



IMPACT OF EMPOWERMENT ON JOB SATISFACTION: A CASE STUDY OF PUBLIC SECTOR UNIT IN HARIDWAR



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ABSTRACT

The study examines the influence of empowerment on job satisfaction in context of public sector unit in Haridwar. This study is unique in a way that it has studied the impact of empowerment on job satisfaction amongst top level, middle level, and lower managerial level employees of public sector unit. The study has used questionnaire for collection of data. Two questionnaires namely Empowerment and Job Satisfaction has been used to collect data for the present study. Empowerment questionnaire comprised of 18 items and Job Satisfaction questionnaire comprised of 16 items. The findings revealed that empowerment had significant effects on job satisfaction. Empowerment had significant impact on job satisfaction of all managers i.e. top level, middle and junior level.

KEY WORDS: *Empowerment, Job Satisfaction, Public Sector, Haridwar.*

INTRODUCTION

Contemporary era is making business organizations accept the challenge of providing better-quality services to their internal customers and promoting practices of employee involvement. Retaining top bottom management approach, improves employee level and boosts individual and organizational performance along with providing flexibility in the organization. To manage the turbulent internal and external challenges, business organizations need to focus on empowerment construct as it is responsible for satisfying, committing and retaining employees in a healthy workplace. High involvement work practices are the source of competitive advantage for business organizations. Various Literature recommends high involvement of empowered employees. Work practices stately add to strategic organizational performance; however most important are flexible work settings, self-managing teams, shared governance programs, reward, recognition, motivating working

environment and employee empowerment (Boudrias, 2012 and Pfeffer & Viega, 1999). Delivering quality services is not possible until the employees of the organization feel psychologically empowered in their jobs. Therefore, it is crucial for organizations to have empowered workforce and let the employees take responsibility of their tasks.

This study has tried to bridge up the gap in literature by analyzing the impact of empowerment and job satisfaction with reference to senior, middle and lower level managers. Researches on service sector with respect to relationship between empowerment and its consequences are rare (Jha, 2011). Nature of work in manufacturing sector also entails empowerment and job satisfaction. Although literature review provides the evidence of impact of empowerment on job satisfaction for western countries but there is need to generalize this relationship for non-western countries as studies conducted in these countries are rare. After a detailed



review of literature was seen that there exists no empirical research on the relationship between empowerment and job satisfaction with reference to manufacturing sector in Hardwar. Thus, this research caveat needs attention of researchers so that this gap could be bridged up.

Empowerment:-

Empowerment is a cognitive state and it refers to an employee's experience of empowerment at workplace. Rather than focusing on organizational policies and practices of power sharing at all hierarchical levels it focuses on an individual's own personal beliefs and feelings about empowerment in the organization. Conger & Kanungo, (1988) defined empowerment as the process of enhancing self-efficacy and (Thomas & Velthouse, 1990) defined it as state of increased intrinsic motivation. Spreitzer, (1995) used four dimension to define empowerment: meaning, competence, self-determination and impact. Meaning cognition refers to a sense of purpose and the congruence or consistency of an individual's beliefs and values of the organization. Empowerment competence dimension refers to self-efficacy and capacity of an individual to perform skillfully. Self-determination cognition refers to autonomy or freedom in initiation and continuation of work behaviors and processes. Impact cognition refers to the degree to which an individual can influence work outcomes. (Spreitzer, (1995) argues that these four cognitions (meaning, competence, self-determination and impact) additively create the empowerment. According to these studies (Spreitzer, Kizilos & Nason, 1997) an employee must experience all four cognitions of empowerment simultaneously and if all these are not present the feeling of empowerment is incomplete.

Job Satisfaction:-

The growth of interest of researchers in employee behavior and its outcomes has caused them to investigate different facets of job. According to a study (Blau & Alba, 1982), job satisfaction is one of the most researched variables in industrial/organizational psychology. Job satisfaction is an emotional state emerging from a cognitive appraisal of job experiences (Brackett & Salovey, 2006). Intrinsic job satisfaction is about how an employee feels about his or her job while extrinsic job satisfaction is about how an employee feels about the aspects of his or her work that are external to the work itself (Singh & Modassir, 2007). Intrinsic rewards such as challenging work, variety and opportunity to use one's own skills and extrinsic rewards such as pay, promotion and working conditions contribute to job satisfaction.

Relationship between Empowerment and Job Satisfaction:-

Empowerment has now become an imperative for the organizations, especially for those who want to win external pressures with the help of their workforce support. Until the employees do not feel empowered they are not satisfied with their jobs. Empirical studies have depicted the empowerment as a significant predictor of job satisfaction. Empowered employees are more satisfied with their jobs (Spreitzer, Kizilos & Nason, 1997). A number of researchers have focused on the study of relationship of empowerment and job satisfaction (Fuller, 1999). Empowerment can effect job satisfaction to a particular extent (Bakker & Schaufeli, 2008 and Laage, 2003). The study conducted by Dickson & Lorenz, (2009) concluded that meaning, impact and self-determination cognitions of empowerment are positively associated with job satisfaction while competence cognition is not; nevertheless, an overall empowerment is found positively associated with job satisfaction. Researchers have found the relationship of four cognitions of empowerment with different outcomes but results have varied form one study to another (Carless, 2004 and Liden, Wayne & Sparrowe, 2000).

LITERATURE REVIEW

Hashmi, & Irshad (2014) studied the impact of psychological empowerment on job satisfaction at three managerial levels i.e. Top level, middle level and lower level. Primary data were collected from employees working in different banks in four major cities of Pakistan. Scale from previous studies were used to measure psychological empowerment and job satisfaction which consists of 12 items and 16 items respectively. The study documented that Psychological empowerment positively affects job satisfaction for senior, middle and lower level managers in banking sector of Pakistan. Pelit, Ozturk, & Arslanturk (2011) studied the effects of employee empowerment on employee job satisfaction on a sample covered 1,854 participants employed at five-star hotels in Turkey. According to the study the most positive aspects related to job satisfaction were relations with the colleagues and physical conditions, while the most negative aspect was the wage issue, i.e. unfair payment. Furthermore, the application of correlation and regression analyse indicated that psychological and behavioral empowerment had a significant effect on job satisfaction & the effect was much greater when psychological and behavioral empowerment were taken as a whole. Choong and Lau (2011) examined the relationship between empowerment and job satisfaction in the context of Malaysia's electronics and electrical industry. The study intended to appraise the

existing literature and eventually develop the conceptual framework which linked empowerment and the four cognitions of empowerment: meaning, competence, self-determination and impact with job satisfaction, so that the organizations and supervisors would have better ideas and knowledge on how to shape the attitude of the employees' by implementing empowerment in order to increase job satisfaction thus leading to an improvement in the overall organizational performance. Dehkordi, Kamrani, Ardestani and Abdolmanafi (2011) in their study found, empowerment in general and its dimensions-meaning, impact and self-determination-seem to have a positive and significant relation to job satisfaction and organizational commitment. But dimension of competence was not positively linked to job satisfaction and organizational commitment. Multiple regression showed that, meaning, self-determination and competence significantly predicted overall job satisfaction while self-determination and meaning significantly predicted overall organizational commitment. Dickson and Lorenz (2009) examined several relationships between empowerment and job satisfaction of temporary and part-time nonstandard workers. Data were collected from undergraduate students employed in short-term jobs outside their field of study. The study found two cognitions of empowerment (meaning and impact) to be positively associated with job satisfaction. The finding that impact was positively related with job satisfaction support that the perception of impact over one's work could be important in the workplace, even for temporary and part-time nonstandard workers who may not have high expectations for their opportunities to impact their workplace. The study also found a positive relationship between organizational tenure and empowerment and a negative relationship between organizational tenure and job satisfaction. Hechanova, Alampay and Franco (2006) surveyed 954 employees and their supervisors to determine the relationship of empowerment with job satisfaction and performance in five different service sectors: hotels, food service, banking, call centers, and airlines. Empowerment positively correlated with both job satisfaction and performance. Although intrinsic motivation was associated with higher levels of empowerment and job satisfaction, it did not moderate the relationship between empowerment and job satisfaction and performance. Men reported greater

empowerment than women even when job level and performance were controlled. Cross-industry analyses indicated differences in empowerment across different types of service sectors with employees in call centers reporting less empowerment compared to employees in hotel, airlines, food establishments, and banks. Laschinger & Finegan (2005) showed the relationship between the presences of empowering work structures in nursing environments and valued organizational outcomes such as job satisfaction and organizational commitment. Further, these variables were strongly related to the extent to which they believed they had access to workplace empowerment structures, and ultimately, to their levels of satisfaction with their jobs and commitment to the organization.

RESEARCH METHODOLOGY

Objectives:-

1. To examine the impact of empowerment on job satisfaction at all levels of manager's i.e. senior, middle, lower level managers.

Hypothesis:-

H₀1: There is no significant impact of empowerment on job satisfaction at all levels of managers.

H_a1: There is significant impact of empowerment on job satisfaction at all levels of managers.

MATERIALS AND METHODS

Data was collected from Public sector unit of Haridwar in Uttarakhand. Unit of analysis of this study were employees working in Public sector of Haridwar. The study has used questionnaire for data collection. The study has used Spreitzer 18 item scale to measure empowerment. This questionnaire is considered as most reliable to measure empowerment. Subjects indicated their level of empowerment with each of these aspects by responding on a five point rating scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). To measure job satisfaction, the study has used 16 item scale. This instrument has been widely used by other researchers in field of behavioral sciences. Subjects indicated their level of satisfaction with each of these aspects by responding on a five point rating scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). Response rate was 87.3% as 131 out of 150 questionnaires were retrieved.

RESULTS AND DISCUSSION

Table 1 Demographic profile of respondents.

Demographic Variables		Frequency	Percentage
Gender	Male	77	58.8
	Female	54	41.2
Age	Below the age of 26	13	9.9
	26-35 years	29	22.1
	36-45 years	36	27.5
	46-55 years	32	24.4
	Above the age of 56	21	16.0
Education	Graduation	78	59.5
	Masters	53	40.5
Organizational Positions	Senior level position	36	27.5
	Middle level position	70	53.4
	Lower level position	25	19.1
Job Tenure	Less than 1 year	16	12.2
	1-3 years	22	16.8
	4-7 years	29	22.1
	8-10 years	30	22.9
	Above than 10 years	34	26.0

The demographic profile of respondents is shown in table1. The results have been shown in the form of percentage. The total sample of N=131 for each demographic variable, where male were 77 and females were 54 and their respective percentage was 58.8 & 41.2. The percentage of age of the respondents, below the age of 26 years was 13, 26-35 years was 29, 36-45 years was 32 and above the age of 56 was 21 and their percentage was 9.9,

22.1, 27.5, 24.4 and 16.0. With regard to the educational qualifications of the respondents, where graduate was 78 (59.5%) and masters was 53 (40.5%). Majority of the respondents was senior level positions 36 (27.5%), middle level positions respondents was 70 (53.4%) and lower level positions respondents was 25 (19.1%). And with regard to the job tenure above than 10 years' experience have more percentage than all other tenure periods.

Table 2: Impact of Empowerment and Job Satisfaction in Managerial Levels (Senior, Middle & Lower level) (Regression)

Senior level				
R	R2	F-statistic	Sig.	B
6.934	0.371	47.599	0.000*	0.592
Middle level				
R	R2	F-statistic	Sig.	B
21.776	0.749	474.194	0.000*	0.893
Lower level				
R	R2	F-statistic	Sig.	B
6.903	0.427	47.46	0.000*	0.636

Note: * represent statistical significance at the 0.05.

Table no.2 as indicates the result of the regression test, the empowerment had a significant effect on job satisfaction in senior, middle and lower level employees. Empowerment level is measured through regression analysis. The result of regression reveals that the model is significant ($p < 0.05$), R-Square is 0.371 (senior), 0.749 (middle) and 0.427 (lower) levels. It is proved that there is positive and significant impact of empowerment on satisfaction. The value of R- Square shows the fitness of

the model as empowerment contributes 37% (senior), 74% (middle) and 42% (lower) of employee job satisfaction at all managerial level. Value of $r = 6.934$ (senior), 21.776 (middle) and 6.903 (lower) shows that empowerment and job satisfaction are correlated. On the basis of results, the null hypothesis (i.e. H_0 : there is no significant impact of empowerment on satisfaction level among managerial levels is rejected and it can be interpreted that, alternate hypothesis (i.e. H_{a1} : there is significant impact of

empowerment on satisfaction level among managerial levels is accepted. Alternate hypothesis (H1) proved which confirms that empowerment leads toward higher level of job satisfaction. This finding indicates that there is still an opportunity to further empower workers by enhancing their confidence.

So, results reveals that empowerment have significant positive impact on job satisfaction for senior and middle and lower level managers. The Beta calculations shows that the highest variation is explained by middle level (B=0.893), the next highest is explained by lower level (B=0.592), and the lowest is explained by senior level (B=0.636).

The purpose of study is to investigate the impact of empowerment on job satisfaction in Public sector unit of Haridwar. Empowerment shows significant impact of job satisfaction of senior, middle and lower level managers in Public sector unit of Haridwar. The results of this study are consistent with the study conducted by (Bitmi & Ergeneli, 2011 and Hechanova, et.al. 2006). However, earlier no study has taken managerial levels (senior, middle and lower) into consideration, to test this relationship. The study contributes to existing literature not only by providing empirical evidence on relationship of empowerment and job satisfaction with reference to Haridwar but also adds to the literature by identifying this relationship among all managerial levels.

CONCLUSION AND RECOMMENDATION

The paper has tried to analyze the impact of empowerment on job satisfaction of employees in public sector unit in Haridwar in Uttarakhand. The results of this study provide additional empirical support for (Spreitzer's, 1995) theoretical suggestion that empowerment is related to job satisfaction. The results also provide new evidence of the importance of empowerment because empowerment has a significant impact on the formulation of the organizational environment and job satisfaction. This observation reinforced the findings of previous studies on the effect of empowerment, such as the findings of (Ahmad et al., 2010). The present study proposes that strategies for improving job empowerment may increase job satisfaction. Almost all firms had recognized the importance of increased employee performance for organizational sustainability and development. All organizations expect a committed workforce, who can define their objectives and set the means for achievement (Carter, 2009). This is possible only by empowered workforce.

This study had identified a strong association between empowerment and job satisfaction. The researcher also found a high positive impact of empowerment on job satisfaction. Most of the employees wanted recognition and responsibility in their job assignments. When organizations entrust responsibility on its employees and empower them, it leads to greater flexibility, increased innovation, commitment to change and improved job satisfaction.

The majority of previous studies indicated that the empowerment of employees could lead to work effectiveness, satisfaction. The management of public sector should maintain and reinforce the current levels of empowerment implementation; moreover, they should continue to move steadily toward a higher level of implementation. Public sector should do more to enhance empowerment, as it could improve service quality without the expenditure of financial resources. Management should be aware that satisfaction has both a vital and a valuable impact on the public sector environment and performance.

LIMITATIONS OF THIS STUDY

The study experienced certain limitations as the sample size restricts to 131 only and public sector only in Haridwar city.

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