some seasons

the volume of the production is too high, causing the price of agricultural products to fall. Therefore, agricultural product processing is a solution to the oversupply problem, as is also increasing the value of the agricultural products at the same time. There are many levels of production of agricultural products; small scale, medium scale and large scale. Small and medium-sized enterprises play an important role in the Thai economy, as they make up the majority of enterprises in the country and are continuously growing (Phirun, 2013). These SMEs employ local labour, an important means of income distribution for the country. Labour is, therefore, considered an important factor of production; the human capital that plays a role in driving business, an important spine of the country's economic development. The performance of any organisation can be gauged by many factors, and the factor that is very important is human resources (Sriviboon & Jermittiparsert, 2019).

Humans are valuable and important resources of organisations, who help generate benefits and success for the organisation. The quality of life of workers will inevitably affect the efficiency of the organisation as a whole. The organisation must find ways to improve the quality of working life and create work motivation in order to make employees feel satisfied and to enable employees to have a good quality of life at work. This results in efficient work and the achieving of organisational goals. In addition, the organisation should focus on the atmosphere of the organisation, because the atmosphere of the organisation covers the overall picture that affects the minds of personnel within the operation. If the atmosphere is favourable for the organisation's personnel to work productively, there will be good results to the efficiency and productivity of the organisation. On the contrary, if the corporate atmosphere is not good, it will inevitably impede the ability of personnel, interfere with their motivation to work hard, cause work to be delayed and damage the corporate atmosphere. Therefore, corporate atmosphere is an important factor for the successful development of personnel in the organisation, making them work more effectively for the organisation. The executives, especially the human resource executives, should focus on improving the quality of working life and the working atmosphere of the employees, in order to create more incentives for better performance, such as providing appropriate compensation, consideration of employee salary increases, employee benefits, workplace improvements, procuring office equipment appropriate to various departments and, more importantly, encouraging employees to use their knowledge and skills in their work to make the operation more efficient and progressive. These factors create more happiness and motivation for employees in order for them to help each other work for the organisation more efficiently, and also improve the quality of working life for workers. A good quality of work life is an important basic factor for people.

Considering the above reasons, the researchers were interested in conducting research on "Quality of work life factors and organisational climate factors affecting the work efficiency of SME business employees in Suphanburi Province". The benefits of this research are

expected to be applied to the SMEs, for them to use the information from the study as a guideline to improve the organisational planning that will affect the work efficiency of employees of SME entrepreneurs in the future.

### **Research objectives**

1. To study the quality of work life factors, organisational climate factors, and work efficiency of SME business employees in Suphanburi Province.
2. To study the effects of the quality of working life factors and the organisational climate factors on work efficiency of the SME business employees in Suphanburi Province.

### **Literature Review**

The researchers reviewed the theoretical concepts and the available related literature covering work efficiency, quality of life in the work place, and organisational climate. For working efficiency, the researchers reviewed the research literature related to work efficiency, concluding that the efficiency of work is facilitated by the manager who knows how to plan the work process, by having specific techniques to attract employees to work to achieve the set goals, an appropriate budget allocation, time management, managing people by knowing how to use the right people and providing support in various areas to increase the efficiency of people in their work (Becker and Neuhauser, 1975). The quality of life in the workplace is the readiness of employees, both physically and mentally, to work productively, including having a good working environment. This makes them happy to work. It is an important mechanism for efficient working life quality. Walton (1974) found that the quality of working life consisted of the following aspects: fair compensation, safe work conditions, health promotion, career development, the abilities of a person in the working environment, social integration or collaboration, taking care of employee rights, the balance between working life and other life, and benefits to society.

The organisational climate factors are the feelings of the employees within the organisation that influence various factors within the organisation that affect work. In other words, employee perception of the work environment involves work structure, standards of operation, responsibility, acceptance and employee support (Saenmontri, 2010; Hartinah, Suharso, Umam, Syazali, Lestari, Roslina & Jermsittiparsert, 2020; Saengchai, Siriattakul & Jermsittiparsert, 2019).

The related research, which studied the factors that influence the work efficiency of the employees which were used as the guideline for determining the variables in the conceptual framework of this research, was a study by Rattananupong (2015), who studied the quality of working life and efficiency of employee performance at the SMM News Centre. In addition,

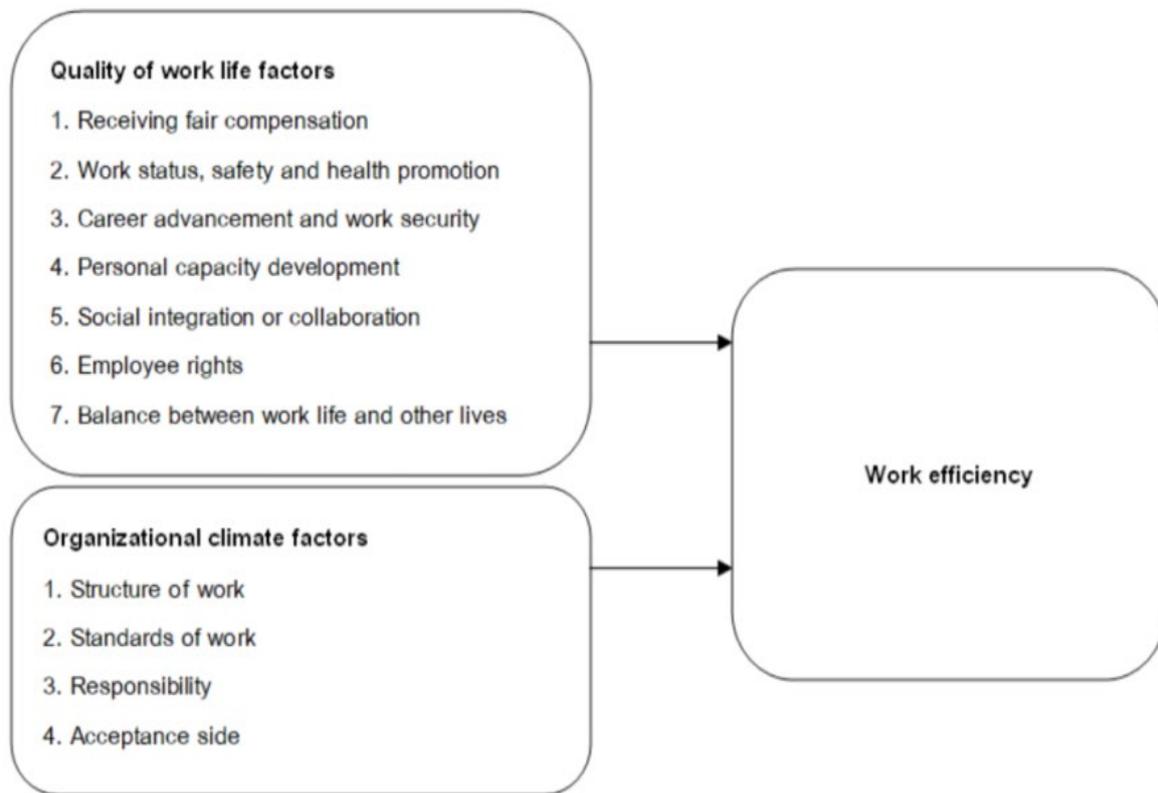
Phaisan (2013) studied the quality of working life that affects the work efficiency of employees. International Realty Management Co., Ltd. and Someran, and Chaisri (2017) studied organisational culture and organisational climate affecting organisational effectiveness in the automotive industry in Thailand. Finally, Kritsanasopa and Someran (2018) studied the factors affecting employees' work efficiency at the Single Point Parts Public Company Limited (Thailand).

The following research conceptual framework, based on the literature review of the concepts, theories and related research, is proposed in Figure 1:

**Independent variables**

**Dependent variables**

**Figure 1.** Conceptual Framework



**Research Methodology**

***Population and Sample***

The population was 75 SME employees of a company; while the sample was 64 employees, selected by stratified random sampling from the population, based on the formula of Taro Yamane, defining a confidence value of 95% at  $\pm 5\%$ .

## Research Instrument

The research instrument was an opinion survey questionnaire of a 5-point rating scale with closed-ended questions and with a scoring level as follows: 5 = highest, 4= high, 3= moderate, 2= low and 1= the lowest. The interpretation of the mean score of the opinions were as follows: 4.50 - 5.00 (Highest agree), 3.50 - 4.49 (Highly agree), 2.50 - 3.49 (Moderately agree), 1.50 - 2.49 (Less agree) and 1.00 - 1.49 (Least agree). The questionnaire's content validity was determined by applying the Item Objective Congruence Index (IOC). The IOC values of all questions were greater than 0.50, indicating that the questionnaire items were valid. The reliability of the questionnaire items was determined by the alpha coefficient (Coefficient) according to the method of Cronbach. The question items had a confidence value greater than 0.70 (Vanichbancha, 2007) and the reliability of the whole questionnaire was between 0.74 - 0.86. Therefore, it was concluded that the questionnaire is reliable and can be appropriately used in this study.

## Data Analysis

The researchers analysed the data using the following statistics:

1. Descriptive Statistics: mean and standard deviation
2. Inferential statistic: Step wise Multiple Regression Analysis

## Research Results

*1. Information regarding the analysis of the quality of work life factors of employees.* The results of the data analysis showed that the overall quality of working life of employees was at a high level ( $\bar{x}$ = 3.86, SD = 0.24). When considering each individual category, the quality of working life of the employees was at a high level ( $\bar{x}$ = 3.92, SD = 0.42), and was ranked first. The balance between work life and other life category was at a high level ( $\bar{x}$ = 3.91, SD = 0.44), ranking second. Fair compensation was also at a high level ( $\bar{x}$ = 3.89, SD = 0.42), ranking third. Benefits to society was at a high level ( $\bar{x}$ = 3.88, SD = 0.46), ranking fourth. Progress and job security were at a high level ( $\bar{x}$ = 3.82, SD = 0.41), ranking fifth. Social integration or collaboration was at a high level ( $\bar{x}$ = 3.82, SD = 0.47) in sixth place. The development of personal capacity was at a high level ( $\bar{x}$ = 3.81, SD = 0.44) and, finally, regarding working status, safety and health promotion was also rated at a high level ( $\bar{x}$ = 3.80, SD = 0.35).

*2. Information regarding the analysis of organisational climate factors.* The results of the data analysis revealed that, for the employees who answered the questionnaires about the organisational climate, it was found that there was an overall high level of agreement ( $\bar{x}$ = 3.83, SD = 0.26). When considering each aspect of organisational climate, in order from highest to lowest, it was found that the highest aspect was responsibility, with opinions at the

high level of agreement ( $\bar{x}$ = 3.86, SD = 0.44), followed by the structure of the work with opinions also at the high level ( $\bar{x}$ = 3.84, SD = 0.37), followed by acceptance with a high level of agreement ( $\bar{x}$ = 3.83, SD = 0.42), followed by support with a high level of agreement ( $\bar{x}$ = 3.82, SD = 0.42). The aspect of the standard of operation was ranked last, but opinions were still at the high level of agreement ( $\bar{x}$ = 3.78, SD = 0.38).

3. *Information about work efficiency analysis.* For the employees who responded to the questionnaire about work efficiency, as a whole it was found that opinion was at the high level ( $\bar{x}$ = 3.84, SD = 0.43). When considering each item, in order of average from highest to lowest, it was found that the highest value was: aware of and encouraging others to use their resources worthwhile ( $\bar{x}$ = 3.91, SD = .79), then, always having a plan for the operation in advance ( $\bar{x}$ = 3.89, SD = 0.67), work successfully with the amount of work compared to the set goals ( $\bar{x}$ = 3.89, SD = 0.72), having to prioritise the amount of work to achieve success in work ( $\bar{x}$ = 3.78, SD = 0.60), and clearly dividing the work time ( $\bar{x}$ = 3.75, SD = 0.71), respectively.

### ***Hypothesis Testing Results***

**Hypothesis 1:** There is at least one quality of work life variable that can predict the work efficiency of an SME business employee.

In the statistical analysis, the examination of work quality of life factors affecting work efficiency uses linear multiple regression analysis, in which the technique of this method has the following conditions;

1. The average value of error was equal to 0 by the least squares method and will always have an average equal to 0.
2. Investigation from problems of Multicollinearity, in other words, all independent variables must not have a relationship. By using statistics to check the relationship between many independent variables with Collinearity Statistics, the result of two values, which are Tolerance between 0.948 - 0.978 which is greater than 0.10 and Variance Inflation Factor (VIF) is between 1.023 - 1.055 which is less than 10, meaning that there is no problem of Multicollinearity or of having a relationship among independent variables.
3. Verification of independence of tolerances, the correlation coefficient between independent variables is between 0.007 - 0.428 ( $r$  less than 0.80) (Vanichbancha, 2007). It appears that every pair does not exceed 0.80, indicating that all independent variables have no problems of Multicollinearity.
4. Expectations to be independent of one another, by considering the Durbin - Watson value of 2.104, which is in the range between 1.50 - 2.50 (Vanichbancha, 2007), showing that the discrepancies between variables are independent. When testing the above conditions, it can be concluded that the data set meets the specified conditions. Therefore, analysis of the

factors that influence work efficiency of an SME business employee using the statistics is appropriate.

**Table 1:** Results of the data analysis of work quality of life factors that affect work efficiency

Work quality of life	Work efficiency			t	p
	B	SE	$\beta$		
Constant	0.30	0.69		0.43	0.67
Benefits to society	0.29	0.10	0.30	2.75*	0.01
Work status safety and health promotion	0.35	0.13	0.29	2.63*	0.01
Career advancement and work security	0.29	0.11	0.27	2.53*	0.01
Adjust R Square = 0.282      R Square = 0.316      R = 0.562      Durbin–Watson = 2.104					

\*p < .05

From Table 1, it was found that the quality of work life factors that influence the work efficiency of SME business employees, in which the independent variables together, can predict the dependent variable up to 28% by considering the Adjusted R Square equal to 0.282. When considering each aspect, it was found that the benefits to society regarding work status, that is, health and safety, and the progress and stability at work, had values of  $\beta = 0.30, 0.29$  and  $0.27$ , respectively, indicating that there was at least one variable of quality of working life that can predict the efficiency of work of a SME business employee with a statistical significance level at .05, meaning Hypothesis 1 was accepted.

**Hypothesis 2:** Organisational climate factors, there is at least one variable that can predict the work efficiency of an SME business employee.

In the analysis, checking the preliminary agreement of the organisational climate factor on the work efficiency of using the equation analysis with the Linear multiple regression in which the technique of this method has the following conditions;

1. The average value of error is equal to 0 by the least square method. It will always have an average equal to 0.
2. Investigation from problems of Multi col-linearity, all independent variables must not have a relationship. By using the statistics to check the relationship between many independent variables with Col-linearity Statistics, the result is 2 values, which are Tolerance between 0.927 which is greater than 0.10 and Variance Inflation Factor (VIF) at 1.079 which is less than 10, showing no problem of Multi col-linearity or not having a relationship among independent variables.

3. Verification of independence of tolerances, the correlation coefficient between independent variables is between 0.098 - 0.437 ( $r$  less than 0.80) (Vanichbancha, 2007). It appears that every pair does not exceed 0.80, indicating that all independent variables have no problems of Multi col-linearity.

4. Expectations to be independent of one another by considering the Durbin - Watson value is 1.844, which is in the range between 1.50 - 2.50 (Vanichbancha, 2007) showing that the discrepancies between variables are independent.

Testing the above conditions, it can be concluded that the data set meets the specified conditions. Therefore, the statistical analysis of the factors that influence work efficiency of SME business employees was valid.

**Table 2:** Data analysis results of quality of work life factors that affect work efficiency factors

Quality of work life	Work efficiency			t	p
	B	SE	$\beta$		
Constant	2.35	0.45		2.80	0.007
Responsibility	0.31	0.12	0.32	2.73*	0.008
Acceptance side	0.29	0.12	0.28	2.36*	0.022
Adjust R Square = 0.200      R = 0.475      R Square = 0.226      Durbin-Watson = 1.844					

\* $p < .05$

From Table 2, it was found that organisational climate factors influenced the work efficiency of SME business employees, with the independent variables together predicting the dependent variable, accounting for 20% of the variance by considering the Adjusted R Square equal to 0.200. When considering each aspect of organisational climate, it was found that responsibility and the tolerance level has  $\beta = 0.31$ , and 0.29 respectively, indicating that the organisational climate factors have at least one variable that can predict the work efficiency of employees with a statistically significant level of 0.05. Therefore, Hypothesis 2 was also accepted.

### **Discussion**

From the study of quality of work life factors and organisational climate factors that affect work efficiency of SME business employees, the results can be summarised as follows:

1. Work quality factors that have social benefits regarding a work status that is safe and healthy, and career advancement and work stability influence the work efficiency of SME business employees, which is consistent with the results of Rattananupong (2015), who studied the quality of working life and work efficiency of the SMM News Centre staff.

Furthermore, Jirawisedsakun (2018) studied the quality of working life which affected the work efficiency of the employees in the Department of Social Development and Welfare, Ministry of Social Development and Human Security. This result may be caused by entrepreneurs giving importance to social activities and providing opportunities for employees to participate in activities on a regular basis. Moreover, the employees may feel that operators attach importance to employee safety, as they provide a safe working environment to prevent accidents, fires or other disasters. In addition, employees are encouraged to use their skills in various practices and employers may encourage employees to advance their careers as per the expectations of staff.

2. The organisational climate factors, which were found to influence the work efficiency of employees, were responsibility and acceptance, which is consistent with the research results of Borijark, Singhalert and Sairaksa (2019), who found that the organisational climate affected the work efficiency of personnel in UOB Bank. In addition, Someran and Chaisri (2017) found that organisational culture and the organisational climate affected organisational effectiveness in the automotive industry in Thailand, while Kritsanasopa and Someran (2018) also found these factors affecting employees' work efficiency at the Single Point Parts (Thailand) Public Company Limited. These results may be explained by the fact that the employers give employees the opportunity to fully utilise their knowledge and capabilities, as well as giving employees the opportunity to express opinions about their responsibilities. In addition, fairness is considered acceptable among employees, as is being praised when the employees work with outstanding performance.

### ***Recommendations***

1. Concerning the benefits to society, activities should be added for the public benefit to the surrounding communities.
2. Concerning work status safety and health of the employees, organisations should arrange for additional health insurance and life insurance for employees in order to build morale at work.
3. For career advancement and work security, there should be encouragement for employees to attend training and use it as a guideline for work development and career advancement.
4. For responsibility, there should be an opportunity for employees to comment on their work, having freedom in making decisions about their responsibilities.
5. For acceptance, the management or the owner of the business should recognise the employees who perform well by giving compliments or providing other rewards to build the morale of the employees.



## REFERENCES

- Becker, S. and Neuhauser, D. 1975. *The Efficient Organization*. New York: Elsevier Scientific.
- Borijark W., Singhalert R. and Sairaksa D. 2019. "A Model for Work Performance Efficiency on Customer's Service in UOB Bank." *Chophayom* 30 (1): 251-260.
- Department of Industrial Promotion. 2016. *Industry Trends and Sizes of Agricultural Product Processing Businesses*. Retrieved June 15, 2018, from <https://bsc.dip.go.th/en/category/quality-control/qs-businessagriculture>.
- Hartinah, S., Suharso, P., Umam, R., Syazali, M., Lestari, B., Roslina, R., & Jermsttiparsert, K. (2020). Teacher's Performance Management: The Role of Principal's Leadership, Work Environment and Motivation in Tegal City, Indonesia. *Management Science Letters*, 10(1), 235-246.
- Jirawisedsakun K. 2018. "Qualities of Work Life that Affect the Work Efficiency of Central Officers in The Department of Social Development and Welfare, Ministry of Social Development and Human Security." *Journal of Business Administration and Social Sciences Ramkhamhaeng University* 1 (1): 35-52.
- Kritsanasopa, S. and Someran, L. 2018. "The Factors Affecting to the Employees' Work Efficiency of the Single Point Parts (Thailand) Public Company Limited". *RMRTSB Academic Journal (Humanities and Social Sciences)* 3 (1): 55-66.
- Pamornmast, C., Jermsttiparsert, K., & Sriyakul, T. (2013). An Empirical Discourse Analysis on Correlations between the Exchange Rate and Exports of Agricultural Product Export. *PSAKU International Journal of Interdisciplinary Research*, 2(1), 48-62.
- Phaisan, U. 2013. *Quality of Work Life Affecting Work Efficiency of Staffs of Inter Realty Management Co., Ltd. (IRM)*. Masters thesis, Pathum Thani: Rajamangala University of Technology Thanyaburi.
- Pholphirun, P. 2013. "The Role of Small and Medium Enterprises in the Creative Economy". *Journal of Economic Periscope* 7 (1): 205 - 250.
- Rattananuphong, S. 2015. *Quality of Working Life and Work Efficiency of Staff of SMM News Center*. Masters thesis, Labor Development and Welfare. Bangkok: Thammasat University.



- Saengchai, S., Siriattakul, P., & Jermstittiparsert, K. (2019). The Mediating Role of Employee Engagement between Team and Co-worker Relation, Work Environment, Training and Development and Employee Performance. *International Journal of Psychosocial Rehabilitation*, 23(4), 853-864.
- Saenmontri, N. 2010. Organizational Atmosphere and Organizational Commitment of Police Officers. Masters thesis, Sakon Nakhon: Mahanalai University.
- Someran L. and Chaisri K. 2017. "Organizational Culture and Organizational Climate Effect on Organizational Effectiveness the Automotive Industry in Thailand." *International Journal of Business and Management Studies* 6 (2): 237-240.
- Sriviboon, C. & Jermstittiparsert, K. (2019). Influence of Human Resource Practices on Thai Pharmaceutical Firm Performance with Moderating Role of Job Involvement. *Systematic Reviews in Pharmacy*, 10(2), 234-243.
- Vanichbancha, K. 2007. *Statistical Analysis: Statistics for Administration and Research*. Chulalongkorn University Press: Bangkok.
- Walton, R.E. 1974. "Quality of Working Life: What Is It?". *Stone Management Review* 15: 12-16.