

Individual and Organizational Correlates of Employee Empowerment: Some Indian Evidence

*Ajai Pratap Singh
Dept of Applied Psychology
VBS Purvanchal University, Jaunpur*

Abstract

This study seeks to explain the influence of age, experience and job level (managerial status) on employee empowerment and its eleven dimensions. It made use of simple random sampling in selecting 112 employees. The study sample responded to one valid and reliable instrument. Findings provide partial support for the investigated research questions. Implications for future research are discussed.

Introduction:

In recent years the issue of employee empowerment has received increasing attention (Zani and Pietrantonio, 2001). Despite its popularity though relatively little rigorous empirical research has been conducted on its antecedents and consequences (Menon, 2001). Identified 'determinants' of empowerment may be distinguished into four major categories: person factors, comprising employee demographics (Mainiero, 1986; Spreitzer, 1996; Zani and Pietrantonio, 2001) and psychological variables (Dimitriadis, 2002; Honneger and Appelbaum, 1998; Menon, 2001; Menon and Hartmann, 2000; Spreitzer, 1995); job and / or work role factors (Cagne Senecal and Koestner, 1997; Hayes, 1994; Spreitzer, 1996; and Savery and Lucks, 2001); organisation factors (Menon, 2001; Menon and Pethe, 2002; Sagie, 2002; Siegall and Gardner, 2000; Spreitzer, 1995; 1996); and context factors (Cunningham, Hyman and Baldry, 1996). While reported outcomes of employment empowerment include job involvement (Menon, 2001; Menon and Pethe, 2002); job satisfaction (Hayes, 1994; Savery and Lucks, 2001); organisational commitment (Menon, 2001); and extra-role behaviour (Menon, 2001). Empowerment research has highlighted a number of issues that warrant further investigation. Specially, mixed findings have been reported on the relationship between gender and empowerment (Honneger and Appelbaum, 1998; Mainiero, 1986; Sagie, 2002; Spreitzer, 1996; Zani and Pietrantonio, 2001) as well as between age and empowerment (Honneger and Appelbaum, 1998; Sagie, 2002; Spreitzer, 1996), while available evidence on the influence of job level (Honneger and Appelbaum, 1998), and industry type (Cunningham et al, 1996) is at best limited and inconclusive.

Conceptualizing Empowerment

A thorough review of the empowerment literature reveals different concepts and definitions of the empowerment construct. However, most definitions agree that empowerment is concerned with giving employees more authority and discretion in task and context related issues (Melhem, 2004; Berber and Karabulut 2002; Thomas and Velthouse 1990). Organizational researchers however, have distinguished between two major perspectives on empowerment: the structural and the psychological approach. Originally, the structural view

focused on empowering management practices, including the delegation of decision making from higher to lower organizational levels (Heller, 1998; Heller et al., 1998) and increasing access to information and resources for individuals at the lower levels (Bowen & Lawler, 1992, 1995; Rothstein, 1995). As such, central to the notion of structural empowerment is that it entails the delegation of decision-making prerogatives to employees, along with the discretion to act on one's own (Mills & Ungson, 2003). On the other hand, due to the work of Conger and Kanungo (1988) and Thomas and Velthouse (1990), important steps have been taken towards clarification of the psychological approach to empowerment, resulting in a growing consensus on its conceptualization. Accordingly, an approach that enables to systematically review both the theoretical and empirical evidence on the effects of empowerment in the workplace was developed (Dewettinck et al. 2003).

According to Menon (2001) major approaches can be classified into three major categories: "Empowerment has been considered an act: the act of granting power to the person(s) being empowered. It has been considered a process: the process that leads to the experience of power. It has also been considered a psychological state that manifests itself as cognitions that can be measured".

Psychological empowerment has been defined by Spreitzer as "a motivational construct manifested in four cognitions: meaning, competence, self-determination and impact" (Spreitzer, 1995), whereas Meaning is "the value of a work goal or purpose, judged in relation to an individual's own ideals or standards"... Meaning involves "a fit between the requirements of a work role and beliefs, values and behaviors".

Competence, or self-efficacy, is "an individual's belief in her capability to perform work role activities with skill" (1995).

Self-determination is "an individual's sense of having choice in initiating and regulating actions" (1995), while Impact is "the degree to which an individual can influence strategic, administrative or operating outcomes at work" (1995).

Hence according to Spreitzer empowerment, as a psychological state, is an 'active work orientation where an individual wishes and feels able to shape his/her work role and context' (Spreitzer, 1995).

Building on previous research findings, we suggest that three demographic variables (gender, age and work experience), job level, and industry type may be expected to be related to psychological empowerment.

Age As the workforce grows older its needs and interests may change: many will become bored with their present jobs and/or careers and will desire different challenges. Hence aging may influence perceived empowerment although the direction of the relationship remains unclear.

Work Experience Interpersonal sources of power in organisations comprise reward power; coercive power; legitimate power; expert power; and referent power (Hellriegel, Slocum and Woodman, 1995). Expert power is "an individual's ability to influence others' behavior because of recognized skills, talents, or specialized knowledge" (ibid). Work experience may be assumed to contribute to the development of expert power.

Job Level According to Emerson (1962) individuals who are in a position to have others dependent on them are considered powerful, while those who are dependent are considered relatively powerless.

On the basis of above it can be hypothesised that

- Psychological empowerment is related to age.
- Positive relationships may be expected between work experience and empowerment.
- Job level (managerial status) is expected to be positively correlated with all empowerment dimensions, as well as with overall empowerment.

Method

Sample:

The Sample of this study comprised managers and executives of Delhi, Mumbai and Hyderabad. Simple random sampling was used to select 48 executives and 64 managers. The subjects were 101 males and 11 females. They were from financial, service and manufacturing organizations.

Tool:

An "Empowerment Scale" was constructed for the present study. Scale consists 40 items measuring 11 dimensions of employee empowerment i.e. Sharing Information, Building Trust, Accountability, Handling mistakes, for Creating Autonomy, Participation, Vision Statement, Goal Setting, Decision Making Rules, Performance Appraisal and Training. There are three answers for each item-Always, Sometimes, Never. The Empowerment Scale has demonstrated high internal consistency (Cronbach α = .8993). The scale also has a split half reliability coefficient of 0.8151.

Results:

Table 1 Correlations of Empowerment with Antecedent Variables

Empowerment Subscales	Correlation	Antecedent Variables		
		AGE	EXPERIENCE	JOB LEVEL
SHARING INFORMATION	Pearson Correlation	.085	.145	.232(*)
	Sig. (2-tailed)	.373	.126	.014
	N	112	112	112
BUILDING TRUST	Pearson Correlation	.111	.137	.036
	Sig. (2-tailed)	.245	.149	.704
	N	112	112	112
ACCOUNTABILITY	Pearson Correlation	.126	.173	.275(**)
	Sig. (2-tailed)	.187	.068	.003
	N	112	112	112
HANDLING MISTAKES	Pearson Correlation	.077	.113	.253(**)
	Sig. (2-tailed)	.421	.234	.007
	N	112	112	112
CREATING AUTONOMY	Pearson Correlation	.105	.143	.067
	Sig. (2-tailed)	.269	.132	.482
	N	112	112	112
PARTICIPATION	Pearson Correlation	-.103	-.011	-.094
	Sig. (2-tailed)	.279	.907	.327
	N	112	112	112
VISION STATEMENT	Pearson Correlation	-.070	-.125	.183
	Sig. (2-tailed)	.464	.188	.053
	N	112	112	112
GOAL SETTING	Pearson Correlation	.006	-.012	.157
	Sig. (2-tailed)	.951	.897	.098
	N	112	112	112
DECISION MAKING RULES	Pearson Correlation	.151	.188(*)	.127
	Sig. (2-tailed)	.113	.047	.183
	N	112	112	112
PERFORMANCE APPRAISAL	Pearson Correlation	.200(*)	.240(*)	.173
	Sig. (2-tailed)	.035	.011	.068
	N	112	112	112

TRAINING	Pearson Correlation	-.116	-.057	.092
	Sig. (2-tailed)	.223	.549	.337
	N	112	112	112
OVERALL EMPOWERMENT	Pearson Correlation	.044	.107	.204(*)
	Sig. (2-tailed)	.642	.262	.031
	N	112	112	112

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

The existence of a link between empowerment, its subscales and hypothesized antecedents was explored via correlation analysis. Results are cited in Table 1. As may be noted from Table 1, research propositions were only partially supported by current findings. As expected, job level was positively associated with the empowerment dimensions of accountability ($r = .275$, $p < .01$), and handling mistakes ($r = .253$, $p < .01$) as well as with overall empowerment ($r = .204$, $p < .05$) but was unrelated to the other empowerment subscales. Moreover positive associations were identified between age, performance appraisal ($r = .200$, $p < .05$), as well as between work experience, empowerment dimensions of decision making rules ($r = .188$, $p < .05$) and performance appraisal ($r = .240$, $p < .05$).

Discussion:

This research takes an initial step towards exploring the link between employment empowerment and individual and organisational factors in the Indian context.

The correlation analysis results provide support for some of the investigated research propositions. It is clear that job level is moderately positively correlated with overall empowerment and two of its dimensions, but is unrelated to other dimensions. These findings contradict those reported by Honneger and Appelbaum (1998), who found no relationship between empowerment and position level (managerial status). One possible explanation for this discrepancy may lie in the nature of the samples studied. Thus the Honneger and Appelbaum study was organisational, exploring empowerment among professional nursing staff, in a small healthcare institution; whereas the present study was cross-sectional, comprising employees from a variety of organizations. In line with expectations, empowerment was found to be correlated with two employee demographic variables: age and work experience. Current findings regarding age partially support results reported by Spreitzer (1996), who identified a positive relationship between age and perceived competence, but are similar to conclusions reached in the Honneger and Appelbaum (1998) study on the link between empowerment and age.

Limitations:

Embedded within the study lie several methodological limitations. First, although results seem to be in line with some of the existing Findings, it would be difficult to generalise beyond this sample without further testing. Despite the acknowledged limitations, this study represents an attempt towards

illuminating the link between empowerment employee, demographics and job level in Indian context and also indicates some questions for future research.

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