

Measuring the impact of empowerment on job satisfaction among the Middle Level managers of JVC Descon Lahore

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Abstract

This study attempts to check the impact of empowering employees on job satisfaction among middle level managers of JVC Descon, Lahore, Pakistan. The aim is to measure level of employee empowerment, level of job satisfaction and to test the relationship between employee empowerment and job satisfaction. To check the reliability and validity of the questionnaire as a research instrument, statistical tests were performed. At data analysis stage, statistical tests including Kendall's Tau-B, Tau-C, Gamma and Sommer's Ds were used. Data for this study was collected from middle level managers of JVC Descon through e-mailing questionnaires. The questionnaires were distributed to them and later filled ones received back through email. Sixty questionnaires were distributed and 52 questionnaires, with 86.6% response rate, were received back. The results of this study show that middle level managers of JVC Descon are more satisfied with their job as a result of granting them more empowerment to them.

Key words: employee empowerment, job satisfaction, employee behavior, freedom of work

Summary

In the contemporary management more emphasis is placed on human capital. Quality of workforce is considered to be a great competitive advantage. The concept of knowledge-based organizations and learning organizations is gaining immense popularity and it's the people who make this happen. Retention and motivation of such workforce is not possible without job satisfaction. Employee empowerment is a managerial approach which is being used by organizations to increase job satisfaction so that employees have more control over their jobs and should be able to contribute considerably for the success of the organization. Like rest of the world, retention and motivation of qualified workforce is a great challenge for the organizations of Pakistan. Although enormous amount of work has been done throughout the world in this area, very little has been done regarding this aspect in Pakistani organizations. This study will help to determine whether employee empowerment leads to job satisfaction. The results of this study will also serve as a guide for organizations who want to use employee empowerment as a managerial approach to improve overall job satisfaction of their employees.

The objectives of this research are:

- To measure the level of job satisfaction
- To measure the level of employee empowerment
- To measure the magnitude of relationship between employee empowerment and job satisfaction

Introduction

The concept of Employee empowerment was popularized during 1990s thus it is new management concept (Verma, 2006). Giving autonomy to employees to make decisions about their daily activities that how they go on with their daily activities is what we call empowerment (Carless, 2004).

Empowerment seems to be a new managerial topic as scholars and researchers didn't give much attention to the phenomenon of empowering employees (Azeem & Sayed, 2010). Human resource is considered to be the most valuable asset of any organization. Knowledge, skills and abilities of employees can't be replicated or got copied from the opponents as these skills are embedded in them. They are storehouses of such qualities; on the other hand employees are also the most strategic resource of the company too. Employees' abilities are not fully utilized, so, management found its solution in empowering the employees. But it is commonly observed that employees feel hesitation in taking such responsibilities because of fear of additional work pressure as a consequence of being empowered (Singh & Dixit, 2011).

Employees of various organizations believed that they are dependent on other employees and their personal efforts have slight impact on the performance. This state of mind that they are powerless creates frustration and they think that they are not able to perform and cannot even make meaningful contributions. The concept of empowerment has been introduced in order to give assurance to the employees that they are not powerless and their involvement in jobs is required in order to get good results. The main theme of empowerment has come into view by the proponents of total quality management (TQM) which has got recognition all over the world (Nanda & Nanda, 2009).

Manpower is that basic tool on which the growth and future of any organization is mainly dependent. This manpower is basically required to be empowered to take decisions and make judgments in time (Singh & Dixit, 2011).

The new organizational culture supports the trend of empowering the employees in the wake of new changing culture and improving the level of job satisfaction in the organization. The employees are more satisfied with their jobs when they are more empowered, taking independent decisions regarding their jobs.(Abdel Azeem & Sayed, 2010).

The importance of the job satisfaction can be gauged from the fact that it has a deep influence on the employee performance. Performance of an individual has relationship with the extent to which he is satisfied with his job. It will reveal through his work and this satisfaction ultimately will lead him to the success. This success eventually affects his family and social life which is the source of happiness for him. An authority with job gives satisfaction to the employees to a greater extent. And he will achieve high productivity levels and reach the defined targets. An advanced society is a society in which level of job satisfaction is at its peak. So the accurate understanding is required for the benefit of individual, authority and the society(Mohamed, 2002).

Literature review

Employee empowerment is the process of enabling or authorizing an employee to think, take action, and control work and decision making in an independent or autonomous way. It is the state of mind when one feels that he is self-empowered to control one's own destiny (Verma, 2006). Empowerment can be better studied with reference to a particular culture(Foster-Fishman, Salem, Chibnall, Legler, & Yapchai, 1998). According to Zimmerman (1995) empowerment is concept that judges a person's ability to accomplish a task with more autonomy.It is an organizational strategy and a commitment between employees and organization(Perkins & Zimmerman, 1995). The concept of empowerment varies from culture to culture(Moye, Henkin, & Egley, 2005). So the success of the organizational practice of empowering their employees largely depends upon the level of understanding the norms, values, customs and rituals of a culture(Hofstede, 1993).

Empowerment is a procedure to qualify employees at each stage to use their innovative capabilities and enhance the overall performance of the organization(Chaturvedi, 2008).Empowerment can also be defined as distributing the administrative authority to all the departments in the organization(Hyman et al., 2002).

Employee empowerment is an important concept of management and it is attaining more significance with the development of knowledge and new ideas in the field of management. It tries to improve the knowledge, skill and talent of the employees at the highest level. In this way, it is contributing its role in improving employee satisfaction((Karakoc, et al., 2009).Empowerment acts as a catalyst in the four important elements of employee performance including importance, efficiency, the ability to choose and the influence on decision making(Azeem & Sayed, 2010).

Altizer (1993) has given a four stage empowerment model in which he has identified the following key employee job contents:

- 1. The level of authority granted to employee**
- 2. Delegate, Delegate, Delegate**
- 3. Encourage Innovation**
- 4. Recognize and Reward Empowered Actions**

During the last quarter of 20th century, different scholars and academicians in the area of economics started studying the concept of job satisfaction. Before the economists research on this concept, psychologists worked in the area of employee job satisfaction. Freeman (1978) has given an analysis of relationship between employee job satisfaction and turnover. After this analysis, many studies were carried out to further explore this topic. Some of the studies which were worth mentioning were taken place in the following countries including Germany, UK, US, Denmark, Holland, New Zealand, Canada, France and Hong Kong (Freeman 1978).

Herzberg (1959), identified several important factors which combine together in employees job satisfaction and dissatisfaction. He called these factors as either motivators or hygiene. Motivators help in job satisfaction. Motivators comprise of: (a) accomplishment, (b) accountability, (c) the work itself, (d) appreciation, and (e)

improvement/promotion. Hygiene factors have an indirect impact on job satisfaction among employees. However, in their absence it can result into job dissatisfaction. They comprise of: (a) institutional rules, (b) control and governance, (c) Salary, (d) working environment, (e) interaction with bosses. Herzberg suggested that employees should attain an acceptable level of hygiene factors to feel neutral about their jobs.

Research Hypothesis

Higher the level of employee empowerment, higher will be the level of job satisfaction.

Research methodology

Self-administered questionnaire was used for the collection of data. This instrument was used because it enabled researchers to collect data in less time. Self-administered questionnaire was used because it is easy to introduce the topic to the respondents and it is also easy to address their queries (Lydeard, 1991). Furthermore, it has high response rate.

The questionnaire comprised of 39 close-ended questions on Likert Scale. A covering letter was attached with the questionnaire explaining the objectives of the study. The purpose was to encourage cooperation from the respondents by explaining the significance of the study. Information related to demographic variables was also taken including gender, experience, department and designation. The elements and dimensions of employee empowerment are measured through first eleven questions and the elements and dimensions of job satisfaction are measured through next twenty eight questions.

Questionnaire Pre-testing

Prior to the collection of data, the questionnaire was distributed among 12 middle-level managers to pre-test the research instrument. Based on the pre-testing, the questionnaire was found to be valid and it was then administered to the rest of the middle managers.

Data Collection

Data for this study was collected through e-mailing questionnaires on convenience and to save time. The middle level managers of JVC Descon were contacted and questionnaires were distributed to them which were later received back through email when filled. 60 questionnaires were distributed and 52 questionnaires with 86.6% response rate were received back.

Data Processing

Data have been edited and checked for omission and consistency. The purpose was to ensure completeness and consistency of data. Blank and unanswered responses were dealt by plugging in the midpoint in the Likert Scale (undecided) as a response to that particular item. A questionnaire with 25% (10 items) unanswered questions was discarded. Out of 52 questionnaires received 50 questionnaires were entered into SPSS.

Data coding and Score Index

Total score for each respondent was obtained by summing his/her score on each item. The score index for independent variable (employee empowerment) ranged from 11 (minimum score) to 55 (maximum score). The scores were further divided into five categories and each respondent was placed into one of the following categories depending on his/her score:

11-20	Strongly disagree
21-30	Disagree
31-40	Undecided
41-50	Agree
51-60	Strongly agree

The score index for dependent variable (job satisfaction) ranged from 28 (minimum score) to 140 (maximum score). The scores were further divided into five categories and each respondent was placed into one of the following categories depending on his/her score.

28-50	Strongly disagree
51-73	Disagree
74-96	Undecided
97-119	Agree
120-142	Strongly agree

Data Analysis

Table 1a: Employee Empowerment

Employee Empowerment	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 1b: Employee Empowerment

N	Mean	Standard Deviation
50	3.24	0.66

Interpretation

Form the table 1b, for the variable of employee empowerment there are 50 respondents having mean 3.24 with standard deviation 0.66. Their range lies between 3.9 and 2.58. It means that majority of responses lie between agree (4) and disagree (2).

Table 2a: Job Satisfaction

Job Satisfaction	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 2b: Job Satisfaction

N	Mean	Standard Deviation
50	3.32	0.55

Interpretation

As per table 2b, for the variable of job satisfaction there are 50 respondents having mean 3.24 with standard deviation 0.66. Their range lies between 3.9 and 2.58. It means that majority of responses lie between agree(4) and neutral(3).i.e. majority of responses vary in the range from agree to neutral.

Table 3a: Employee Empowerment (Gender)

Employee Empowerment *Gender	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 3b: Employee Empowerment (Gender)

Gender	N	Mean	Standard deviation	Percentage of N
Male	46	3.22	.66	92
Female	4	3.50	.58	8
Total	50	3.24	.66	100

Interpretation

Table 3b shows that for the variable of employee empowerment there are 50 respondents comprising of 46 males and 4 females, having mean of 3.22 and 3.50 respectively making a total of 3.24 with st. deviation 0.66. The range of male respondents lie between 3.88 and 2.56 while that of female lies between 4.08 and 2.92. It indicates that majority of male respondents fall between agree(4) and neutral(3) and that majority of female respondents fall between agree(4) and neutral(3). It means that since majority of responses lie between agree(4) and neutral(3).

Table 4a: Job Satisfaction (Gender)

Job Satisfaction *Gender	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 4b: Job Satisfaction (Gender)

Gender	N	Mean	Standard deviation	Percentage of N
Male	46	3.26	.53	92
Female	4	4.00	.00	8
Total	50	3.32	.55	100

Interpretation

Table 4b shows for the variable of job satisfaction that there are 50 respondents comprising of 46 males and 4 females, having mean of 3.26 and 4.00 respectively making a total of 3.32 with standard deviation 0.55. The range of male respondents lie between 3.79 and 2.73 while that of female lies between 4.00 and 4.00. It indicates that majority of male respondents fall between agree (4) and neutral (3) and that majority of female respondents fall in the category of agree (4). It means that since majority of responses lie between agree (4) and neutral (3) therefore, majority of responses lie in the neutral range.

Table 5a: Employee Empowerment (Experience)

Employee Empowerment *Experience	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 5b: Employee Empowerment (Experience)

Experience	N	Mean	Standard Deviation
Up to five years	26	3.38	.50
Six to ten years	12	3.33	.78
Eleven to fifteen years	2	3.00	.00
Above fifteen years	10	2.80	.79
Total	50	3.24	.66

Interpretation

There were 50 respondents with different experience ranging as indicated in the above table pertaining to Employee Empowerment, having respective mean values. In table 5b, the mean values range from 1.49 to 4.11. It indicates that their responses vary from strongly disagree (1) to agree (4)

Table 6a: Job Satisfaction (Experience)

Job Satisfaction *Experience	Total Cases					
	Valid cases		Missing cases		Total	
	N	Percent	N	Percent	N	Percent
	50	100	0	0	50	100

Table 6b: Job Satisfaction (Experience)

Experience	N	Mean	Standard Deviation
Up to five years	26	3.38	.50
Six to ten years	12	3.33	.49
Eleven to fifteen years	2	4.00	.00
Above fifteen years	10	3.00	.67
Total	50	3.32	.55

Interpretation

There were 50 respondents with different experience ranging as indicated in the above table pertaining to Employee Empowerment, having respective mean values. In table 6b, the mean values range from 2.33 to 3.88. It indicates that their responses vary from disagree (2) to agree (4)

Table 7: Employee Empowerment and Job Satisfaction- Crosstabulation

	Job Satisfaction			Total	
		Disagree	neutral		Agree
Employee Empowerment	Disagree count	2	4		6
	Percentage	33.3%	66.7%		100%
	Neutral count		14	12	26
	Percentage		53.8%	46.2	100%
Agree	count		12	6	18
	Percentage		66.7%	33.3%	100%
Total	count	2	30	18	50
	Percentage	4%	60%	36%	100%

Table 8: Ordinal measures of association

Ordinal Test	Value	Approx. Sig.
Kendall's tau-b	.147	.300
Kendall's tau-c	.120	.300
Gamma	.258	.300
N of valid cases	50	

Table 9: Sommer's Ds

Ordinal Test		value	Approx. Sig.
Somers' Ds	Symmetric	.146	.300
	Employee Empowerment	.157	.300
	Job Satisfaction	.137	.300

Interpretation

As our data is ordinal and for it respective tests of ordinal data are applied that are Kendall's Tau-B, Tau-C, Gamma and Sommer's Ds. Ordinal variables are divided into mutually exclusive and exhaustive categories for purpose of measurement. Besides this, ordinal variables also have a natural or theoretical order. The magnitude of the ordinal measures of association should be sensitive to the order of categories of variables in a Crosstabulation. Tau-B and Tau-C range from -1 to +1 with 0 as null relationship. In table 8 Tau-B = .147, Tau-C = .120. The ordinal measures indicate a positive association of modest size and they also give information about the direction of association.

Sommer's Dyx (independent variable) and Dxy (dependent variable) presume that either the independent variable or dependent variable has been hypothesized as independent. Sommer's Ds' produce values that bracket Tau-B. In table 9, The Sommer's Dyx = .157 and Dxy = .137, respectively. As its values are close to +1 instead of -1 so there is a positive association between employee empowerment and job satisfaction.

Conclusion

Due to rapid changes in the means of communication and transportation, the world has become a global village and a small change occurred in one corner of the world can be observed everywhere in the globe. So organizations are realizing the importance of this change and empowering their employees with changing competition conditions. Only those organizations can survive which can best utilize their human resources, by involving them, empowering them and providing them their due. Human resources are most important assets of the organization and they have to transform themselves according to the needs of current competitive environment (Karakoc, et al., 2009). In table 8 Tau-B = .147, Tau-C = .120. The ordinal measures indicate a positive association. The Sommer's Dyx = .157 and Dxy = .137, respectively. As its values are close to +1 instead of -1 so there is a positive association between employee empowerment and job satisfaction. Gamma is the most forgiving regarding ties: it ignores rather than counts them in its denominator. In table 8, Gamma = .258

which shows that each of these measures is symmetrical. None presumes that the X or Y variable is independent. It means that the organizational practice 'employee empowerment' used by JVC Descon has produced significant positive results among the middle-level managers.

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