Investigating the Correlation Between the Quality of Work Life with Intellectual Capital Management at Departments of Education in Tehran

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**ABSTRACT**

Background: The statistical population of this study includes all 2477 employees in nineteen districts of education in Tehran during the scholastic year of 2012-2013. The sample size is determined according to Morgan table and then a sample of 403 subjects is determined through the simple random sampling. The research instrument has Two standard questionnaires including Walton's questionnaire with 32 questions for evaluating the quality of work life, and Bonit's questionnaire with 52 questions for Intellectual Capital; its validity is determined through Cronbach's alpha and its reliability coefficients are determined using Cronbach's alpha coefficient equal to 0.96and 0.93, respectively. The required data is collected from library sources by field method and analyzed in terms of descriptive and inferential aspects in SPSS software through multivariate linear regression model and ANOVA table. **Objective:** This study is conducted with the aim at investigating the relationship between the quality of work life with Intellectual Capital Management at departments of education in Tehran by correlative-descriptive research method. **Results:** The obtained results indicate that the correlation coefficient between the quality of work life with intellectual capital management is equal to 0.68. Conclusion: indicating the significant positive correlation between the quality of work life with intellectual capital management.

**INTRODUCTION**

The efficient labor is the main capital of any organization. In justifying the importance of human role in comparison with the capital and technology, each which are the major factors of enhancing the productivity, the experts have considered the human resources as the most fundamental factor. The human resources should be developed as the main capital of community. Insufficient attention to the employees' quality of life is one of the main problems of management and severely reduces the efficiency of organization[21]. The quality of work or work system is one of the most effective ways of creating the motivation and important solution of designing and enriching the job and is rooted in the staff and managers' attitude towards motivation. Since in today global economy, the knowledge as the most important capital is replaced by the financial and physical capital, the customer capital, which acts as a bridge and mediator in intellectual capital, is the main determinant of changing the intellectual capital to market value and thus the business performance in the organization[11]. The knowledge-based business environment requires the approach which involves the new intangible organizational assets such as the human resources' knowledge and competency, Innovation, relationship with customers, organizational culture, systems, organizational structure, and so on. Meanwhile, the intellectual capital theory has attracted the university researchers and organizational authorities' growing attention[8]. The intellectual capital provides a base for new resources through which the organization can compete and it has the tools necessary for obtaining the sustainable competitive advantage and involves a set of non-physical value sources and the cases such as the personnel capabilities, available resources within the organization, available operational directions and communication with stakeholders which all affect the organizational competitiveness [8]. Since the education system as a most obvious aspect of labor investment plays the main role in the development of society and now this system contributes to a large amount of budget in every countries and according to its importance and role in economic, social, cultural and political dimensions of society, it is essential to take fundamental measures to improve its quality. Despite the numerous efforts, the organizations and educational centers still suffer from low quality in several cases[33]. Increasing the quality of work life is
one of the major steps to improve the employees’ performance. The work environment has high quality if the individuals are considered as the main member of organization. Nowadays, the quality of work life is taken into account as a global concept at the human resources management and organizational development stage and its supply and promotion is considered as the main key of success in any organization [22].

The empirical evidence indicates that the Intellectual Capital Management is not properly done in education, and the quality of work life is among the variables affecting the intellectual capital. Thus, this study is seeking to find the answers to this question whether there is a relationship between the quality of work life and Intellectual Capital Management?

MATERIALS AND METHODS

This study is applied in terms of objective and among the descriptive studies.[6]. Furthermore, since the research objective is to investigate the relationship between research variables, the quality of work life, with the intellectual capital management, this research is among the correlative studies conducted by the multivariate correlation method[9].

The statistical population of this study consists of the employees at Department of Education in 19 districts of Tehran with educational degrees of Diploma and above in winter 2012. The population size is equal to 2477. The statistical sample is determined according to Morgan Table and selected as the simple random sampling and a total of 403 subjects determined[12].

The main objective of this study is to investigate the relationship between the managers’ quality of work life with the intellectual capital management at the Departments of Education in Tehran.

Subsidiary objectives:
Walton’s questionnaire with 32 questions for evaluating the quality of work life, and Bontis’s questionnaire with 52 questions for Intellectual Capital

1- Investigating the relationship between managers’ quality of work life and intellectual capital management at the Departments of Education in Tehran.

Two standard questionnaires are utilized to collect data. Walton's questionnaire is applied to assess the quality of work life; it contains 32 closed questions at Likert interval scale and investigates the intellectual capital management at sub-scales. It it contains 52 closed questions at Likert interval scale. The intellectual capital consists of three dimensions, human, structural and relational capital, and these dimensions are investigated by Bontis' 52-questionnaire and Five-point Likert.


Relational capital dimension is investigated by questions 1-6-10-11-17-18-22-23-25-29-30-36-37-44-45-50-51 in this research.

Structural capital dimension is investigated by questions 3-4-8-13-14-16-20-26-27-28-34-40-41-47-48 in this research.

Validity and reliability of questionnaire:

Since all two standard questionnaires are standard, their validity is confirmed in numerous domestic and foreign studies. Furthermore, the content validity is confirmed by getting the viewpoints of advisors and supervisor professors' and two of expert in content validity. Cronbach’s alpha for coefficient equal to 0.96 and 0.93.

Statistical description of data and their inferential analysis: In this study, the descriptive statistics including the central measures, mode, median, mean and histogram are used and the regression coefficient in data analysis. The stepwise regression model is utilized to answer the research questions. The data analysis process is done by SPSS software.

Results:
Regression of correlation between the quality of work life and intellectual capital management
The regression is utilized to answer the research question whether there is a relationship between the quality of work life and intellectual capital. The regression model and its equation are presented in Table 1.

<table>
<thead>
<tr>
<th>Correlation coefficient</th>
<th>Square of correlation coefficient</th>
<th>Square of adjusted correlation coefficient</th>
<th>Standard error of estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.682</td>
<td>0.465</td>
<td>0.463</td>
<td>20.540</td>
</tr>
</tbody>
</table>
Table 1 shows the correlation coefficient, square of correlation coefficient or coefficient of determination in a way that the correlation between the variables above is 0.68 at an upper level. Furthermore, the coefficient of determination indicates that 46% of changes in the intellectual capital is covered by quality of work life.

### Table 2: ANOVA table.

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Sum of Squares</th>
<th>Degrees of freedom</th>
<th>Mean square</th>
<th>F</th>
<th>Significance level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>146813.115</td>
<td>1</td>
<td>146813.115</td>
<td>348.005</td>
<td>0.0000</td>
</tr>
<tr>
<td>Residual</td>
<td>169170.344</td>
<td>401</td>
<td>421.871</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>315983.459</td>
<td>402</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The significance level less than 0.01 according to the value of f equal to 348 in Table 2 indicates the approval of regression and the variable independent is able to predict the changes in the dependent variable.

### Table 3: The coefficients of independent variables in terms of standard and non-standard values.

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Non-standardized coefficients</th>
<th>Standardized coefficients</th>
<th>t</th>
<th>Significance level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant value</td>
<td>94.673</td>
<td>0.800</td>
<td>24.587</td>
<td>.000</td>
</tr>
<tr>
<td>Quality of work life</td>
<td>0.800</td>
<td>0.682</td>
<td>18.655</td>
<td>.000</td>
</tr>
</tbody>
</table>

The correlation between quality of work life and intellectual capital is equal to 0.68 and the coefficient of determination equal to 0.46. In other words, 46% of changes in the intellectual capital as the dependent variable are covered by independent. The value of beta in the quality of work life is 0.68 in predicting the dependent variable[25].

### Discussion and Conclusion;

The research finding indicates that there is a significant relationship between the quality of work life and intellectual capital management[14]. The correlation coefficient between the quality of work life and intellectual capital is equal to 0.68 and the coefficient of determination equal to 0.46 indicating that 46% of changes in the intellectual capital as the dependent variable is covered by the quality of work life as the independent variable. The value of Beta obtained from the regression is 0.68 for the quality of work life. In explaining this finding, it can be concluded that the neglect of organizational employees' quality of work lives is one of the major problems of management. This neglect drastically reduces the organizational effectiveness and efficiency and declines the employees' performance. The improved quality of work life is one of the essential steps to improve the employees' performance. The work environment has high quality if the individuals are considered as the main members of organization[31]. Nowadays, the quality of work life is considered as a global concept in the management of human resources and organizational development and its supply and development are considered as the main key of success in any organization[12].

"Azamosadat Hosseini Farjam" also found that among the components of participation, the participation in more appropriate conditions and the salaries and benefits were put at the finally priority after the open
communication system, the optimum conditions of supervision, fair and proper evaluation system, job security, and the fair salaries and benefits and the teachers had the minimum satisfaction and these components are among the human and structural capital from the intellectual capital. The obtained findings are consistent with the results by "Reza Nahizadeh", "Farnia Amoli" and "Hasan Tahami", and "Karimvand" finding a significant correlation between the quality of work life and improved productivity. Furthermore, they suggest that in organizations with high productivity the job employees' job satisfaction and customers' satisfaction are higher and these are themselves among the relational and human capital components from the intellectual capital set. The research by "Swanson" implies a positive relationship between the extent of organizational human resources' operations and their financial performance. The results of research by "Laavoy" suggest a positive relationship between the quality of work life and employees' overall satisfaction and the business efficiencies of company. The research experience by "Behel" indicates that the existence of an active organization in the quality units has a positive impact on all important aspects of organizational work[36,5,7,34,9].

"Simmons and Myers" have concluded that the process of quality of work life enhances the effectiveness of organization. "Halvic" emphasizes in his study that the employers can reduce the complaints, absenteeism, occupational accidents and relocating the employees by establishing and institutionalizing the quality of life. Importantly, this study investigates the reduction of occupational accidents when the personnel are allowed to discuss about the issues about the safety at work[31].

The research and studies by "Tax Fork" work group (2000) indicate that:
1- The low job satisfaction and quality of life are related with the following physical and emotional issues:
   - The low satisfaction with life, the accidents and injuries, heart diseases, fatigue, loss of life, mental health problems, less good feeling.
   - The low quality of life is related with the following employment issues as follows:
     - Staff complaints, job turnover, malicious rumors, employee tardiness to work, lengthening the resting time while working.
   3 - The low quality of work life is related with production issues as follows:
     - Producing the defective products, sabotaging the equipment and facilities, theft.
   4- The job satisfaction will not necessarily enhance the productivity; the satisfied staff will not necessarily produce further, but they will raise the quality in their products.

REFERENCES

[12] Chorli, A., 2005. The study on the relationship between the transformational and transactional leadership styles with the employees' organizational commitment at Department of Physical Education in Golestan


