



IMPACT OF EMPLOYEES EMPOWERMENT ON JOB SATISFACTION AND PERFORMANCE

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ADM NO.: 22GSOB2010535

COURSE: MBA (DUAL)

SESSION:2022-24

ABSTRACT

Employee empowerment has emerged as a significant organizational strategy aimed at enhancing job satisfaction and performance. This study investigates the relationship between employee empowerment, job satisfaction, and performance within the context of contemporary workplaces. Drawing upon existing literature and empirical research, this paper examines how empowering employees influences their job satisfaction and subsequent performance outcomes.

The methodology employed involves a comprehensive review of relevant academic literature, including theoretical frameworks, empirical studies, and case examples. The review highlights various dimensions of employee empowerment, including decision-making autonomy, skill development opportunities, participative management practices, and supportive organizational culture. These dimensions are analyzed in relation to their impact on employee job satisfaction and performance.

Findings suggest a positive correlation between employee empowerment and both job satisfaction and performance. Empowered employees tend to experience higher levels of job satisfaction due to increased autonomy, involvement in decision-making processes, and opportunities for skill enhancement. Furthermore, empowered employees demonstrate improved performance outcomes, such as higher productivity, creativity, and organizational commitment.

The implications of these findings for organizational management and human resource practices are discussed, emphasizing the importance of fostering a culture of empowerment to enhance employee satisfaction and performance. Practical strategies for implementing employee empowerment initiatives are also provided, including leadership development, training programs, and communication channels that promote employee involvement and decision-making authority.

In conclusion, this study underscores the significance of employee empowerment as a driver of job satisfaction and performance in modern workplaces. By empowering employees, organizations can cultivate a positive work environment conducive to enhanced satisfaction, productivity, and overall organizational effectiveness. Further research avenues and potential limitations are identified to guide future investigations in this area.

INTRODUCTION

The competitive edge in today's market often hinges on human resources, highlighting the importance of employee empowerment. This modern management approach recognizes employees' insights, leading to improved job satisfaction and performance. Empowerment involves granting autonomy and input, fostering ownership and engagement. A positive working environment, effective supervision, and supportive coworker relationships further enhance job satisfaction. Empowered employees demonstrate increased morale and commitment, contributing to organizational success. However, achieving a balance in empowerment initiatives is crucial to prevent negative outcomes. Job satisfaction influences productivity, loyalty, and absenteeism, with empowerment playing a significant role. While empowerment offers numerous benefits, challenges such as integration issues and misuse of authority must be addressed. Research aims to understand the impact of empowerment on job satisfaction, particularly in industries like FMCG and pharmaceuticals, offering insights for organizational improvement.

Employee empowerment, or participative management, represents a modern management approach. It acknowledges that those directly involved in work processes possess valuable insights into procedures, thereby laying the foundation for excellence. While some may perceive employees as solely motivated by financial gains, this perception changes when they become integral parts of the organization. Empowerment initiatives aim to grant individuals autonomy and input within the company.

Employee empowerment entails allowing employees to self-direct their daily tasks. Empowered employees are expected to exhibit higher levels of productivity and efficiency compared to non-empowered counterparts. Recognized as a vital component of management and organizational efficiency, empowerment involves sharing power and leadership within the firm. Presently, over 70% of businesses have implemented some form of empowerment program for their workforce.

In recent years, there has been a shift towards involving customers in the design of services to enhance service quality and customer satisfaction. While many management teams claim to understand the concept of employee empowerment, few successfully implement it. Empowering employees involves entrusting them with management and governance responsibilities, fostering a sense of ownership within the organization. Empowerment is a concept that garners significant interest in management and organizational circles, starting with strategic alignment between individuals, tasks, technology, and organizational structures. Empowered staff members demonstrate increased confidence in their managers. Empowerment strategies are often employed to address employee dissatisfaction, reducing absenteeism, turnover rates, and poor work quality.

Job satisfaction exerts various impacts on different aspects of corporate functioning, including employee productivity, loyalty, and absenteeism, all of which are examined herein. While many studies have explored the relationship between job satisfaction and productivity, the evidence suggests that the correlation is not particularly strong. Notably, it's not always the highest-performing individuals who are the most satisfied employees. Several moderating variables, with incentives being among the most significant, play a role in this relationship. The provision of incentives can lead to a sense of fairness and satisfaction among employees, potentially enhancing their performance. Recent research also suggests that while individual performance may not always increase directly with satisfaction, it can contribute to broader changes at the departmental or organizational levels. Nonetheless, there's ongoing debate about whether satisfaction leads to performance or vice versa (Luthans, 1998).

RESEARCH METHODOLOGY

INTRODUCTION

Research methodology serves as a structured approach to address research inquiries. Descriptive research design encompasses various surveys and fact-finding methods. This study employs both descriptive and analytical methodologies. Descriptive methodology is crucial for understanding practical employee empowerment approaches within organizations, while analytical methodology evaluates the overall impact of employee empowerment on employee efficiency.

STATEMENT OF PROBLEM

Numerous researchers are endeavoring to resolve issues related to employee empowerment, particularly in the Fast-Moving Consumer Goods (FMCG) and Pharmaceutical industries. Empowerment is recognized as a pivotal aspect influencing employee satisfaction, encompassing elements such as power dynamics, information sharing, recognition, leadership, and self-esteem. Consequently, this study places significant emphasis on investigating these areas.

RESEARCH OBJECTIVES

The primary objective is to explore the correlation between core dimensions of employee empowerment and organizational commitment within the FMCG and Pharmaceutical sectors. Specific objectives include:

Examining significant factors among demographic variables concerning employee empowerment.

Investigating the relationship between employee demographic variables and job satisfaction.

Identifying factors influencing employee empowerment on motivation and job satisfaction.

Exploring the impact of employee empowerment on organizational performance and job satisfaction.

HYPOTHESES OF THE STUDY

Formulated hypotheses based on the study objectives:

H1: Employee empowerment significantly impacts organizational performance.

H2: Employee empowerment significantly affects organizational performance, moderated by employee recognition.

H3: Employee empowerment significantly influences organizational performance, moderated by employee motivation.

H4: Employee empowerment significantly impacts organizational performance, with the moderating effect of both employee recognition and motivation.

Research methodology is a systematic inquiry involving logical and scientific methods to describe, explain, predict, and control observed phenomena. It encompasses deductive and inductive methods, employing a systematic approach to problem-solving while adhering to ethical standards. The study combines deductive and inductive methods, conducting real-time data analysis to ensure accuracy and reliability.

RESEARCH DESIGN

Research design outlines a detailed plan, determining the sequence of steps to achieve valid conclusions. It selects appropriate research methods and techniques, providing a conceptual framework for data collection, interpretation, and analysis. The design should be flexible, considering various aspects of the problem, especially in exploratory studies.

QUANTITATIVE RESEARCH DESIGN

Quantitative research relies on numerical measures to study phenomena, commonly used in scientific disciplines. It aims to discover common perspectives on a subject through large sample sizes, employing structured surveys or questionnaires to collect numerical data for statistical analysis.

QUALITATIVE RESEARCH DESIGN

Qualitative research explores subjective information related to the research problem, aiming to understand motives and behaviours. It employs methodologies like in-depth interviews and observation to gather rich, descriptive data for analysis.

DATA COLLECTION

Data collection involves gathering relevant information to address the research problem. It can be categorized into primary and secondary data sources, with primary data being original and secondary data previously collected and analyzed. Primary data is collected firsthand through methods like surveys, interviews, or observation, ensuring authenticity and reliability.

FINDINGS, CONCLUSION AND SUGGESTIONS

INTRODUCTION:

This chapter aims to provide a comprehensive overview of the study's findings discussed earlier. It summarizes the conclusions drawn and offers suggestions based on the analysis of employee empowerment and its impact on organizational performance, particularly within the FMCG and pharmaceutical industry sectors. The study focused on analyzing data collected from employees in these sectors to achieve its objectives.

FINDINGS OF THE STUDY:

Demographic Information:

The study revealed that among the respondents, 66.82% were male, while 33.18% were female. The majority of respondents (42.39%) fell within the age group of 26 – 35 years, with the smallest percentage (2.1%) being aged 46 years and above. Additionally, 64.73% of respondents held post-graduate qualifications, while those with undergraduate and diploma qualifications were fewer in number. Concerning experience, a significant portion (35.49%) had 1-4 years of experience, with 26.45% having 11-15 years. Regarding designation, managers constituted the majority (39.21%), followed by assistant managers (11.39%), team leaders (5.3%), and others (40.37%). In terms of income, the majority (40.37%) earned above INR 50,000 monthly.

Inferential Analysis:

An independent sample t-test compared employee empowerment and engagement in the FMCG and pharmaceutical industries. The results indicated no statistically significant difference in employee engagement between the two industries. Similarly, there was no significant difference in employee empowerment between the two industries. However, gender-based analysis revealed a significant difference in employee engagement between males and females, with males showing slightly higher engagement. Age, educational qualification, designation, and experience did not significantly affect empowerment or engagement. Notably, income levels showed a significant difference in empowerment, with those earning less feeling less empowered. Regression

analysis highlighted a significant relationship between employee engagement, empowerment, and organizational performance.

5.3 SUGGESTIONS:

The study's findings suggest that organizations should strive for gender equality in empowerment initiatives and ensure empowerment across all designations. Involving employees in decision-making processes and valuing their suggestions are essential for fostering a sense of empowerment. To maximize the benefits of empowerment, organizations should focus on facilitating career advancement, providing training opportunities, fair compensation, and recognition for employees' work. Managers should promote engagement by encouraging interaction between superiors and subordinates. Interventions aimed at empowerment and engagement can positively impact organizational performance if aligned with employee satisfaction and motivation.

5.4 LIMITATIONS:

The research is limited by the lack of strategies to overcome biases and the geographical constraint of focusing solely on the Himachal Pradesh region. Additionally, the study's sample size may limit the generalizability of the findings.

5.5 SCOPE FOR FUTURE RESEARCH:

Future research could explore additional dimensions of employee empowerment to provide a more comprehensive understanding of its impact on organizational performance. Studies in various sectors beyond FMCG and pharmaceuticals could yield broader insights. Overall, the study emphasizes the importance of employee empowerment and engagement in enhancing organizational performance and suggests avenues for further exploration.

Annexure I: Questionnaire

Questionnaire: Impact of Employee Empowerment on Organizational Performance and Job Satisfaction Dear Respondent, Greetings of the day...!!!

This questionnaire has been prepared for getting feedback from employees in FMCG and Pharmaceutical industries. I should be very grateful if you could spend some time to respond to these questions for my research work. You are assured that any information provided would be used for academic purposes only and will be held strictly confidential. Instructions for filling up the forms:

- Please answer all the questions as objectively and honestly as possible
- For the questions with multiple choices, place a tick against the choice which reflects your answer most accurately.

Demographic Characteristics

1. Gender
 - a) Male
 - b) Female
2. Age
 - a) 25 years and below
 - b) 26-35 years
 - c) 36-45 years
 - d) 46 years and above
3. Highest academic qualification
 - a) Diploma
 - b) Under-graduates
 - c) Post-graduates
4. Current designation
 - a) Designer or technician 120
 - b) Team leader
 - c) Assistant manager
 - d) Manager
5. Type of industry
 - a) FMCG
 - b) Pharmaceuticals industry
6. How many years of experience you have in the industry?
 - a) 1-5 years
 - b) 6-10 years
 - c) 11-15 years
 - d) Above 15 years
7. Monthly income
 - a) Less than INR 10,000

b) INR 10,000 – INR 20,000

c) INR 20,000 – INR 30,000

d) INR 30,000 – INR 40,000

e) INR 40,000 – INR 50,000

f) Above INR 50,000 Employee Empowerment

Please check appropriate box (1- Strongly disagree, 2- Disagree, 3- Neutral, 4- Agree, 5- Strongly agree) Ques. No. Particulars 1 2 3 4 5

8. I am provided with training opportunities to improve my skill.

9. I can understand the ideas and skills taught at my training.

10. I am able to contact Senior Management as needed.

11. I have the support and autonomy to make the 121 decisions necessary for accomplishing assigned tasks.

12. I have enough involvement in decisions that affect my work and to enhance performance.

13. My feedback and suggestions are valued in my company.

14. I am empowered for my professional and personal development.

15. I have a lot of control over how I do my job.

16. I am allowed to be creative when I deal with problems at work.

17. I am treated with respect by management and people I work with.

18. I take a positive attitude toward myself.

19. Do you think that employee empowerment approaches are affecting your satisfaction levels?

Employee Motivation & Job Satisfaction Please check appropriate box

(1- Strongly disagree, 2- Disagree, 3- Neutral, 4- Agree, 5- Strongly agree) Ques No. Particulars 1 2 3 4 5 20

I am pleased with career advancement opportunities available to you.

21. I am inspired to meet my goals at work.

22. I am determined to give my best efforts at work each day.

23. Employees in my organization take the initiative to help other employees when the need arises.

24. I receive the training I need to do my job well.

25. The training sessions conducted in my organization are useful.

26. I like to attend the training programs.

27. My organization considers training as part of its business strategy.

28. I am satisfied with the salary I receive.

29. I am satisfied with the bonus I receive.

30. I am adequately appreciated and recognized for my work.

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