

CHAPTER - I

Introduction and Background of the Study

1.1: Origin and Historical Perspective

The word 'empowerment' is a commonly used term in organizational parlance. This word is a culmination of various approaches and disciplines of knowledge such as psychology, economy, education, social, and organizational studies. The word is being used since 17th century. The Oxford English Dictionary describes empowerment to mean to, 'impart , or to accord power towards a specific end or to being designated for a purpose; to enable,' permit.' The above is among the various meanings of this word. The first use of "empower" in official records was in a book of the 17th century, "The Reign of King Charles," authored by Harmon L Estrange. L Estrange wrote: "Letters from the Pope, empowering them to erect this college." Oxford English Dictionary, till date considers empowering as something that refers to authorizing and licensing.¹ Thus, it can be described as conferring an individual or entity with power to fulfill his organizational role. This power should be easily accessible by the employees or more specifically should be discernible during the deliverance of the individual's institutional role.

'Empowerment' now- a- days is now a buzz-word in corporate circles. Mary Parker Follet is credited to have emphasized how empowerment must be regarded to be crucial for management subject; fit for perusal. She has demarcated "power-with" from "power- over" and instructed to increase 'power – with' along with a subsequent decrease in 'power – over'. Mary Parker Follet's management ideas were considered revolutionary for her times. She emphasized on the establishment of shared common goals between business enterprises and their respective employees. Managers were encouraged by her to ensure a total and holistic devotion of the staff for organizational matters that affected them. Instead of emphasizing on techniques alone, she also put the stress on the human aspect, or more specifically the employees.² The Human Relations Movement also provided a great thrust to empowerment of employees. The Hawthorne studies did demonstrate how workers were being influenced

more by social situations than by management controls. Many contributory factors of organizational employee empowerment are found. These are organizational policies, practices, and structures that delegate power through distribution of knowledge, skill enhancement, information access, training support, resources availability and responsibility.³ Gradually empowerment started coming into prominence since 1980s.

The quality movement or more specifically Total Quality Movement has given a thrust to this process. Total Quality Movement advocates an open style of management, with descent of obligation across hierarchy. TQM emphasizes empowering employees; emphasized by Deming in 1986, Juran in 1988 and Oakland in 1989. TQM idealizes kaizen: a concept which states that continuous improvement should be there, and which visualizes and encourages a bottom – up method towards problem solutions and further decision taking.⁴ Eventually, with advancement of management theories and ideas, empowerment has come to assume centre stage of attraction in 21st century's organizations.

When it is given its due importance, then it would exert a profound, affirmative influence on staff commitment and attrition rate. Empowerment is considered as being inseparable from confidence building, dynamic investment in decision taking process, and the obscuring of the margin that isolates management board and the workers. Along these lines, efficiency, productivity and satisfaction is expanded. There are various contributory factors of organizational employee empowerment. These are organizational policies, practices, and structures that delegate power through knowledge distribution, and skill enhancement, information access, training support, resources availability, and responsibility.

1.2: Concept of Employee Empowerment

Analysis of recent managerial trends strongly point to the exponential growth in employee empowerment. Today's globalized and privatized economy ensures that it is not

underestimated in organizations. Such organizational environment, makes employees suitably equipped to undertake prompt decisions and to exhibit quick response to any alterations in the environment. The free market economy of present times makes way for a plethora of issues – fierce open competition, turbulent variations in the macro – environment, never ending demand for goods of superior quality, exceptional service standards, and a quest for continuous innovativeness – which can best be addressed by incorporating empowerment principles in organizations. The market environment now is very aggressive, stiff, and fiercely competitive. Thus, in a bid to retain business competitiveness, business enterprises need to attempt to deliver quality goods and best available services to buyers at an acceptable rate, presumably the minimalist, and with minimum time gap. This happens when it has a reservoir of committed, dynamic, and motivated workforce that can take quick and immediate decisions to rise up to the customers' expectations and provide customer delightment. Employee empowerment equips the company with such a workforce.

Modern day business organizations concentrate on attaining and then retaining their superior edge over their competitors. As such competitive advantage that has been sustained for a significant stretch of time, becomes a vital target of organizations. Factors which help in this direction are: latest and new equipments, state – of – the art technology, good sales and advertising strategy and excellent customer services. However, the people employed in those business firms are their most vital assets. The organizational achievement or losses depend upon this factor. Thus, the qualifications and professional accomplishments of the personnel, affect substantially the organizational success. Competitors can replicate their rival's technological advancements, goods produced, and processes. But skills, competencies, capabilities, and knowledge bases all are hard to emulate. Thus, an empowered organizational milieu does equip the company with enough facilities which enable it to enjoy strategic advantage over its rivals.⁵ Empowerment may also be thought of as a job enrichment policy

whereby an enhancement of obligations occur by according the staff independent decision making opportunities regarding their own job. Continuous validation from superiors is not necessitated in that scenario.

In an empowered organizational environment, encouragement is given to people. The individuals freely and fearlessly make the most utilization of competencies, capabilities and creativities. They themselves determine output and the work outcome. The employees however must be suitably trained, endowed with necessary facilities to access information and should enjoy latest technological support. They should have opportunity to exercise autonomy in organizational decisions and of course have to get equitable remuneration. Employee empowerment should also evaluate the job, and management should see to it that individuals can handle them adequately without being overburdened or stressed out. Business firms now – a – days are confronted with competitive demands for costs reduction, better performances, and increased flexibility. They have in consequence started to rely on empowerment for performance enhancement. Empowered organizational climate increases performance by overcoming worker dissatisfaction, reducing absenteeism, decreasing employee attrition, and also preventing below standard work output through work quality. Empowerment causes the staff to come out of rigid mindsets, to face challenges and be innovative. Empowered employees can independently decide on solutions from a service problem, instead of waiting for instructions from superiors. A positive outcome from above is customers' delightment.

Empowerment also paves the path towards business transitions and development. It makes the people to want to change as they have ownership in the change process. The previous management approaches put the emphasis on delegating authority. This view has gradually metamorphosed into the “empowerment” concept which encompasses both delegating authority and also emphasizing participation and motivation. Employee empowerment is

frequently depicted as staff exchanging and sharing following inputs: (a) information about the business's achievements, and performance and through which employees can analyze their contribution (b) analysis of rewards that come from superior organizational performance and, the (c) autonomy to take independent decisions for organizational goal accomplishment.⁶ Superior or high performing staff need to be convinced about employers' genuine concern to give opportunity in career planning which will contribute to professional satisfaction. Then the organization can encourage them for employment and also stimulate them to continue. Both extrinsic satisfaction like reward and recognition, and, intrinsic satisfaction like pride and accomplishment have to be present and aligned with each other. Similarly, to achieve business success, the firm needs to enact a strategy that is both competitive and value added. While dealing with goal accomplishment, both personal objectives and business targets must be emphasized. In fact, the two should be coordinated and balanced. When absence of equilibrium and alignment occurs, it is found that even empowered people are reluctant to do work which suits the organizations' interest but which does not cater to their personal needs for professional progression. The human resource systems in any organization are key tools to ensure and establish such near- perfect goals of alignment between self goals and management objectives. Many researchers and proponents of empowerment philosophy have made claims that empowerment positively affects the satisfaction of employees . Findings from numerous research studies have corroborated this.

Empowered organizations give their employees free will in decisions after giving them adequate training. This inculcates within them the perception that the enterprise and more specifically the top hierarchy values all the efforts that the employees put in and realizes their true worth in the accomplishment of enterprise goals. Satisfied employees get impetus to venture further and over their organizational responsibilities and achieve goals over and above the expected output. Study has shown empowerment practices to impart a significant

and favorable effect on satisfaction as also on the standard of service rendered by the employees.⁷ Empowered staff are seen as satisfied employees who offer better service. Through research on various bank employees, it is seen that various empowerment contributing factors (meaning, competence, self – determination and impact) positively alter the job satisfaction. It is confirmed that there are significant differences among gender wise satisfaction of employees in service sector.

1.3 : Definition of Employee Empowerment

It is a managerial concept. It is both a process and a genre of participatory management in actual work setting. It entails power transference to employees, autonomous decision making on corporate matters with as minimum interference from top hierarchy as can be. So, for ensuring empowerment, employees should essentially be having authority, responsibility, and autonomy.

Also to make empowerment practice successful in attaining organizational objectives, employees' needs be given adequate training to ensure correct and rightful utilization of their decisive powers. Empowerment provides for a strategic competitive advantage to the firm and also provides for a participative climate to the staff , wherein they can actively play significant role in the said organization's success. It involves groups bearing small clusters of employees, who exhibit accountability in their job that they do and the results achieved and who try to solve problematic situations or to improve the deliverance. Staffs may undertake to co-manage a process or a program or they may address broader sets of issues. Empowering practices can continuously achieve success or attain goals – either by performing better or by introducing a quality- enhancing innovation – if they regularly enjoy the support of both employees and management. In empowerment process, employees require sufficient information, adequate training for independently taking decisions, and the promise of

equitable reward for their performances. ⁸

Past researches have described empowerment to be enabling processes and not delegating ones. By enabling, it means facilitation of a milieu in the enterprise or built up of situations that stimulate increased motivation for execution of tasks through the building up of individual feelings of perfection. Delegating is viewed as too narrow a spectrum to ensure perfect and total definition of the broad and complicated process of empowerment. Empowerment, also enhances personal efficacy and personal adequacy among personnel in an organizational setting. It identifies conditions or situations that make employees experience powerlessness and also provides ways of their elimination through structured and formal organizational policies as also non structured and unofficial measures through regular and adequate information. Such a description of empowerment represents a holistic idea that emphasizes the following aspects, like:

- a) It acts to be quality achiever and motivator.
- b) Empowerment needs to incorporate all organizational members' presence in self managed teams.
- c) Powerlessness in organizations can hinder the application of empowerment.
- d) Empowerment is implemented through official and documented and also unofficial and non – documented practises and techniques.

Empowerment entails the shift of power, authority, and obligation from top management to lower positions in the hierarchy. It is believed, that, with time, personnel get better knowledge of the work process. Now, if they get freedom, power, authority, and autonomy towards work goal accomplishment, they feel motivated and exert drive to attain them. The result is the employees' own obligatory duty to achieve own goals. They are responsible for that. So it is vitally required for self progress and also for organizations destination. Empowerment is an apparatus which empowers a worker to examine freely about his work

temperament and to move past those things which he has been told to do. This gives individual success at the workplace through persistent efforts which yield better organizational result.⁹

Empowerment is frequently communicated as an intrinsic inspiration that originates from four cognitions, that shows an individual's demeanor for his employment related obligations. They are: meaning, competence, self determination, and impact. Meaning implies a harmony between work-role requirements and an individual's values, beliefs, and behaviours. Competence means efficacy or the person's capacity to achieve work with skill analogous to personal mastery. Self – determination describes autonomy of work methods– their initiation, continuation, work methods, speed, and efforts. Impact mirrors the degree to which a worker can alter results – strategic, administrative or operative – at work . Also many management consultants have formulated empowerment to have four components: power, information, knowledge, and rewards. Power is the capacity to guarantee that the work gets finished. It deals with autonomy and delegation of authority to the staff. Information encompasses the requisite facts and furthermore information regarding organizational strategies and objectives that a worker must have access to, which enables him to successfully take decisions. There has to be job role clarification, and also work feedback from superior, junior and colleagues. Knowledge sharing means team activity which characterizes transfer and exchange of necessary information, knowledge, and ideas among the group members. Reward refers to all monetary and non – monetary benefits received by staff which acts as an effective motivation enhancer tool. This has been clearly demonstrated in table 1.1.

Table : 1.1

Instruments of Empowerment

Power	Information	Knowledge	Rewards
Autonomy	Feedback	Training	Compensation
Authority	Role clarification	Counselling	Career Planning
Delegation	Motivation	Appraisal	Job enrichment

Empowerment = power x information x knowledge x rewards

(Source : Demerci, Erbas, 2010)¹⁰

Another study has given an operational- level and process oriented definition of empowerment. In this case, it consists of various aspects. At first information must be distributed among front-line employees. This information may deal with business result and / or with rewards which may be accrued from organizational performance. Secondly, it deals with facilitating staff training to channelize them towards maximal contribution and commitment for superior organizational performance. Ultimately it deals with giving employees decision making powers for goal accomplishment – individual and organizational. Thus, the controversial nature of empowerment becomes prominent. It is quite subjective because what empowers one employee may not empower another. It has many dimensions, related to individual involvement, ability, power to take decisions, and how much a person is in charge of his work environment and to what extent he may alter the job consequences.

This point towards a socio-psychological state that creates positive individual influence and effect one's work related activities. ¹¹

1.4 : Constructs of Empowerment

Empowerment can be explained from the angle of relational construct and from motivational construct,

1.4.1 : Empowerment as a Relational Construct

Empowerment is considered a relational construct. It is considered granting power and delegating authority to others. Here, it is perceived as a power – play amongst various organizational forces. In management parlance, power is basically a basically a relational concept that describes the perceived influence or influence which an actor or organizational sub-unit has over others. Here, power is considered to be dependent and / or interdependent on actors. Power is how an employee or subunit's performance outcomes are dependent on individual behaviour, and also on others' reaction and response. A person may exhibit power on another person, when latter is reliant on that individual. A person is considered powerful if he / she can give some output or demonstrate achievement that the enterprise thinks of as a value addition. It may be denoted by the employees' capability to provide solutions to unforeseen organizational challenges. At the inter-personal level, the origin of one's power over others is : (i) the office, (ii) the personal characteristics, (iii) the expertise, and (iv) the ease with which confidential information may be accessed. Thus, the potential power bases can be classified into:

- i) Legal Power – the power which one imposes when in control of the office.
- ii) Coercive Power – the power which one gets from the capacity to impose punishment or block an opportunity.
- iii) Remunerative Power – the power which capacitates individual to grant material

rewards like financial rewards or compensation.

- iv) Normative Power – the power through which any individual can control symbolic reward; like non-financial reward, e.g recognition.
- v) Expert Power – the power held by individuals who gain it due to specialized knowledge and expertise.
- vi) Referent Power – the power due to someone’s looks, charm, charisma or personality.

The above mentioned power differentials imply that powerful people can achieve goals and outcomes better and more frequently while less powerful may experience their goals being thwarted midway and also non accomplishment of objectives. Thus, the above theories have made possible formulation of strategies and methods for resources distribution so as to keep a balance of power. This means it aims for allocating more power to the powerless and diminishing that of those endowed with more power. Now, empowerment is considered a dynamic process, which becomes the channel through which high ranking people share power with the lower ranking employees. Power here is thought of as an unflinching dominance guaranteed and ensured through enterprises over its resources.¹² So, here ‘to empower’ means ‘to authorize, to give legal powers to someone ’ . This idea equates empowerment with delegation and decentralization of power to make decisions.

1.4.2: Empowerment as a Motivational Construct

This theory is biased on psychological literature. This believes power and control to be motivational instruments which are typical for individuals. Now, an employee’s power requirements are fulfilled when he assumes that he is adequately equipped to handle events, situations, and/or even people. However, his power needs may be thwarted when he feels powerless or when he feels inadequate, and not at par with the physical and social demands

of his surroundings. From a motivational angle, power is an intrinsic need for self determination. It also implies self – efficacy that is felt by the individual. Thus, the managerial philosophy which strengthens this desire for self - determination or reinforces this faith in self efficacy will make the employees more powerful. However, managerial attitudes or practices which weaken the self determination need, or self efficacy belief of employees will just aggravate the emotions of powerlessness. Here, it is more closely synonymous to the verb ‘empower’, as given in the Oxford English Dictionary, meaning ‘to enable.’ Enabling means upgradation of one’s own competence through motivation. In today’s context, pressure has increased on business, education, and all organizations to become learning organizations. Thus, for ensuring one’s complete participation in the learning organization, that person must be empowered or ready to empower. Thus, managements of such organizations should have the realization that highly motivated personnel will be present only after effective usage of the empowerment process.¹³

1.5 : Perspectives of Empowerment

Contemporary practitioners of management and also literatures on empowerment offer different theoretical perspectives to comprehend and analyze the alternate points of view of empowerment. They are listed as under.

1.5.1: Socio-Structural Perspective

The basic foundation of socio-structural perspectives finds resonance among the values and ideals of democracy. Here, empowerment is deeply linked to democratic principles and ideas, where power resides in individuals across hierarchy. Socio-structural empowerment deals with policies, practices, and structures in an enterprise that provide greater discretion and more independence to make choices and exert influence regarding their work. The socio-structural notion emphasizes on power – redistribution model which propagates power

equalization resulting in trust and collaboration. Thus, here it acts as democratic set up which assumes that there must be participation of most, or ideally all employees. The thrust here is on power sharing across the hierarchy in organizations. Here, power is equated with dominance across the organizational resources ratified by the organization itself and backed by independent decision making which is appropriate for a person's job or role. The central issue out here is employee participation through increased delegation of authority across the organization's hierarchy.

Here, changing of organization's structures and policies from top-down control systems towards high involvement practices is the thrust of empowerment practices. Such business units are not empowered merely by the manager's orders or through company circulars. Rather in such organizations, there is total change or reorganization of management policies and structures away from strict bureaucratic management style to a more friendly participative management style. It emphasizes that organizational, institutional, social, economic, political, and cultural issues erase conditions that result in powerlessness. For example, instead of offering quick fix answers to business issues, management may encourage independent decisions from employees on recovery from the service problems. This result in quick response from the employees as the necessity for approval from their superiors is negated. This makes way for customer surprise and delightment. So, this model relates to distribution of power, information, knowledge, and rewards across the length and breadth of business firm. Employees are better empowered when endowed with greater power, information, knowledge, and rewards. However, an equilibrium ought to be kept between all four components. This effectively implies that if an organization shares important information with employees, but fails to share power, training or rewards, empowerment will fail to take root.

A fundamental model of empowerment in work environments is provided by a management

researcher. In her work, power theory and its structure in organizations, she mentions that social structures in the organizations influence employee behaviour and attitude to a greater degree than individual personality characteristics or socialization effects. This model states that with access to official and unofficial power or formal and informal power, employees have greater access to information, support and resources, and growth and learning opportunities.¹⁴

Table : 1.2

Components of Socio – Structural Empowerment

Structural Empowerment	
Opportunity	A sense of challenge and chance to grow and develop.
Information	Data, knowledge and expertise and also awareness of organizational goals.
Support	Problem-solving advice, feedback and guidance received from senior managers, peers and direct reports.
Resources	Time, supplies, and equipment to accomplish organizational goals.
Formal Power	Work that accord flexibility and visibility, and that are relevant to key organizational processes.
Informal Power	Network of alliances which sponsors senior managers, peers and direct reports within and outside the organization.

[Source : Casey & Saunders , 2010]¹⁵

The different perspectives of workplace empowerment are as follows.

1. Shared decision making : Employees and/or teams may contribute to both high level corporate resolutions and also to routine job decisions.
2. Skill – based pay : Here the implication is that the organizational people enjoy a share in the profit and are suitably compensated when they enhance their skills and knowledge base for accomplishment of institutional goals and objectives.
3. Open – channel of communication and information : It means an assimilation of the downward and upward flow of information. As such, alignment is present between strategic direction, competitive intelligence, and financial performance (downward information) and staff mentalities and improvement ideas (upward information). This aims to make congruence between performance and business targets a certainty. It actually increases the employees’ awareness of their behavioural effects on the firm’s performance. The assumption out here is that those with better information can work smarter and thus be better decision – makers.
4. Leadership development and training : This assists the people to better their own performance and also provides training in interpersonal leadership development skills, necessary for the particular business to flourish.

1.5.2: Research on Socio- Structural Empowerment

Various researches have been undertaken using the socio- structural empowerment principles under the terms high involvement work practices and high performance work systems. They have focused on organizational level outcomes. Various researchers at the Centre for Effective Organizations at the University of Southern California have conducted surveys on high involvement work practices. Their work have elaborated that practices which encourage increased contribution of employees like devolution of power, sharing of information,

transfer of knowledge, and compensation management with individuals throughout all the management levels have positive outcomes for organizations. These outcomes are summed up as enhancements of quality of work life, enhancement of product and service quality, better customer service, and increased productivity. Again, a research study has determined that both structural empowerment and the felt organizational support impact the role satisfaction of nurse managers in Ontario, Canada. However, the cognitive condition of empowered personnel are not tended to by the concept of socio- structural empowerment. Thus, in some organizational situations, the individuals there possibly may not show an empowered behaviour even though the work climate and culture were empowering enough. Again in certain other situations, they have felt and acted empowered even without empowering work spaces.¹⁶

1.5.3: Psychological Perspective

Socio structural theory equated empowerment with authority, delegation, and resource sharing. This theory has not emphasized much on how personality or individual factors impact upon the empowerment process. To overcome that, some analysts view empowerment from a different perspective also. They looked at it to be something which enables or enhances personal efficacy. This approach has looked at it through the prism of motivational theory. Here, empowerment is likened to inspiration to achieve that is characteristic for the task undertaken, where the emphasis is made on the presence or absence of employee alienation and quality of work life. This is regularly alluded to as psychological empowerment theory. At a very basic level, psychological empowerment describes the employees' felt opinion about the presence or absence of empowerment in their organizations. It illuminates on employees' personal belief about their functions in the business undertaking. Empowered employees experience four dimensions, including

meaning, competence, self determination, and impact. These are illustrated as below:

1. Meaning : It describes the congruence between one's ethics, beliefs, principles, and conduct with his job situation obligation and responsibilities. Meaning indicates that capable individuals appreciate career goals as per their personal ideals and standards. In their value system, working is considered significant and they feel important when they indulge themselves fully in the undertakings of the business.

2. Competence : Competence is self efficacy, and a self affirmation by a person of his capacity or efficiency towards goal accomplishment and task completion with success, skill and precision. Individuals believe themselves to be qualified and exude staunch faith in their capacity to finish organizational role. They are also able to successfully complete the occupational demands. Competent people feel personal excellence and encounter new challenges with unflinching faith in their abilities. They treat such challenges as learning experience. Competence, according to many produces perseverance and endeavour to confront problem situations with confidence and composure.

3. Impact : Impact means to what extent an individual exerts influence on work outcomes regarding their administrative, strategic or operating goals. Capable employees are conscious of the qualifications they possess and are also aware of their suitability for work roles. This finally results in work goal accomplishment. Such people have the belief to control the occupational results and consequences and favourably impact their work duties. These people also feel adequately poised to handle the limitations and barriers.

4. Self-determination: Self – determination is an individual awareness of having options regarding initiation and regulation of one's actions. In this situation, employees independently take decisions about all work arenas like – initiation and continuation, ways of executing the work, the pace at which it should progress and optimum amount of efforts to be exerted. All the above four parameters indicate an active orientation to one's work.

It is noteworthy that the concept – empowerment - is comprehensive of all the four cognitions. So it remains incomplete even if one factor is absent. Thus, all the dimensions amount to the feelings of being empowered.¹⁷ So, psychological empowerment aims at changing the employee attitude and how they subsequently align themselves to the organizational context. Thus, managers who attest the efficacy of psychological empowerment should clarify the goals to their employees, and also provide necessary impetus for the knowledge and skill development. Empowerment is differentiated into five stages. The first stage tries to examine and assess organizational conditions and situations which render the employees powerless. This stage leads to stage two. Here, managers implement and utilize various strategies that aims to remove those external conditions leading to sentiments of powerlessness. Third stage ensures that the organizational people are furnished with information that increases their self efficacy. The flood of meaningful information results in empowered employees which is the fourth stage. In stage five, empowerment results in behavioural changes. Psychological empowerment may be considered to be a measurable psychological state. It is regarded as a continuous variable, which means that individuals should be considered to be either more or less empowered, instead of as being empowered or being not empowered. Some researchers opine that employees worry about and avoid situations which, they feel to be beyond their knowledge and competencies. However, if their work situations are in control, the employees confidently demonstrate a heightened involvement and commitment towards the job. The four factors of empowerment would ultimately help the people to be more compelling and dynamic.

1.5.4: Research on Psychological Empowerment

Management researchers have designed various instruments to measure psychological empowerment. However, the one that is commonly consulted is developed by Spreitzer. In

this instrument of psychological empowerment measurement, she has pointed out four factors: meaning of work, competence, self determination , and impact on work output, which together reflect a pro-active orientation to work role. She further chose 3 items per dimensions. A 7 point Likert scale is used. This particular psychological empowerment instrument assumes it as a continuous scale and not a dichotomous one. So employees experience different empowerment levels instead of either being empowered in totality or being not at all empowered. This 12 –item psychological empowerment measurement, using a 7 point Likert scale, has been predominantly used in empirical research.¹⁸ Empowerment has high significance for both management and workers. In business firms, if the personnel are empowered; they are found as being more satisfied. Recent empowerment study material empirically shows that employees of Automotive Industries in India exhibit a positive connection among empowerment and satisfaction. Various research studies conducted in service industry – especially hospitality sector – demonstrate that empowerment of service employees positively affect job attitudes. This study also exposes how positive job attitude through effective empowerment practices decreases their propensity for turnover of such service employees.

1.5.5 : Critical Social Perspective

The critical social empowerment theory took its origin at the Frankfurt school in Germany in 1920s. It theorizes that some particular groups always find themselves in a non favourable position. Taking medicine and nursing as example, critical theorists opine that power and privilege lies unevenly and non – proportionately in this case. A notion, hold true by many, is that nurses are, or rather should be subservient to doctors and administration. Power is considered to have three dimensions- overt, covert, and institutionalized. Critical theorists emphasize the institutionalized factor. This factor actually so shapes and moulds the people

that they accept and adjust to their subordinated and subservient institutional position. This institutionalized power dimension affects the perceptions, thought process, and employee cognition such that grievances do not crop up even in their thoughts with about their organizational positions. They become habituated in being dominated. Now, critical social theorists want to abolish this unequal and unethical power division by advocating industrial democracy. This perspective which finds support from the critical and postmodern empowerment scholars is essentially concerned with understanding who controls formal power structures. They opine that in the facade of empowerment, employees are actually made to toil, and to contribute more without any increase in their wages or power.

It is asserted further that institutionalized interventions can be actually empowering in a situation where the power is genuinely distributed. This has to be supported by granting of authority to the people subsequent to their increased control of the firm. They advocate that industrial democracy has to be implemented through worker cooperatives, labour worker councils, direct worker ownership schemes like employees stock options plans (ESOPs). They emphasize the necessity of such functional formal power structures. They contend that otherwise, empowerment interventions will actually become disempowering as realms of power will be concentrated and centralized within and across the higher bastions of the organization.¹⁹ Empowerment from a Marxist angle, is defined, keeping in mind workplace power dynamics. He has conducted a labour management history review on both theoretical and executive perspectives of employee empowerment. He has opposed management led empowerment programs. He has conceded that, empowerment should be jointly developed by management and workmen collaboration. Also successful implementation necessitates that the association should be acknowledged from the start. Full participation and back up support of the union from beginning has to be an absolute necessity. According to critical theorists, actual empowerment comes from real ownership and firm hold over the business activities.

1.5.6 : Research on Critical – Social Empowerment

A research survey was done in Ireland to ascertain the feelings of the empowered nurses and mid – wives. The historical origin of this profession and its comparative position to other allied careers and social structures was discussed in this Irish empowerment study. There were direct questions to nurses and mid – wives , who were asked of their experiences of empowerment. Respondents appeared as a moderately empowered group. The research study demonstrated that issues relating to structures of organizations and management style contributed the least to satisfaction. The researchers concluded that both professional preparedness (including having adequate skills and education) and a facilitating work culture (support and recognition, role clarity, and patient/client focus) are central to empowerment. Also it was seen that self – reported empowerment and satisfaction increased as grade increased, indicating a possible correlation among them, that is, employment, and satisfaction with grade. Again a survey of medical, surgical, and critical care nurses have found that they perceived that neither physicians and managers respected neither them nor their jobs. ²⁰ This was evident by the method of deliverance of organizational decisions without their prior consultations.

1.5.7 :Multi – dimensional Empowerment

Employee empowerment may be thought of not as a single dimensional approach but as a multi factorial activity. The belief is that no single approach can truly estimate and justify the whole potentiality of empowerment. The onus rests on management to conceptualize a system that will make the empowerment interventions effective. Power can be thought of as a complicated process which is increased through empowerment. Also there are six arenas in organizations that may lead employees to empowerment, viz. educating, leading, mentoring/

supporting, providing, structuring, and the last factor is a combination of all. So empowerment is multi factorial, and , entails many elements/ dimensions in business units.

1.5.8 : Organizational Empowerment

The organizational empowerment perspective may be appreciated if we realize that business units will function either in a totalitarian way or in a democratic fashion. In organizations that function in a totalitarian manner, some employees may reside outside the inner power circle. They are not able to bring in much changes either regarding their work or in the gross business activities. Thus, such organizations stifle influence and also restrict creativity and innovative ideas from emerging. Democratic organizations, however offer many more opportunities for input and influence. Such workplaces promote opportunities for influence and for innovating and trying different approaches. Thus, while in some organizations, top management strictly and closely monitor employees' behaviour to ensure conformity, others regulate by emphasizing and acknowledging results and also by promoting diversity of practice and innovation.

In today's first paced corporate world, organizations can survive, advance, and evolve only if it offers value added product, and also unique standard of services for customers. For this, the organization must possess reservoir of committed contended, and happy workforce, which should retain the existing customers as also expand the new client base. Such empowered employees would strive hard to ensure maximum output, both as individuals, and as group members so that organizational goals can be achieved. So, the distinctive component of organizational empowerment perspective are:

1. Dissemination or sharing of information
2. Setting of goals
3. A well placed accountability system

4. Congruence between self objectives and team goals.

1.5.9 : Social Empowerment

Employees have their social base formed during formative childhood through nurturing and upbringing given by both family and society. They have observed, as children, that family functions and social activities like ritual performance, marriage ceremony, festivals, etc are undertaken by their family members and societal members through involvement, participation, and sharing of responsibilities. All this shapes a different ego pattern that demands similar treatment in work setting. So, individuals who have been accustomed to be taking independent decisions from his adolescence or formative years in his family, and social setting will automatically demonstrate such an attitude at work. But, people not used to handling obligatory duties and responsibility for their own activities, and decisions will not prefer to be empowered, even if circumstances prod him to. In this way, the social and emotional needs of staff are satiated, which in effect makes way for speedy and quality decisions.

1.6 : Objectives of Employee Empowerment

The alterations and fluctuations of the market scenario has aggravated the necessity for better and improved organizational accomplishments that proceed to establishments being more poised for challenges and contingent situations. Thus, demand for change in mindsets of organizations and managers is growing manifold. The whole organization should engage and involve in broad based thinking, visualizing, and nurturing with a subsequent maximal utilization of the information and innovativeness of the managers. Towards this end, an ideal strategy is to empower employees, thus making them both autonomous while executing their individual duties in their own domain and also holding them liable for the result of their

actions. Hence, empowerment helps the corporation to flourish and achieve zenith of progress in globalized world.

Empowerment aims at the following objectives:

1.6.1: Individual Objectives

1. Enhance job satisfaction: The logic behind empowerment stands on the underlying belief that if the personnel are armed with skills, resources and authority, and also provided with opportunity, responsibility, and accountability, will be motivated in their organizational actions. This makes them more competent and satisfied. Thus, a vital objective is satisfied employees.
2. Facilitate innovativeness among employees : Effective and systematic application of the principles of empowerment among the employees make them independent thinkers and also autonomous decision makers adept at moulding themselves to changing business scenario. This in turn fosters a creative climate that drives them to implement innovative ideas.
3. Enhancing employee performance : Empowerment interventions aims at enhancement of staff activities through delegation of power, participatory management, encouragement, and free and fair reward management. This has a favourable influence on individual performance. Such employees utilize the opportunity provided to fully embrace their potentialities for enhanced performance.
4. Ensure employee loyalty : Empowerment practices lead to a sense of mutuality and faithfulness of the working people and builds commitment. Empowerment seems to satisfy two fundamental human requirements – acceptance and ownership. It makes the employees realize their importance as valuable assets and also their necessity for organizational success. Empowerment also signifies the management’s confidence in the staff being able to influence enterprise’s goal accomplishment capability. It gives

the personnel security , who then confidently provide their unique contribution and also realize their own value. They regard their selves as the foci of all activities.

5. Improve the employee morale : Empowerment process make the work meaningful for the employees, and results in organizational goal achievement. They feel positive about themselves and their job. This enhances their morale. When top management acknowledge and ratify the decision of empowered employees, they feel achievers. This may encourage them towards peak performance.
6. Freedom in decision making : Due to empowerment, employees become independent decision makers. They feel themselves in control of whole dimensions of their job. The result is more autonomy at workplace with more pronounced loyalty. The efforts that they exert are much more than the job expectations by the organization.
7. Free flow of information: Empowerment practices ensure free access of essential information to the personnel. Access to useful information makes them independent decision makers negating the need for guidance from their respective bosses at every instant. The outcome is enhanced self – efficacy.
8. Improvement in the quality of goods manufactured and services rendered : Empowerment practices in work settings exerts a substantial thrust towards enhancement of employee commitment, towards acceleration of the quality of the items, and also in service excellence. Empowerment is the apparatus which empowers an officeholder to contemplate the requests of his job and to surpass the employment necessities. Thus, for an individual, success through persistent efforts is realized , which ultimately yield better result for the organization.
9. Increase in managerial effectiveness : Empowerment renders an important conclusive result on enhancement of managerial effectiveness. Managerial effectiveness is a quality which ensures that the organizational leader can complete or even exceed

work role expectations. Since empowered managers consider themselves competent and capable of influencing both their employment activities and also its conditions in a more profound and significant manner, the behaviour is seen proactive. They are competent enough to anticipate problems and act independently and so are also seen as effective.

1.6.2: Organizational Objectives

1. Improve customer satisfaction : Empowered employees take quick and very fast paced decisions, sometimes without consulting their bosses. The end result is high customer satisfaction because they competently gratify the customers and provide solutions for their complaints and concerns instantaneously by themselves. The end result is the business firm earning itself a fame regarding prompt and effective goods and services delivery in the relevant market.
2. Enhance teamwork : Empowerment enhances teamwork in organizations. Such individuals are more driven and cooperative. If empowerment principles are applied across the organization, the targets are reached with ease.
3. Increase organizational effectiveness : Empowerment of employees' aim to increase organizational effectiveness. As for example, empowering employees are known to improve efficiency and diminish assembly line cost in a transmission plant.
4. Improve the profit margin : Empowered employees are known to provide exceptional customer service in several competitive markets and thus improve the company profits by facilitating repeated business.
5. Promote the firm image : Employee empowerment aims to put up a good company image in front of the world by promoting good rapport between organization and the clients.

6. Reduces work-load corporate heads : Employee empowerment through authority delegation , responsibility, and facilitation of independent decision making among employees intend to accomplish decrease in the remaining workload burden of the top hierarchy. It brings in competitiveness and induces change in organization.
7. Enjoy competitive advantage for a prolonged time frame : Research scholars have identified the personnel to actually bring in true competitive advantage which is retained over time in any organization. This happens when employees actively and wholeheartedly indulge in the corporate operations. Thus, it is highly essential to accomplish competitive advantage and its sustainment.
8. Promote innovativeness : Empowerment is actually cited to be the critical variable which enables the enterprise to embrace innovative strategies. It brings forward the strategy necessary to usher in significant improvement in organizational performance. It also alters pre – existing enterprise framework and forms. It induces flexibility in organizations , which increases their proficiency to acclimatize to the dynamic external environment.
9. Word – of – mouth publicity : Empowered employees spread the word. Employee belongingness and pride is boosted by the change program which is brought about by empowerment. Among potential employees, word – of –mouth information raises awareness. Satisfied and empowered employees boast to others about how great their organizations are and how lucky they feel to be working there.
10. Reduce Job stress : Research study has also established an actual active reduction in work induced pressure of staff occurring simultaneous to empowerment. A contented and satisfied workforce is the result which effectively create a lively and pleasing work culture.

1.7: Concept of Employee Satisfaction

Employee satisfaction denotes what people feel about the work that they do. It denotes extent of fulfillment of a person with all the work life dimensions. Employee satisfaction tries to measure as also highlight the employees' needs and desire fulfillment. It also reflects how the same is being perceived by them. Satisfaction is representative of personnel's thoughts and emotions. It denotes a condition characterized by emotional and psychological tranquility of employees vis – a –vis job and the working conditions. People usually show a favourable predisposition about their work, i.e. show satisfaction, when certain parameters are fulfilled. In today's complex ,competitive, and aggressive trade scenario, satisfied staff are categorized as prized possession. They are more committed and motivated towards their workplace and work. The staff form the mainstay of any enterprise. Its success, the competitive market position, its profitability, customer base, all are connected directly to the satisfaction that its employees exhibit. The present reality happens to be that the productive individual spends a major part of his day within the confines of his office spaces. Hence, undoubtedly , an employees' average satisfaction is contingent on his job satisfaction. Employees' satisfaction towards work is the imperative factor for the development of solid milieu and atmosphere in any business unit. It also contributes towards formation of congenial management – employee relations. It is an accepted fact that for organizations, both their present performances and future expectations are contingent upon contentment of workforce. ²¹ Job satisfaction alters mental health. Dissatisfied workers are found as demotivated and may lack full utilization of their potentialities regarding productivity and goal accomplishment. Dissatisfied staff bear grudges within their minds against some or every thing about the work. Then, that is bound to induce a spill –over effect on personal life and personality. Again chronic dissatisfaction with work causes stress which has detrimental influence over physical health of such employees. If not addressed properly at the correct time,

dissatisfaction of employees could well spiral manifold into a huge human resource issue, ultimately posing as a serious threat toward's organization's survival.

Conversely the preponderance of satisfaction amongst the employees spread goodwill about the corporate house in general public. It also diminishes absenteeism and turnover. Many researchers and proponents of empowerment philosophy have made claims that empowerment positively affects satisfaction of employees. Findings from many studies corroborated this. Empowered organizations give their employees decision making autonomy after giving them adequate training. This inculcates within them the perception that the enterprise, specially the top hierarchy, values all the efforts that the employees put in and realizes their true worth in enterprise's goals achievement. Satisfied employees give impetus to move past and over their organizational responsibilities and achieve goals over and above the expected output. Study has shown empowerment practices to impart a significant and favorable effect on satisfaction as also on the standard of service rendered by the employees. Empowered staff are seen as satisfied employees who offer better service.²² Basically job satisfaction increases the employees' allegiance and dedication level at workplaces.

1.8 : Definition of Employee Satisfaction

The term – 'Satisfaction' – represents a situation where needs, desires, and wants are being fulfilled and satiated. Essentially it hinges on equilibrium between the individuals' wants and his receipts. Employee satisfaction represents workers' happiness with the jobs that they do. Favorable mental condition or emotional experience that one feels if and when he assesses the work, and the conditions that define the work is satisfaction. Actually, it is a self – examination of the entire professional experiences of that individual. It is the overall recognition that the person have towards the work. It represents the inner feelings. This is denoted as a space between the reward which is actually received by him, and that which is

expected by the incumbent to receive. Thus, satisfaction illustrates the felt relation between employees' expectation from work and his perceived efforts and service towards both the enterprise and particularly towards his work. A culmination of different emotional reactions with respect to the differential impression of what a worker would like to get from his/her employment when contrasted with what he/she gets from it is satisfaction . Likewise, it portrays how satisfied or placated an individual feels about the status of employment. It is a cluster of evaluative positive feelings about the tasks that is controlled by numerable elements. These factors may be connected with the task content or to its context. Generally speaking, employees would exhibit a favourable predisposition towards their work, i.e. show satisfaction, when the job being executed matches their capabilities , needs and aspirations, and when the organizational environment and compensation offered are satisfactory.

Satisfaction requires that employees exhibit a congenial and healthy and friendly relationship with their peers and colleagues and also very importantly, experience a healthy dyadic relationship. It is legitimately connected to the satiation of the employees' physiological and status needs, and to their desires to belong. It also has linkage with the employees' interests, the professional atmosphere and also to their personalities. Thus, it's a corporate terminology to depict a situation, where motivated personnel who demonstrate contentment with the specific job that they do and their terms of employment , become the distinguishing elements. It has a critical function in a wide range of organizations whether– big or small. Thus, it is incorrect to analyze satisfaction concept only from the point of view of the employees. This is equally vital for the employers. Management should ensure satisfied employees for organizational goal realization.²³

1.9 : Constructs of Employee Satisfaction

Employee satisfaction theories are suitably explained by various constructs as below.

1.9.1 : Two Factor Theory

This postulate of Fredrick Herzberg which is one of the many content theories of motivation describes the satisfaction and dissatisfaction theories, by taking the aid of motivator / hygiene factors. He opined that various variables are liable for satisfaction and dissatisfaction. They are termed as motivators and hygiene factors respectively. Motivation is that intrinsic compulsion which moves the people toward direction of goal realization and excellence. These goals are both personal and organizational. This theory assumes that certain factors, which, when present in a job make the people motivated. These factors – termed as satisfiers - induce the personnel to exert maximal effort and to succeed. They push them forward into excellence. These elements or factors induce satisfaction. They are intrinsic or inherent to the work. Their absence result in absence of satisfaction. Hygiene factors do not cause satisfaction by their presence. However, their absence cause dissatisfaction. As such, hygiene factors for a job, when present adequately prevent dissatisfaction by placating them. They are contextual factors and are available extraneous to the work. This theory is further elaborated.²⁴ The ‘satisfiers’ are described now.

1. Achievement: It is essential that employees experience accomplishing certain noteworthy goals within the enterprise. It can be accomplished, if well defined, specific, measurable, and realistic goals are set for each employee. The personnel must be conversant with the job targets and goals and also the strategies adopted. It is essential for them to have regular and timely feedback of their performances.
2. Recognition : Employees desire to be praised, recognized, and honoured for their accomplishments. Individuals should be openly recognized for outstanding positive behaviour.

3. Work itself : The workers need to possess firm conviction that their enterprisal endeavours are worthwhile and significant. It should invoke interest and pose challenges for them. It has to be such that people are pushed towards excellent performances. They should understand that business experiences favourable for their untiring efforts. \
4. Responsibility : Individuals needs to comprehend that performance is a compulsory obligation which must be executed. The administrators should make staff answerable for both affirmative responses and detrimental outcomes. Effectively the control over them should be minimal while the accountability retained.
5. Growth and Promotion opportunities : Organization must cater to the people's need to evolve their potentialities, develop them by offering an array of choices and chances to better themselves professionally and thus experience career advancement. It should also have a reasonable and straightforward promotion policy which is just and linked with performances.

The preceding factors are intrinsically rewarding and known as 'motivators'.

Hygiene Factors are described as below.

1. Pay : The compensation package ought to be fair and reasonable . Also this has to be commensurate with the measure of effort exerted and comparable with the competitors from related domain.
2. Company and Administrative Policies : The organization needs to administer and implement fair and just policies which are clearly explained. The administrative methodology must be documented in specific terms with easy accessibility for all. A periodic review and modification has to be present as well.
3. Supervision : Presence of proper technical and general direction is a necessity within the organization. Boss must possess excellent supervisory skills and also capability

for conducting fair judgement.

4. Working Conditions : The working conditions has to be safe, clean, well – lit , hygienic with proper ventilation. The work apparatuses and machineries should be updated, in acceptable condition, and properly serviced.
5. Status: It is the social rank in a gathering that is frequently dictated by an individual's attributes, along with his formal and official position. People's status in organizations must be clear and known to all within business and retained.
6. Security: It means job security, security from threats of lay-offs, harassment, discrimination, etc. A stable and secure enterprise environment must be accessible to staff.
7. Interpersonal Relations: The interaction among employees, that is amongst colleagues, supervisors, and juniors should be friendly, healthy, appropriate, and acceptable which makes workplace congenial and conducive to excellent performance. Minimal conflict and optimal cooperation should be ensured and emphasized.

The above factors are frequently described as hygiene or maintenance factors. They outline and refine the environment just qualitatively. These never result in satisfaction. They can just negate dissatisfaction.

1.9.2: Affective Event Theory

Howard M. Weiss, a psychologist and Russell Cropanzano developed this theory. This proposal aims to outline how emotions interplay with the satisfaction among staff. It tries to draw a relation between employee's emotions, moods, and mental states to their performance, effectiveness, and satisfaction. The theory also states about existence of various probable

positive and also negative inductive emotional incidents at job. It additionally draws an unmistakable division between the two. And these have significant bearing over employees' job satisfaction. Research studies indicate various personality features that impact upon satisfaction. They are described as below.

1. Conscientiousness describes whether the person is laborious, industrious, and. reliable versus lazy and disorganized (low conscientiousness).
2. Extraversion means whether the employees can be assertive and sociable (high extraversion) as against being reserved and quiet (low extroversion/ introversion).
3. Agreeableness describes whether the employees demonstrate collegiality, reciprocity, and warmth or they are cold and non- cooperative.
4. Emotional stability is depicted as the situation whereby the employees exudates a lot of security, and calmness (emotionally stable) versus the anxiety and insecurity (emotionally unstable) that they exhibit.
5. Openness to experience denotes the creativity and broad mindedness (open to experience) when opposed to being practical and with narrow interests (closed to experience).

All the dimensions mentioned above influence the conduct and achievement of staff which has again impacted their satisfaction as has been demonstrated time and again by various researchers.²⁵

1.9.3: Equity theory

This theory was propagated by J Stacy Adams. It is developed based on how individuals evaluate social exchange relationships. It is founded on two major assumptions: Individuals put in efforts which is manifested as performances (inputs), and, they hope for consequences of their action, or specifically for outcomes (outputs). Inputs describe the amount or quantity

and also the standards of employees' contribution to his / her work. Inputs might be an individual's past training, specific expertise, commitment, ability, skill, adaptability, flexibility, time, and effort. Output is accumulative of both favourable and non favourable results and incidents which the employee discerns to have experienced because of his social exchange with others. Output may be like job security, esteem, payment, recognition for targets achieved or jobs accomplished well, opportunities for career advancement, stature, fringe benefits, etc. Employees choose if the social exchange is acceptable, by a correlation of the input and output proportion.

They also analyze outcome and input proportion of different employees. In equity theory, primary concern is about payment. The people need reassurance that their exertion lead to performances that are suitably rewarded through adequate compensation and reward management system. Researchers have stated that equity is multi – dimensional. This brings up that alongside an examination of their own input – yield proportion, the workers additionally contrast their own proportion with others while thinking about the separate money related accomplishments. Employees are better driven and committed when they perceive that business firm balances their inputs through fair outputs. This makes them more mollified and satisfied. However, in case , their input – outcome ratio is felt less profitable as that enjoyed by others, they feel demotivated, distressed, and dissatisfied. From above theoretical proponent, inequity stimulates and urges the individuals to induce alteration in such unacceptable situations, through various means to maintain equity in the situation. So, the felt equity or equilibrium between one's inputs and outputs stimulates satisfaction.²⁶

1.9.4 : Job Characteristic Theory

It has been put forward by Hackman and Oldham. They opined that certain inherent features

present in work alter the outcomes and satisfaction. These are: Skill variety, Task variety, Task identity, Task significance, Job autonomy, and Job feedback.

1. Skill variety denotes various sequences of activities employees do so that their job demands are fulfilled and therefore denotes knowledge and correct usage of various job related skills.
2. Task identity is that specification of any job that requires doing a job from its exact initiation and up to its final conclusion resulting in a logical and very apparent output.
3. Task significance denotes how and to what degree an incumbent's job alters the other employees' performances in both similar and different departments of the same firm or the outside environment.
4. Job autonomy denotes how much freedom the people enjoy in job areas and the quantity of discretion that they receive in the scheduling and execution of their organizational activities.
5. Job feedback is the specific and clear response and feedback of the job input which the individuals receive post the fulfillment of the duties and responsibilities. They affect three psychological set - ups – the purposefulness as felt in the office, the perceived obligation and also accountability for performances and outcomes, and an estimate and realization of ultimate results of those work activities. These three, in turn contribute to and work motivation.

From the preceding deliberations, the following relation is drawn out: $M.P.S = (S.V + T.I + T.S/3) \times J.A \times J.F$ Where MPS is Motivator Potential Score SV is Skill variety TI is Task identity TS is Task significance JA is Job autonomy JF is Job feedback MPS / Motivator Potential Score denotes an estimate of extent of impact that a profession or position executes upon the behaviours, orientations, and sentiments of employees. For M.P.S to be high, any

three factors (SV, TI, and TS) should be high and JA and JF also must be high. Thus, if a particular role or work is high on MPS, then by this particular logic the motivation and ultimately employee satisfaction shall be high.²⁷

1.10 : Factors of Employee Satisfaction

Various contributing factors interplay with one another and change the feelings of satisfaction as discerned by the employees. They are described as below. :

1.10.1 : Management Factors

Management factors significantly impact employee satisfaction. An employee, satisfied with his immediate senior and also his higher management has an increased tendency to experience overall satisfaction also. Numerous dimensions of satisfaction with higher management have come up after investigation. These are : empathizing with employees' situations, problems and understanding their expectations; being attentive to employees' suggestions when taking decisions, demonstrating an acute interest towards the solution of the employees' problems, and being easily accessible by them.²⁸ The managers – both immediate and higher – should value the employees' contributions and let them be appreciated, heard and cared about. The various management factors are listed here.

1. Colleague/ Peer Group

A healthy level of interaction, support, mutual cooperation, and also competition contribute a lot in building a trusting and friendly relation between employees. They feel satisfied when working with peers is a comfortable, stimulating, and pleasurable experience. Presence of technically proficient fellow workers amounts to people's satisfaction. An element of healthy competitive environment becomes the motivating agent to the personnel. Thus, an employee's satisfaction vis – a – vis his peer group should be contemplated as a factor to

determine general employee satisfaction.

2. Social Environment

The company culture or climate is described here as social environment. It relates to presence of open communication channel, awareness of employees' perseverance and dedication, consistency in superiors' feedback, impartiality, job stability, and smoothening the work – life balance. Communication, mainly superior – subordinate communication essentially acts as a both – way traffic. So inputs may be given through both the boss and juniors, according to expectations of the circumstances, while giving proper emphasis to feedback all along. The communication may be both verbal or non – verbal, like facial expressions, eye contact, and body movement. Adequate and effective communication channel between superior and subordinates enhances the interpersonal involvement that positively impacts the employees' feelings of satisfaction. Again employees experience satisfaction when bestowed with proper recognition program from a perfectly accomplished work. The recognition can be praise, points, gifts or a substantial financial incentives. Thus, presence of consistency is necessary. Consistency means predictability, a situation where subordinates are assured of facing similar responses under familiar circumstances. This will give clear message to the subordinates regarding the exact quality of behaviour they can expect from leaders. This in turn ensures satisfaction. Assurances provided to staff proclaim that only their performances would determine the rewards or their absence. As such, both the amount and the standard of their performances will strictly be the parameters based on which employees would be evaluated. Such a scenario results in satisfaction of employees.

3. Compensation

Compensation defines the total monetary and non – financial pay –offs and assistance that

employees accrue from the company. This must be impartial and proportionate with the efforts that the people expend to bring in satisfaction. The salary should be comparable – both with others performing analogous activities in that particular organizations and also with others doing jobs of same nature in different organizations in equivalent industry.

4. Job Related Factors

Nature of a particular job may result in satisfaction. Employees prefer work which challenge them, and make utilization of all of their potentialities. If the workforce may be convinced, that their exercises at the organization are indispensable to the regularized and unhindered activity of the organization, they feel contented. As such, the outlined factors impact upon employee satisfaction: Job design, Task identity , Recognition, and Responsibility. Also secured work environments, where employees are assured of retaining their jobs make them contented. Employees feel satisfied if they can harmonize their professional challenges and personal commitments.

5. Leadership Styles

Satisfaction is enhanced in presence of democratic or participative kind of leadership. This is because in this style people partake joyfully in taking decision and fixing their own goals. Employee feelings and recommendations are thought about , during important decisions. A two – way open communication channel among all members is a marked feature of this style. These lead to friendship, warmth, and common respect of boss and subordinates for each other. The result is satisfied employees.

6. Human Resource Policies

It is seen that employees derive satisfaction from working in organizations that utilize Human

Resource best practices – performance linked promotion policies, career planning, and development, succession planning, employee recognition programs, and also timely training schedule and management development program. When organizations base their promotion policies on fair and just appraisal of the employees' performances, then employees' satisfaction increases. Promotions enhance employees' idea regarding the job that they do and also an increase of both satisfaction and commitment. Organizations which boast of an active and dynamic career planning program conveniently connect the people with them as an integrated whole unit with congruent goals. Employees express solidarity with organizational objectives. This brings in employee satisfaction. Again when they have sufficient scope for expertise improvement through legitimate preparing and advancement, they feel upbeat. If employees realize the avenues open to them to arrive at top echelons of the management hierarchy on the merit of hard work and devotion, then their satisfaction quotient automatically enhances.

1.10.2 : Individual Factors

Various physiological demographics affect employee satisfaction, like personality, expectation level, and educational qualifications. ²⁹

1. Personality

Personality is described as a fixed number of physical and mental features that finds resonance through a person's looks, thoughts, emotions, and behaviours. This is related with job satisfaction. Presence of positive affectivity factors and factors of adverse affectivity are the highlights of personality. Positive affectivity is linked with extraversion personality trait. Negative affectivity relates to personality trait of neuroticism. Employees who possess elevated affirmative affectivity are additionally better satisfied individuals, while those with an enhanced level of negative affectivity seem to be dissatisfied.

2. Level of expectations

Level of expectations are linked with feelings of satisfaction. When expectations are low, but output received is high, then they become satisfied. Again people with high expectation become dissatisfied when they receive low output.

3. Educational qualifications

Research studies assert that employees having higher qualifications are better satisfied as contrasted with their less qualified counterparts. Better education brings in more eligibility for higher posts with enhanced responsibility. This fosters satisfaction. Also the intellectual, cognitive, and physical capability enhances employees' satisfaction. Employees with expanded level of skill and expertise are better poised to accomplish institutional objectives and results, which will in effect increase their satisfaction.

1.10.3 : Psychological Factors

Emotions, locus of control, alienation, family, and culture all impact employee satisfaction. Emotions are generally short lived, intense, psychological states with a clear cut causal factor. Unpleasant emotions decrease employee satisfaction even when suppressed. Positive emotions amplify the same. Those with intrinsic locus of control, experience less alienation. It is reasoned that additionally they have an enhanced experience of job contentment than those people who place their locus of control externally. The latter group also complains of more alienation at work place. Again family, network and culture constitute a major portion of 'overall effective individuals' psychological functioning'.³⁰ An employees' psychological well being affects both his performances and satisfaction.

1.11 : Objectives of Employee Satisfaction

Employee satisfaction serves various purposes. This should be seen from the angle of both

organizational³¹ and also employee perspective.³²

1.11.1 : Objectives of employee satisfaction towards organizational benefit

Following circumstances may emerge in presence of employee satisfaction. :

1. Increases employee retention: Contented and satisfied individuals find it more attractive to prolong their stay in such organizations, giving it their best capabilities in consonance with their expertise and proficiency.
2. Enhances productivity: Employee satisfied is employee motivated. Their morale is high which ensures that organizational productivity remains high all through.
3. Bring about loyalty and satisfaction in the customers: Satisfied workers are really an asset for any organization. They are extremely prompt in their actions and deliveries while interfacing with the clients. In turn customer satisfaction is ensured.
4. Customer satisfaction bring in customer loyalty: Customers' loyalty towards business establishments is shaped by their appreciation ingenuity and worth of the services obtained by them through that particular organization. This again results from loyal and satisfied employees.
5. Reduced costs : Satisfied employees result in decreased attrition rate due to prolonged stay there. The organization becomes assured of a committed reservoir of work force. Therefore, it needs not to go for regular recruitments which cause the procurement costs to reduce.
6. Improve teamwork : When employees experience overall satisfaction, there is cooperation, and coordination with the peers as also integration and internalization of the organizational goals.
7. Dynamic workforce : When organizations can ensure satisfaction of its employees,

then it automatically becomes assured of highly energized, committed, active, and dynamic workforce, which caters to the fulfillment of group and enterprise goals.

8. Enhance brand image : Satisfied employees by themselves become the goodwill advocate for the enterprise they work for. They spread goodwill, good reputation, and encourage the versatile citizens to seek for employment in that particular organization.
9. Better product quality / or services: Staff who are satisfied are also highly motivated and exhibit affirmative response towards all aspects of job. The outcome is superior item quality and deliverance of prompt and exceptionally superior services to the consumers.

1.11.2: Objectives of employee satisfaction towards employee benefits :

Following are the objectives which satisfaction caters to produce within the employed.

1. Impacts mental health : Employee satisfaction affects the mental health. Satisfaction in jobs and overall life satisfaction are positively co-related. Research indicates presence of satisfaction in and around employment settings as an important requirement for psychological adjustment and happy living of a person. People can conveniently remain in organization: A contented and satisfied employee becomes comfortable at his place of employment.
2. Increase self – esteem : Satisfied staff are presumably better performers. . He wishes to continue there for a prolonged stretch of time. Highly productive employees are found to have enhanced self – worth.
3. More innovativeness : When employees are satisfied about their jobs, they additionally feel relaxed. A relaxed person is immensely focused , creative, and innovative.

1.12 : Significance of Employee satisfaction

The issue of satisfaction is of high concern for managers as lack or diminished magnitude of it is detrimental for both organizations and employees. High grades of satisfaction in employees correspond positively to improved turnover, increased attendance, reduction in accident rates, less job stress, lower industrial conflicts or early resolution of conflicts and enhanced productivity.

1. Employee satisfaction and turnover : An increased attrition rate is very expensive for the organization. Immediate talent replacement becomes difficult. Also huge costs are incurred during training fresh appointees, and during their proper acclimatization. It also decreases the morale of remaining employees. Research has undoubtedly demonstrated that retention rate is higher with satisfied workers. Dissatisfied personnel tends to quit at the slightest instance.
2. Employee satisfaction and absenteeism: Dissatisfied people feel alienated at their workplaces and are more frequently absent. Absenteeism is quite vigorously linked to the notions which the employees possess regarding their jobs, or put differently, how important they discern their employment to be. People with a high conviction about the relevance and significance of their jobs have lesser absenteeism. It is noteworthy that high satisfaction may not guarantee low absenteeism; but low satisfaction will always make way for expanded stretch of absenteeism.
3. Employee satisfaction and safety: That the accidents rate increase when staff satisfaction level decrease has been ascertained time and again in various organizations. Many times accidents happen if employees are disinterested and discouraged about their jobs, supervisors, or organizations or all three. The basic supposition here is that wherever there are dissatisfied employees, their attention is diverted from jobs and activities and then accidents happen.

4. Employee satisfaction and job stress : Occupational stress is the body's reaction to work related factors that disturb or attempt to destabilize the person's psychological or emotional tranquility. Prolonged dissatisfaction works as a fundamental attribute contributing to job stress. When people are left with no solution to alleviate such stressful situations, they feel trapped. This may make way to elevate rates of absenteeism or high turnover.
5. Unionization: Violent trade union practices often drains out the organizational people emotionally and give rise to job dissatisfaction. Dissatisfaction may be due to economic causes (wages, salary, bonus, fringe benefits, incentives), biased decisions and prejudices of supervisors, and unfair human resource policies, All these make the employees prone to unionization.
6. Employee satisfaction and productivity: An individual's productivity during employment is moderated by the happiness quotient. However, the connect among productivity and satisfaction is quite weak. Though the linkage between empowerment and employee satisfaction is not established, yet there exists an assumption that productivity may be improved indirectly. This is because employee satisfaction reduces turnover and also brings diminished employee absenteeism. Both of these increases productivity.

1.13 : Rationale for Choosing the Topic

Empowerment is commonly regarded to be the accelerator of organization growth. Companies are gradually realizing that in today's frantic, cut – throat , competitive and volatile economy, a very exalted level of supervision and direction actually hamper the full utilization of the employees' potential. This negatively impacts their potentiality for achievement of goals. On frequent surveillance, it is highlighted that if work personnel are

empowered more, they exhibit a greater degree of flexibility and responsiveness towards business situation alterations. The ultimate consequence of such occurrences is the evidence of a profound improvement of performance – both organizational and individual.

Similarly it is highlighted that rise of the culture of innovativeness and effectiveness in enterprises can be facilitated only when empowerment is vigorously implemented in principle and practice. Empowerment seems very relevant today, more so, due to competitive market scenario. This environment is very well distinguished because of increased prevalence of information workers as also dynamic organization structures where decentralization is rampant. An organizational policy of empowerment, is allotting employees an extent of sovereignty, and obligation towards autonomous decisiveness in their specific organizational tasks. An organizational milieu characterized by empowered individuals supports and encourages them for better and more vigorous utilization of their knowledge, competencies, and innovative idea. This is more so as they concede accountability for discharge of their duties or goals achieved.

Empowerment is successful in a scenario where employees get sufficient training, receive necessary details about the specifics of their jobs, are provided access to latest technology, feel motivated to fully involve in decision making, and are assured of fair reward. Empowerment aims to establish that amount of work volume, or load that the workers can practically and successfully command and control without being stressed out or overburdened. Sweeping economic reform waves and liberalization of business market are the prominent dimensions of previous two decades. These have strongly affected the business scenario, both in India, and whole world. Corporate world today have to confront all the prospects of market globalization and also need to guarantee smooth and unhindered fund movement, technology, and man –power.

The primary and most acute fall – out of this breakdown of trade barriers is emergence and

prominence of a market environment which is highly aggressive, stiff and fiercely competitive. If the organization wishes to maintain its strengths and retain its relevance in business environment or to enter and gain foothold there, organizations need to change very quickly. The business firms are boasting of flatter structures. Such firms need to possess ability to manufacture high end goods and deliver services unparalleled and unmatched by rivals, at a reasonable price. The delivery system has to be fast and prompt. This situation has invigorated formation of a dedicated staff that want to take initiatives, embrace risk, kindle innovation and cope with high uncertainty. Stated otherwise, the organization ought to possess a reservoir of committed, dynamic, and motivated workforce that can take quick and immediate decisions to attend to customers, and provide customer delightment. Employee empowerment equips the company with such a workforce.

The present era recognizes human resources as a prized asset. An immediacy is felt by market gurus for reshaping our thinking and philosophy regarding managing the frontline people. Now, technological superiority is liable to erode very quickly. However, employees' skill, knowledge base, and intellectual acumen serve the ultimate objective of providing zenith of competitive advantage for the enterprise that will be retained over time. Empowerment enables such businesses to indulge in prompt decisions and make fast paced responses to environmental variations. Empowering organizational practices function to raise work execution by enhanced engagement and participation of staff and self – determination.

It affects the employee's personality (e.g. attitudinal shaping), their expressed behavior (e.g. information sharing), or both (self imaging). The conclusions drawn above highlight that the strategy of empowering employees should frequently be employed by management practitioners and researchers to face difficulties of business climate of this era. This becomes an important organizational dimension which caters to the psychological requirements of workplace personnel. Additionally it becomes instrumental in accelerating organizational and

individual efficacy, and reaching organizational goals. Researchers and managers opine that the true, rare, and inimitable determinants of competitive advantage, which a business unit can easily access to, are their human resources. So, impetus must be given to staff such that dynamic cooperation and involvement in the operations are being ensured for organizational success. This belief is very close to defining empowerment, as a managerial practice that gives employees autonomy to make work decisions. So, the advancement of all business firms – manufacturing or service – is strongly contingent upon its empowered workforce.³³

A vibrant, affirmative, and pleasurable attitude towards one's job is elaborated as job satisfaction. It is a favourable mental and emotional condition which comes following the expository evaluation of one's job and job experience. This has propounded that various elements may alter, induce, and bring satisfaction. They are: the particular job, the remuneration, promotion opportunities, nature of supervision, and the relationship with supervisors, relationship with peers, the working condition, communication and also the occupation level. Study supports that individuals will be energized towards unrivaled and incredible work execution if they believe their responsibilities to be of high outcome, exalted quality and agreeableness. It infers that such individuals need to remain in satisfying occupations, while similar individuals may bail when they assume the positions to be exhausting, unappealing, and disappointing. Along these lines, satisfaction is the most importantly anticipated aftereffect of empowerment. Employee satisfaction denotes a situation where they are contented, happy, and satisfied about their works, with all its dimensions. Banks provide the financial sustenance for any nation. An investigative survey of this industry is a felt necessity as they face radical and continuous change in their activities.

Banks accept a significant character in the budgetary, business, and cultural extension and advancement of any country. They additionally work as vital instruments of employment generation. The neo Indian economic scenario, boasts of market which are highly liberalized,

privatized, and globalized. So, banks – both private and public- face huge rivalry from rival organizations to retain their business market hold and share, as also to expand. Thus, a pertinent factor contributing to growth and survival here is customer satisfaction attainment. For this the banks need a dedicated, committed, and highly loyal workforce that can engage in quick decisions to face challenges. This becomes a reality if empowerment principles are implemented in practice. Frequently, it is correctly postulated that people who visualize work as highly significant and important seem to possess enhanced levels of work satisfaction than people who evaluate their jobs as having little value. Those who exude an enhanced feeling of confidence about their success are happier with their work as contrasted with them who apprehend their failure. Satisfaction becomes necessity both for the workmen and management. Thus, it has major part to play in various organizations, independent of its volume , (big or small) or business transactions. Satisfied employees through their motivated service also bring customer satisfaction.

Here, the researcher endeavors to decide if and how employee empowerment may result in employee satisfaction. Previous researches have shown and also explained how psychological empowerment and satisfaction are interconnected. However this present thesis aims to establish the consolidated impacts of the elements of both socio-structural and psychological empowerment on their satisfaction. Here , an endeavour is put to ascertain if positive relation is actually present among empowerment and employee satisfaction, through a model. The researcher has made attempts at exploring those situations which act as precursors to employee empowerment. It has also looked out for indicators of their satisfaction. It also proposes to look into those areas that work as keys to successful employee empowerment, and also to determine those areas which create barriers to proper empowerment.

1.14 : Objectives of the Present Study

- 1.To find the factors contributing to employee empowerment.
- 2.To explore the indicators of employee satisfaction.
3. To develop a model to determine the relationship between employee empowerment and employee satisfaction.
- 4.To explore the areas that work as keys to success of employee empowerment.
5. To find out those areas which create barriers to effective empowerment.

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