

Empirical Study on the Dimensions of Employee Empowerment

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I. INTRODUCTION

Employee empowerment is giving employees a certain degree of autonomy and responsibility for decision-making regarding their specific organizational tasks. It allows decisions to be made at the lower levels of an organization where employees have a unique view of the issues and problems facing the organization at a certain level. Employee empowerment is creating a working environment where an employee is allowed to make his own decision in specific work related situations. Employee empowerment results in increased employee satisfaction, increased productivity and increased customer satisfaction.

Organizations today understand that in a knowledge-driven economy, speed in taking decisions, efficient methods of functioning and innovative ideas help them gain an edge over competitors. It is with this view point that organizations are giving attention to employee empowerment. The important factors that drive organizations towards employee empowerment are to encourage creativity and innovation, increase productivity, align goals of employees with those of the organization, to help in employee retention.

II. LITERATURE REVIEW

Scott E. Seibert (2004) Empowerment climate was shown to be empirically distinct from psychological empowerment and positively related to manager ratings of work-unit performance. A cross-level mediation analysis using hierarchical linear modelling showed that psychological empowerment mediated the relationships between empowerment climate and individual performance and job satisfaction.

Heather K. Spence Laschinger (2004) A longitudinal predictive design was used to test a model linking changes in structural and psychological empowerment to changes in job satisfaction. Structural equation modelling analyses revealed a good fit of the data from 185 randomly selected staff nurses to the hypothesized model. Changes in perceived structural empowerment had direct effects on changes in psychological empowerment and job satisfaction. Changes in psychological empowerment did not explain additional variance in job satisfaction beyond that explained by structural empowerment. The results suggest that fostering

environments that enhance perceptions of empowerment can have enduring positive effects on employees.

Nicola Denham Lincoln (2002) Empowerment has become a widely used management term in the last decade or so, though, in practical terms, it shares the ambiguity of its predecessors in the HRM tradition. This paper sets out to unravel the web of meaning surrounding empowerment to show what a contested concept it is, and hence why its application in organizational settings is fraught with misunderstanding and tension. It does so by taking an approach that contributes to the examination of HRM discourse and management rhetoric. To demonstrate the ambiguity of empowerment as a concept, the paper reviews the various ways in which the term has been used across non-management disciplines (women, minority groups, education, community care, politics), culminating with a review of the use of empowerment in contemporary management theory. The paper concludes that organizations and managers have chosen to coin a phrase which is open to different, sometimes contradictory, meanings and which, when applied, evokes both subjective attitudes and objective behaviour, means different things in varying contexts and is affected fundamentally by individual differences in perception and experience.

Gretchen M. Spreitzer (1995) Second-order confirmatory factor analyses were conducted with two complementary samples to demonstrate the convergent and discriminate validity of four dimensions of empowerment and their contributions to an overall construct of psychological empowerment. Structural equation modelling was used to examine a homological network of psychological empowerment in the workplace.

Thomas and Velthouse (1990) perceived empowerment “as intrinsic task motivation that manifests itself in four cognitions reflecting an individual’s orientation of his/her work roles. By intrinsic task motivation, they are referring to “positively valued experiences that an individual derives directly from task that produce motivation and satisfaction (ugboro and obeng, 2000). They identified four cognitions which are meaningfulness, competence, impact and choice. By meaningfulness they are referring to the value of task goal or purpose in relation to an individual’s own standard and competence as the degree to which a person can perform task

activities skilfully. They as well refer to impact as the degree to which behaviour is seen as making a difference in terms of accomplishing the purpose of the task and choice as the causal responsibility for personal actions.

Conger and Kanungo (1988) view empowerment as a process of enhancing the feelings of self-efficacy among organizational members through the identification of conditions that foster powerless, and through their removal by both formal organizational practices and formal techniques of providing efficacy information.

III. RESEARCH METHODOLOGY

Objectives of The Study

- To determine the variables influencing employee empowerment
- To examine the level of satisfaction of employees towards empowerment process.
- To provide valuable suggestion and recommendation for improving effectiveness of employees empowerment.

The study has employed descriptive research. Convenient sampling method was adopted to choose the respondents for this study. The sample size was 100 employees of aavin (Tamil Nadu Cooperative Milk Producers' Federation Limited), Trichy.

Primary data was collected through questionnaire specially designed for the purpose of the study. Five point likert type scale was used and that varied from 1=strongly agree to 5=strongly disagree. Likert scale is being adapted to measure and quantity "factors influencing employee empowerment among employees".

Tools employed are Factor Analysis and Multiple Regression Analysis and reliability statistic, Cronbach's (alpha), a measure of the internal consistency or reliability of a test score for a sample of respondents.

IV. ANALYSIS AND INTERPRETATION

A. Reliability Statistics

Cronbach's Alpha	N of Items
.861	19

Inference:

An examination had been made from the reliability of the data to check whether random error causing inconsistency and in turn lower reliability is at a manageable level or not, by running reliability test. From the above table it is clear that values of coefficient alpha (Cronbach's Alpha) have been obtained, the value of coefficient alpha was 0.861. This shows data has highly satisfactory internal consistency reliability.

B. Factor Analysis:

Factor analysis (FA) and Principal component analysis (PCA) are the techniques used when the researcher is interested in identifying a smaller number of factors underlying a large number of observed variables. Variables that have a high correlation between them, and are largely independent of other subsets of the variable, are combined into factors. Factors are produced by FA, while components are produced by PCA. Both FA and PCA essentially are data reduction techniques.

C. KMO and BARTLETT'S TEST

KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.807
Bartlett's Test of Sphericity	Approx. Chi-Square	598.500
	Df	171
	Sig.	.000

Inference:

From the above table, Bartlett's test of sphericity indicates whether the co-relation matrix is an identity matrix, which indicates that the variables are unrelated and the significance level (0.00) indicates that there is significant relationship among the variable. The KMO value of 0.807 states that sample size is sufficiently large.

D. Rotated Component Matrix:

From the below table, each factor loading value represent the partial co-relation between the variable and the rotated factor by inferring a common thread among the variables that have large loadings above 0.5 values for a particular factor.

ROTATED COMPONENT MATRIX						
	Factor					
	1	2	3	4	5	6
The organization empowers me to use						

creativity and innovation in how i do my work						
I thoroughly understand my current roles and responsibilities						.570
I have the necessary resources to do my job well						.629
I have an appropriate level of authority to make decisions that directly concern my work					.941	
My job makes good use of my skills and abilities	.573					
My work gives me a feeling of personal accomplishment						
I am excited about how my work contributes to the goals of the organization	.658					
I have opportunities to learn and grow at work	.565					
My supervisor gives me constructive criticism on how to improve the quality of my work			.921			
I can tell my supervisor the truth without fear of reprisal						
The organization is co-operative and team-oriented						
I am treated with respect by other staff						
I like the people i work with		.675				
My contributions are recognized		.745				
Management communicates a clear direction for the future						
I am working towards the same goals as the management						
Performance reviews fairly evaluate my overall job performance				.602		
Performance reviews help me improve my job performance				.588		
The employee is devoted to his/her employer						
Extraction Method: Principal Axis Factoring.						
Rotation Method: Varimax with Kaiser Normalization.						
a. Rotation converged in 7 iterations.						

Inference:

Rotated Component Matrix

This table (called the pattern matrix for oblique rotation) reports the factor loading for each variable on the component or factor after rotation. Each number represents the partial correlation between the item and the rotated factor. These correlations can help us to formulate an interpretation of the factor or components.

This is done by looking for a common thread among the variables that have large loading for a particular factor.

Factor 1:

- I am excited about how my work contributes to the goals of the foundation.
- My job makes good use of my skills and abilities.
- I have opportunities to learn and grow at work.

Factor 2:

- My contributions are recognized.
- I like the people i work with.

Factor 3:

- My supervisor gives me constructive criticism on how to improve the quality of my work.

Factor 4:

- Performance reviews fairly evaluate my overall job performance.
- Performance reviews help me improve my job performance.

Factor 5:

- I have an appropriate level of authority to make decisions that directly concern my Work.

Factor 6:

- I have the necessary resources to do my job well.
- I thoroughly understand my current roles and responsibilities.

E. Multiple Regressions:

Regression analysis is used to assess the relationship between one dependent variable (DV) and several independent variables (IVs).

F. Regression Analysis:

MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.658 ^a	.434	.299	.736

a. predictors: (constant), the organisation empowers me to use creativity and innovation in how i do my work, i thoroughly understand my current roles and responsibilities, i have the necessary resources to do my job well, i have an appropriate level of authority to make decisions that directly concern my work, my job makes good use of my skills and abilities, my work gives me a feeling of personal accomplishment, i am excited about how my work contributes to the goals of the foundation, i have opportunities to learn and grow at work, my supervisor gives me constructive criticism on how to improve the quality of my work, i can tell my supervisor the truth without fear of reprisal, the foundation is co-operative and team-oriented, i am treated with respect by other staff, i like the people i work with, my contributions are recognized, management communicates a clear direction for the future, i am working towards the same goals as the management, performance reviews fairly evaluate my overall job performance, performance reviews help me improve my job performance, the employee is devoted to his/her employer.

Dependent Variable: employee empowerment system in your company is highly effective.

Inference:

The above model summary table shows R-Square for this model is .434. This means that 43.4 percent of the variation in overall affective commitment (dependent variable) can be explained from 19 independent variables. The table also shows the adjusted R-square for the model as 0.299.

G. ANOVA:

Mode		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.210	19	1.748	3.223	.000(a)
	Residual	43.380	80	.542		
	Total	76.590	99			

Inference:

The ANOVA table, as displayed in the above table shows the F ratio for the regression model that indicates the statistical significance of the overall regression model. The larger F ratio there will be more variance in the dependent variable that is associated with the independent variable. The F ratio=3.223 and the The statistical significance is .000. There is relationship between the independent variables and dependent variable.

H. Coefficients

Model	unstandardized coefficients		standardized coefficients	t	sig.	
	B	std. error	beta			
1	(constant)	.640	.458		1.399	.016
	The organization empowers me to use creativity and innovation in how i do my work	.203	.083	.229	2.454	.016
	I thoroughly understand my current roles and responsibilities	-.211	.113	-.186	-1.865	.056
	I have the necessary resources to do my job well	.082	.127	.068	.650	.058
	I have an appropriate level of authority to make decisions that directly concern my work	.252	.118	.242	2.139	.036
	My job makes good use of my skills and abilities	-.226	.128	-.188	-1.760	.052
	My work give me a feeling of personal accomplishment	.130	.107	.125	1.223	.025
	I am excited about how contributes to the goals of the organization	.005	.122	.005	.043	.046
	I have opportunities to learn and grow at work	-.015	.113	-.015	-.132	.056
	My supervisor gives me constructive criticism on how to improve the quality of my work	.179	.125	.177	1.430	.017
	I can tell my supervisor the truth without fear of reprisal	.058	.116	.059	.502	.017
	The organization is co-operative and team-oriented	-.361	.117	-.361	-3.100	.003
	I am treated with respect by other staff	-.236	.125	-.217	-1.880	.054
	I like the people i work with	.135	.125	.137	1.081	.023
	My contributions are recognized	.079	.128	.075	.621	.056
	Management communicates a clear direction for the future	.033	.110	.032	.301	.004
	I am working towards the same goals as the management	.206	.121	.204	1.709	.021
	Performance reviews fairly evaluate my overall job performance	-.108	.116	-.098	-.929	.036
	Performance reviews help me improve my job performance	.250	.123	.237	2.037	.045
	The employee is devoted to his/her employer	.265	.119	.227	2.225	.029

a. Dependent Variable: employee empowerment system in your company is highly effective

V. FINDINGS

From multiple regression analysis it is found out that the following variables significantly predict the effectiveness of employee empowerment

- The variable (beta value .242), I have an appropriate level of authority to make decisions that directly concern my work.
- The variable (beta value .237), Performance reviews help me improve my job performance.

VI. SUGGESTIONS

From the analysis it is inferred that empowerment is guaranteed with useful performance review, contributions of

the employee being recognized, work contributing to the goals of the organization, cooperative and team-oriented approach to work. Empowerment programs should be focused in these areas for an excellent organizational outcome.

VII. CONCLUSION

A conceptual framework that advances our understanding of the empowerment process has been developed. Employee empowerment is the beneficial process for the employees, managers and the company as the whole. Employees feel more invested in company, valued as important contributors and are motivated to excel. Employee initiative and responsibility are likely to increase by granting power to employees, delegating decision-making and

enabling employee to be empowered. Employees are to be considered as an asset of the organization and they should be motivated and moulded to grow to their full potential in the career.

VIII. SCOPE FOR FURTHER STUDY

The study which the researcher has done concentrated on particular six dimensions and the further study can concentrate on other dimensions of empowerment.

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AN EMPIRICAL STUDY ON THE EMPLOYEES EMPOWERMENT IN AAVIN

QUESTIONNAIRE

SEX : MALE FEMALE

AGE : < 20 21- 30 31-40 41-50
>50

MARIATAL STATUS : SINGLE MARRIED

QUALIFICATION : SSLC HSC UG PG
OTHERS

INCOME : <10,000 11,000 -20,000 21,000 -30,000
31,000- 40,000 > 41,000

For the following questions, answer by choosing any of the following responses:

SA- strongly agree, A- agree, N- neutral, D-disagree, SDA– strongly disagree

EMPOWERMENT THROUGH EMPLOYEES WORK

S.NO		SA	A	N	D	SDA
1.	The Organization empowers me to use creativity and innovation in how I do my work.					
2.	I thoroughly understand my current roles and responsibilities					
3.	I have the necessary resources to do my job well					
4.	I have an appropriate level of authority to make decisions that directly concern my work					
5.	My job makes good use of my skills and abilities					
6.	My work gives me a feeling of personal accomplishment					

7.	I am excited about how my work contributes to the goals of the organization					
8.	I have opportunities to learn and grow at work					

EMPOWERMENT THROUGH SUPERVISOR

S. NO		SA	A	N	DA	SDA
9.	My supervisor gives me constructive criticism on how to improve the quality of my work					
10.	I can tell my supervisor the truth without fear of reprisal					

EMPOWERMENT THROUGH ORGANIZATION 'S CULTURE

S. NO		SA	A	N	DA	SDA
11.	The Organization is cooperative and team-oriented					
12.	I am treated with respect by other staff					
13.	I like the people I work with					
14.	My contributions are recognized					

CLEAR DIRECTION AND GOAL ALIGNMENT

S. NO		SA	A	N	DA	SDA
15.	Management communicates a clear direction for the future					
16.	I am working towards the same goals as the management					

USEFUL PERFORMANCE REVIEW

S. NO		SA	A	N	DA	SDA
17.	Performance reviews fairly evaluate my overall job performance					
18.	Performance reviews help me improve my job performance					

DEVOTION TO EMPLOYER

S. NO		SA	A	N	DA	SDA
19.	The employee is devoted to his/her employer					
20.	Employee empowerment system in your company is highly effective					