

EMPOWERMENT EFFECTS AND EMPLOYEES JOB SATISFACTION

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ABSTRACT

The purpose of this study is to investigate the relationship between empowerment and job satisfaction. Four dimension of empowerment are identified, Autonomy, Responsibility, Information, Creativity. These all have more or less an impact upon job satisfaction. For this study research the data has been collected from a sample of about six hundred people. In this study service sector was selected, which involve Hotels, Hospitals, Education sector. Data collected from above mentioned service sector. By using the regression analysis it is found that there is a positive relationship between autonomy, responsibility, information, creativity and job satisfaction. But the impact of relationship of job satisfaction and autonomy is relatively high then other variables, information is negative and significance level is also more than others which show that it is inversely related to job satisfaction. The study concludes that employee empowerment plan should consider different scope of empowerment. At least, managers need to keep in mind the four dimensions of empowerment discussed in this research. Understanding different dimensions of empowerment will enable managers to design and implement a successful empowerment plan. Most of the research evidence regarding associations between employee's empowerment and job satisfaction is from the developed countries and little evidence from the developing countries especially in sub continent. This study will be a relational study between empowerment and job satisfaction in Pakistani settings.

Keywords: Psychological empowerment, autonomy, responsibility, information

INTRODUCTION

In Pakistani setting employees are still facing a challenge to prove their value to the organization's performance. They are, however, battling to justify the reasons for their existence in organizations. Perhaps one of the reasons that Human Resources department has not been more successful in communicating the importance of what they do, is because they have tended not to express it in economic terms but one cannot deny the fact that by logically studying the best HR practices, an individual, team or organization may accelerate its own progress and improvement.

The issue of the degree of employees' empowerment in decision-making at work has held a central place in the literature on the development of work organization and employment relationships. It represented a critical factor for researchers coming from two very different perspectives. For the first its importance lay in the fact that it was seen as a central source of employee well-being at work. For the second, it was viewed as an important factor underlying the quality of performance, particularly in work systems that require more highly skilled personnel and that have to deal with more complex and more rapidly changing environments.

Participation of employees has to be introduced in organizations where power is shared, everyone is given an opportunity to participate, employees will not be punished for unproductive attempts but will be rewarded for trying, work is conducted by consensus and multidisciplinary teams are utilized to implement processes. All this demands a change in corporate culture, in which everyone must adopt the new principles and values, particularly senior managers.

This study determines the relationship of empowerment (Autonomy, Creativity, Responsibility, information and job satisfaction). Since very insufficient work is done on this area in Pakistan due to limited data availability. One could find many research studies on this subject but when we discuss Pakistani organizations, we are at the deep end of the research resources. The fact that employees of organizations are becoming key to strategic decision-making seems reasonably indisputable even in Pakistani setting.

LITERATURE REVIEW

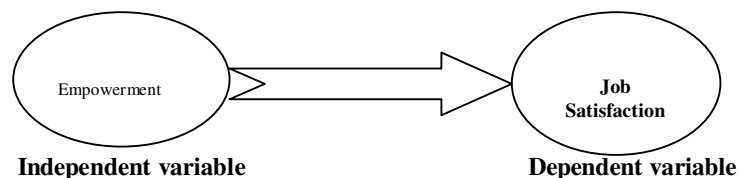
Hardy et al. (1998) empowerment programs have been established in a number of organizations in order to increased efficiency, enhance customer satisfaction and develop competitive advantage. Employee empowerment has become a trend from last decade, approaching the status of a movement depending on one's perception (Abrahamson *et al.*, 1996). Conger et al. (1990) empowerment includes individual motivation increased at job through the allocation of autonomy to the low level in an organization proficient decision can be made. Liden et al. (1995) explained the empowerment as intrinsic motivation, job design, collaborative decision making, social learning theory, and self management.

Spreitzer et al. (1995) developed a model distinguished empowerment into four dimensions: significance, capability, self determination, and impact. Significance is fit connecting the beliefs, standards, and behaviors of people and the requirements of the job. Capability is the confidence people have in their skills and abilities to perform their job well; Self determination refers to feelings of control over work. Impact is a sense of being able to significantly influence strategic, administrative, or operational outcomes at work. Spreitzer (2007) conclude that emotional empowerment has been highlighted as an essential factor for job satisfaction and psychological betterment.

Empowerment is explained by researcher in two ways: situational approach (SA) and the psychological approach (PA) (Conger & Kanungo, 1988). Situational approach concerns passing authority from higher- level management to employees by engaging them in decision making. This approach is also known as relational or management practice approach. The psychological approach put less emphasis on delegation of decision making. This approach analysis empowerment as different psychological cognitions that contribute to improved intrinsic motivation. Rensis Likert (1967) conducts the organized formal survey research on empowerment. He classifies four types of management styles. One is where decisions are from top to bottom Exploitive or centralize style of management. Second is where decisions within a prescribed framework are made at lower levels. Third is the collaborative decision making is done by well organized teamwork. These management styles have high productivity, low costs, favorable attitudes, and excellent labor relations. Seung-Bum Yang (2009) explained that the empowerment effect the job satisfaction, yang measures the empowerment in four dimensions, autonomy, information, responsibility and creativity, these dimensions have positive and significant effects on team.

METHODOLOGY

Theoretical Model



Elements of Empowerment

Petter et al. (2002), Thomas (1990), Spreitzer (1995) explains that psychology empowerment having different dimensions of employee empowerment. Thomas explains some dimensions like importance, capability, variety, and impact. Barnard (1969) Empowerment. Job satisfaction abandoned preceding management theories focused on “individuality.” He argued collaboration is the real meaning of formal organization. The continued existence of an organization mostly depends on collaboration. Thus, Barnard argues that the important executive role is to sustain dynamic balance between the needs of the organization and the needs of its employees. Petter et al. (2002) suggested seven elements of empowerment; like responsibility, knowledge and skill, autonomy, information, creativity, initiative, power, and decision making.

Autonomy

Researchers are using different terms for autonomy. Spreitzer (1995) accepted the term self determination and pointed out that it mimics autonomy in the commencement and persistence of work behaviors and process. Scott et al. (1980) conclude that autonomy has been associated with variety, empirically and theoretically. Desi et al. (1985) according to them extrinsic motivation is related to behavior where the reason for performing the task other than the interest in the activity itself, while the intrinsically motivated behaviors are determined largely by own choices of the employees and they likely to work, intrinsically motivated employees likely to achieve higher performance levels. Utman (1997) conducted Meta analysis on intrinsic motivation and concluded that it led to flexible, inspired reacting that permits a focus on task at hand and consequently to greater performance. Ryan and Deci (2006) identified the benefits of autonomous against controlled directive and accomplished that when intrinsic motivation is destabilized, there are well documented costs in terms of performance. Grolnick et al. (1987) deliberate autonomy in children’s learning and argued that intrinsic motivation condition were associated to greater performance for relatively multifaceted, conceptual essay questions. Koestner et al. (2002) found that intrinsic motivation leads to greater performance on tasks that are interesting. Hackman (1987) writes that team members are motivated when “the activity offer group members with considerable autonomy for making a decision about how they do the work , the group ‘owns’ the task and is responsible for the work results. Aghion and Tirole (1997) prefer the term “authority” to “autonomy” but their concept is also based on control over tasks or decisions about how the work is to be done. Herbert Simon (1951) explain authority as the accurate to select events, they can affect the individual or the whole organization.

Information

Authors define information in different dimensions. Every member of the organization needs necessary information, when they make decisions. Lawler et al. (1986) explained that the Team empowerment needs compulsory information when team associate compose resolutions, information essential to formulate decisions is considered as key elements of empowerment. Foster-Fishman et al. (1998) conclude that significant knowledge is an important element. Spreitzer (1995) defined the information as including capability to do the job. Herrenkohl et al. (1999) explained that team members who want to contribute in decision making want to know enough to make good decisions. Yet even some members who do not want to contribute in decision-making still like to know the information about the agency or the work beyond the job tasks. Team members make concentrated efforts to get the essential information to make decisions or develop their performance. The information may include job related knowledge and/or skills, that are compulsory and important for their performance.

Team members like having both the skills and tools needed, and they are likely to be annoyed if they do not have them.

Creativity

Different authors define creativity in different ways. Herzberg et al., (1959) proposed the theory of Two Factor Theory of Motivation. As job enrichment view point explains the association between the creative aspects of empowerment and efficiency. The job enrichment viewpoint argues that by enriching jobs employees are improved motivated to work. The work is meaningful for motivated employees and performs very well. Enrichment is related to the Herzberg theory. Hackman et al. (1980) present the job enrichment model, he explains that creativity is relevant to job characteristics, like skill, variety, task identity and task significance have an affect on critical psychological condition of meaningfulness, which in turn constructs personal and positive job outcomes. Lawler et al. (1986) Creativity refers to the autonomy to be innovative on the job. One essential hypothesis concerning creativity is the belief that employees will not be punished for unproductive attempts but will be rewarded for trying. Petter et al. (2002) interviewed street level official working in the welfare office to study dissimilar feature of employee empowerment, and reported that an aptitude to express creativity in the job was one of the important dimensions of empowerment. Velthouse et al. (1990) views creativity and empowerment as a corresponding relationship. According to his point of view, while creativity and empowerment are related in different ways point of view is different from each other. This approach is more individualistic, while empowerment constructs more conceptual outcomes.

Responsibility

Dew et al. (1996) group performance can be exaggerated by responsibility for the results of individuals efforts. Organizational empowerment involves a common responsibility that members facilitate to trail their own performance and furthermore have equal responsibility for organizational results or success. Cunningham et al. (1996) argue that a reallocation of responsibility to a lower organizational level is a serious element to develop successful individuals. Kirkman et al. (1999) when members of an organization have a shared sense of higher accountability, their individual and shared events will likely be more proactive and important than those of the members of a less empowered. On the other hand, in the absence of a strong sense of empowerment, employees may have distrustful and accumulate information and be reluctant to take risks. If employees are highly responsible, disposed to take risks and study from their mistakes, they will be less reliant on proper team leaders. Furthermore, if they handle difficult problems or issues without waiting for approval of formal authorities, and if they share a shared sense of responsibility, a shared sense of empowerment will be visible.

Job Satisfaction

Job satisfaction is defined by many authors like, Ilies and Judge (2004) described job satisfaction as an attitudinal behavior which reflecting individual assessment of his or her job. Job satisfaction is affective states and thoughts about the job and organization. Chebat et al. (2002) suggested that employee engagement approach encourage job autonomy which contribute to a service orientation which leads to customer service and enhance the customer satisfaction. James et al. (1986) described that satisfaction of employees is positively related to outcomes. Chen et al. (2006), Andrisani (1978), Spector (1997) concluded that job satisfaction significantly influencing the absenteeism, turnover, and job performance.

In (1954) Abraham Maslow was major theorists of the human relations movement, his arguments have helped managers to understand the employees' empowerment, by identifying the different levels of needs, five sets of needs physiological needs, safety needs, love needs, self esteem needs, and self actualization needs, he suggested that human needs are organized in a order and that employees are motivated by unsatisfied needs. Through higher needs could motivate only after lower needs are satisfied. Herzberg et al. (1959) developed a theory known as two factor theory hypothesises two factors motivator and hygiene factor, motivator factors that are intrinsic factors, achievement, recognition for achievement, and responsibility. Hygiene factors are extrinsic factors, salary, and personal relationships, working conditions, supervision, organizational policies and administration. Hygiene factors are not directly related to job satisfaction. Kuo et al. (2008) explained the intrinsic job satisfaction, according to them intrinsic job satisfaction is individuals value in terms of creativity, availability of resource, and future development. It also includes the overall job content.

HYPOTHESIS

Ho: There is positive effect on autonomy, responsibility, information, creativity and job satisfaction.

Ha: There is negative effect on autonomy, responsibility, information, creativity and job satisfaction.

Sample and Data Collection

For this study data was collected from a sample of $n = 600$. And sector was hospitals, education sector and hotels from wah cantt.

Data Collection

For this research the data was collected from about six hundred people through questionnaires using age group (18-25, 26-33, 34-40, 40 and above) and experience (1 to 05, 05 to 10, 10 to 15, 15 and above) as interval scale. The numbers of respondents against each age group and experience levels are given in table form as follows:

Table 1. Data collection on the basis of Age group

Age group	No of respondents
18-25	300
26-33	150
33-40	100
40 and above	50

In the data collection of this research four age groups were focused from whom the data was collected. The maximum number of respondents was of age group 18-25 years. And minimum no of respondents are 50 at age of 40 and above.

Table 2. Data collection on the basis of Experience

Experience	No of respondents
1 to 05	350
05 to 10	200
10 to 15	80
15 and above	20

In the data collection of this research four experience levels were focused from whom the data was collected. The maximum experience was five to ten years. And minimum experience was at 20 and above experience years.

DATA ANALYSIS AND FINDINGS

For this research study the collected data was analyzed on SPSS (Version-17). To analyze the data different tests were applied. Such as reliability test, descriptive statistics, regression and correlation coefficients methods were used to analyze and interpret the data to check its effectiveness. Reliability of each question is calculated.

For the data collection the measurement scale used was the Interval scale having five intervals. Like strongly disagree, disagree, neutral, agree and strongly agree. Weight as 1, 2, 3, 4 and 5 respectively. This scale was choose because it permits respondents to stay neutral too if they don't know the answer or they either do not want to respond to any of the questions. It tells us the degree to which the respondents will respond to the question asked.

Table 3. Reliability for variables

Variables	Cronbach 's Alpha
Autonomy	0.712
Responsibility	0.788
Information	0.858
Creativity	0.822
Job satisfaction	0.773

Autonomy, responsibility, information, creativity, and job satisfaction were checked for reliability and all were accepted. But, some variables reliability was more then others. Like reliability of information and creativity was more then all others variables and was good. The reliability of autonomy, responsibility and job satisfaction was acceptable but not as reliable, as the information and creativity.

Table 4. Descriptive statistics

Variable	Means	Standard Deviation
Job satisfaction	3.3180	0.54982
Autonomy	3.315	0.62221
Responsibility	3.4733	0.71646
Information	3.3180	0.39193
Creativity	3.3800	0.66237

With the help of this descriptive analysis the research can obtain the feel for data by central tendency and dispersion. The mean and standard deviation in the data will give researcher a good idea of how the respondents have reacted to the items in the questionnaire and how good the items and measures are. Standard deviation of all independent variables is less than 1.

Table 5. Correlation

Variables	Job satisfaction
Job satisfaction	1.000
Autonomy	0.793
Responsibility	0.588
Information	0.107
Creativity	0.615

For the data analysis we have used Pearson correlation. As above table shows that there exists a positive relationship between, job satisfaction and autonomy, job satisfaction and responsibility, job satisfaction and information, job satisfaction and creativity. But there is strong relationship between job satisfaction and creativity, and autonomy. But there is weak positive relationship among, job satisfaction and information.

Table 6. Model summary

R	R-Square	R-Adjusted
0.825	0.680	0.666

To test the hypothesis of this research we have used multiple regression analysis. The results of regression the four independent variables can be seen in the above table. R is the correlation of four independent variables with job satisfaction. R-square is the variance. This model shows that there is 68% relationship among job satisfaction, autonomy, responsibility, information and creativity.

Table 7. Variance analysis (ANOVA)

Sum of squares	Df	Mean square	F	Significance
20.348	4	5.087	50.446	0.000
9.580	95	.101		
29.928	99			

Dependent variable is job satisfaction

In our research the value of F came out to be 50.446% which means that this much the model was fitted. The value of F must be more than 12% for the model to be fitted. This value was significant at 0.000 significance level and it was signified by value of F because its value was more than 12%.

Table 8. Coefficients

Variables	Beta	T	Significance
Job satisfaction		5.303	0.000
Autonomy	0.566	4.288	0.000
Responsibility	0.212	1.910	0.059
Information	-0.232	-3.385	0.001
Creativity	.214	2.396	0.019

The value of t tells us the relationship of dependent and independent variables. It shows that how much is the Impact of independent variables on job satisfaction that is the dependent variable. In this research study the value of t is greater for job satisfaction which is significant at 0.000 levels, so its impact will be more on other variables. Autonomy is having the more value for, t so it will have more impact on job satisfaction. The value of t for information is negative and significance level is also more than others which show that it is inversely related to job satisfaction. Whose value of t is greater, their value of beta (rate of change) is also more which tells us that those variables bring a greater change in the dependent variable.

CONCLUSIONS

The purpose of this study was to examine the effect of autonomy, responsibility, information and creativity. Job satisfaction was the dependent variable, and we checked the impact of other four variables on dependent variables. For the purpose of collecting data using questionnaires from the respondents and then applied the regression and correlation tests on that data to find out the relationship of these variables with job satisfaction.

The hypothesis for this study was to find out that whether there exist a effect on autonomy, responsibility, information, creativity, and job satisfaction. There exists a positive effect on, job satisfaction and autonomy, job satisfaction and responsibility, job satisfaction and information, job satisfaction and creativity. But there is strong relationship between job satisfaction and creativity, and autonomy. But there is weak positive relationship among, job satisfaction and information. Here null hypothesis is accepted, which was, there is a positive relationship between autonomy, responsibility, information, creativity, and job satisfaction. And alternative hypothesis is rejected that was; there is a negative relationship between autonomy, responsibility, information, creativity, and job satisfaction. From the values of t we find the impact of independent variables on job satisfaction that is the dependent variable. In this research study the value of t is greater for job satisfaction which is significant at 0.000 levels, so its impact will be more on other variables. Autonomy is having the more value for, t so it will have more impact on job satisfaction. The value of t for information is negative and significance level is also more than others which show that it is inversely related to job satisfaction. Whose value of t is greater, their value of beta (rate of change) is also more which tells us that those variables bring a greater change in the dependent variable. As this research study was conducted in Pakistan so, this research was more or less expected.

LIMITATION OF THE STUDY

This study is limited only in Pakistani senerio, cannot be implement on all organizations, because of dynamic environment of the organizations. This study cannot be implement on every organizational settings.

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