

**A Comparative Study
of
Psychological Empowerment and its relationship
to Various Psychological Variables
in
Select Industries / Sectors.**

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May 2018

CERTIFICATE

This is to certify that this project titled “**Study of Psychological Empowerment and its relationship to Various Psychological Variables. A comparative study in select industries and sectors**” submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration (Executive) by **Siddharth Karkun** at Delhi School of Management, Delhi Technological University is a record of original research work carried out by him under my guidance. Any material borrowed or referred to is duly acknowledged.

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Certified that the above statement made by the student is correct to the best of my knowledge and belief.

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ACKNOWLEDGEMENT

I would like to express my sincere gratitude towards **Delhi School of Management** for providing me an opportunity to undertake this project as a part of partial fulfillment of Executive MBA program. I would like to extend my gratitude towards **Dr. Rajan Yadav (HoD – DSM) and Dr. Vikas Gupta (Course Coordinator)** for giving me such a great opportunity to do project in their esteemed institution.

I feel an immense pleasure in taking this opportunity to express my sincere indebtedness and deep gratitude towards my honorable guide **Mr. A.K. Bhargawa**, for suggesting the topic and being a constant source of inspiration and guidance. It has been a privilege for me to work under her. I would like to thank for her support, guidance and having faith in me. I appreciate all the time she spend assisting me, all the mentoring and your efforts. Without her guidance, support and loyalty I don't know where I would be.

I would like to acknowledge the support of my family and organization for believing in me, for their kind co-operation and encouragement which help me in completion of this project.

I would also like to thanks especially some of my colleagues and friends who have been supportive in arranging the survey feedback from their respective organization.

EXECUTIVE SUMMARY

The main objective of this study is to determine the relationship of psychological empowerment with job satisfaction, organization commitment, trust in management and job engagement. This paper examines the contribution of the four dimensions as defined by Thomas and Velthouse's (1990) and Spreitzer (1995), multidimensional conceptualization of psychological empowerment and overall psychological empowerment in predicting various outcomes of empowerment: job satisfaction and organization commitment. This study also determines the role of trust in management and job engagement in predicting psychological empowerment. Study on relationship is conducted in various industries and sectors in order to have a comparative picture among them. Various literatures were reviewed in order to conduct this study.

A questionnaire was employed in order to collect data on various variables (dependent /independent). The study covered 180 employees employed in three organizations. The data collected was analyzed through correlation, regression, t-test and post-hoc analysis using SPSS and MS Excel as analytic tool.

The findings suggest that there is a significant relationship between psychological empowerment to job satisfaction, psychological empowerment to organization commitment, psychological empowerment to trust in management and psychological empowerment to job engagement. The findings also show that employees in service industry and public sector feels more empowered compared to others taken in study.

Most of the previous researches were carried on one organization or one industry. This study incorporated three industries and two sectors in order to determine level of empowerment felt in them along with comparison of various outcomes of psychological empowerment.

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CHAPTER 1

PROBLEM STATEMENT AND STUDY OBJECTIVES

1.1 TITLE OF THE STUDY

STUDY OF PSYCHOLOGICAL EMPOWERMENT AND ITS
RELATIONSHIP TO :

1. Job satisfaction
2. Organization Commitment,
3. Trust in management and
4. Job engagement.

A comparative study in select industries and sectors.-

1.2 PROBLEM STATEMENT

Today's organizations are not working in isolation. They are in constant pressure to environmental changes and competition. It is the workforce, which directs the organization towards its goals. Organizations are constantly transforming, trying to improve production and profitability. Being able to adapt to change, compete with the best in the uncertain environment, be able to keep employees satisfied, committed to organization, and effective in their performance organizations need to empower their employees, make them feel empowered (psychological empowerment) rather than failing under the pressure of the competition.-

Organizations need to make employees feels themselves as a part of family. Retaining talent is equally important as developing talent. When employees are more satisfied with their jobs, committed to their organization and psychologically empowered, they could help organizations to thrive instead of trying to survive in a competitive environment .

Globalization has opened up various opportunities and challenges for organizations to compete internationally. Besides technological advancement, a developed, competent and empowered workforce will give organizations an edge over its competitors. Companies need to develop talent that can be routed across global sphere in order to

compete globally. This can be achieved if employees feel or relate themselves to their organization

Studies on employee empowerment have shown that it has a strong correlation to employee performance in terms of higher productivity, job satisfaction, trust in management and job engagement.^{1,2-2}

1.3 OBJECTIVE OF THE STUDY

The objective of the study is to determine whether there is a relationship between Felt Empowerment or Psychological Empowerment and Psychological Variables .-

- 1) To determine the relationship between psychological empowerment and job satisfaction.-
- 2) To determine the relationship between psychological empowerment and organization commitment.-
- 3) To determine the relationship between psychological empowerment and trust in management.-
- 4) To determine the relationship between psychological empowerment and job engagement.-

This study will further help to do comparative analysis of psychological empowerment and its outcomes in different Industries and Sectors. Industry Covered for study: Manufacturing/IT/Services, Sector Covered for study: Private and Public.-

1.4 RESEARCH QUESTIONS

Based on these objectives the following research questions will be addressed in the research:-

- 1) What is the relationship between psychological empowerment and job satisfaction?
- 2) What is the relationship between psychological empowerment and organization commitment?

- 3) What the relationship between psychological empowerment and trust in management?
- 4) What the relationship between psychological empowerment and job engagement?

1.5 RESEARCH HYPOTHESIS

This study will test the following hypothesis:

H1: There is a significant relationship between psychological empowerment and job satisfaction.

H2: There is a significant relationship between psychological empowerment and organization commitment.

H3: There is a significant relationship between trust in management and psychological empowerment.

H4: There is a significant relationship between job engagement psychological empowerment.

1.5 SIGNIFICANCE OF THE STUDY

The organizations where the research was done could also make use of these results to implement/consider implementing strategies to try and enhance psychological empowerment, job satisfaction, organizational commitment and effectiveness. This could also increase the wellbeing of the employees as well as increasing productivity and profits of the organization.

In future, the organizations could also make use of these findings to help them thrive in the dynamic, ever changing and competitive environment.

CHAPTER 3
RESEARCH DESIGN

3.1 INTRODUCTION

This chapter focuses on the composition of the study, population groups, the measuring instruments, and procedure for scoring and interpretations. The study made use of Quantitative Research, making use of questionnaires to measure the level experienced by the employees in terms of these constructs. The participants included employees from different levels across organizations in different industries and sectors .

3.2 GENERAL OBJECTIVES

The general objective of this study is to ascertain the relationship between psychological empowerment, job satisfaction, organizational commitment, trust in management and job engagement. The study is aimed at an investigative approach, establish the psychological empowerment, trust, job engagement, job satisfaction and organization commitment experienced by the employees in different organization.

3.2 SPECIFIC EMPIRICAL OBJECTIVES|

1. What are the psychological empowerment, job satisfaction, and organizational commitment experienced by the target population?
2. Is there a relationship between psychological empowerment, job satisfaction, and organizational commitment?
3. Does a different group (low, middle and high levels of employees, different sex, type of job profile, age) experience psychological empowerment, job satisfaction, and organizational commitment?
4. Does Psychological empowerment predict job satisfaction, and organizational commitment?
5. Does trust in management and job engagement predict psychological empowerment?

3.4 RESEARCH DESIGN

The research made use of casual survey research method to collect the data. Survey methods are inexpensive, can be used to assess a large group of participants, it can be administered from another location (through e-mail or web link), make use of standardized questionnaires to assess and compare groups using the same measure and

Some areas of weakness considering the survey research include; making use of standardized questionnaires can influence the appropriateness of the questionnaires in relation to the participants, with survey research it's also important to get a good response rate in order to generalize your findings and it might also be difficult to recall information about the question or to tell the truth about a controversial questions.

Quantitative research design was used. Total number of questions related to psychological construct was 43, apart from demographic questions.

3.4 SAMPLE AND PROCEDURE

To test the hypothesis developed above, this study collected data by a questionnaire within various organizations in different industries and sectors (Manufacturing (BHEL)/IT (NIIT Technologies) /Services (TCIL): Pvt. (NIIT Technologies) / Public (BHEL & TCIL)) Due to the fact that organizations are spread over a vast geographic area, a sample group was chosen with companies having offices in Delhi/NCR region. The focus of this study is on junior and middle level employees as empowerment is much more relevant at this level. The participants included both executing employees and managers of various educational backgrounds, all varying in age, job profile and position they hold. Besides, the employees have been working in different employments.

The data used for this research is gathered with one and the same survey distributed to various employees employed in organizations. The population included male and female employees, from different organizations and levels in the organization (lower level employees, supervisors and managers). For this research potential participants included 225 employees that could fill out the survey either offline or online. These employees were selected on convenient sampling basis. Each questionnaire had an accompanying letter to explain the purpose of the questionnaire.

3.4 POPULATION

Out of 225 questionnaires targeted, 180 respondents replied giving satisfactory response rate of 80%. Three industries and two sectors were targeted for the purpose of comparative study.

Public sector employees contribute to approx 70% of the study; remaining contribution came from private sector employees. 70% of the employees were at middle level position and research is also targeted to middle level position since the need for empowerment is more felt at this level. In terms of gender 79% of the employees were males and remaining 21% were females. 84% of the population was in the age group of 20-35 and 80% of the population had an experience of 0-5 years in respective companies.

3.4 MEASURING INSTRUMENTS

This section discusses, the various measuring instruments used in the study, focusing on the development, description, administration, scoring and interpretation. The research battery consisted of a psychological empowerment questionnaire, organizational trust questionnaire, job engagement questionnaire, job satisfaction questionnaire, and organizational commitment questionnaire .

Psychological empowerment questionnaire

The concept of empowerment can be defined as giving someone the right to make a decision while this right previously belonged to someone else. The research focuses on psychological empowerment, or the employee's perception of empowerment. The degree of empowerment was measured by using the 12 items in **Spreitzer's** article (1995). In this article empowerment is divided into four dimensions. These four dimensions are Meaning, Competence, Self-Determination and Impact. Each dimension is measured by three items .

- **Reliability and Validity**

The validation of the instrument is described in Spreitzer (1995; 1996). The instrument has been used successfully in more than 50 different studies in contexts ranging from

nurses to low wage service workers to manufacturing workers. The validity of the instrument is proven. Test retest-reliability has been shown to be strong and validity estimates for the dimensions are typically around .80^(with reference to Spreitzer designed questionnaire).

- **Description, administration and scoring**

This questionnaire consists of 12 items with 3 items for each of the 4 dimensions. The dimensions are meaning, competence, self-determination and impact. The sample items include “The work I do is meaningful” (meaning), “I am confident about my ability to do my job” (competence), “I have significant autonomy in determining how I do my job” (self-determination) and “My impact on what happens in my department is large” (impact) (Spreitzer, 2005). The participants rate their experience on a Likert scale (5 point scale); from very strongly disagree to very strongly agree.

Job Satisfaction

For measuring level of job satisfaction or job dissatisfaction a single dimension questionnaire was developed measuring the level on Likert scale (5 point scale); from very strongly disagree to very strongly agree, since we are more concerned with its relation to psychological empowerment only which is intrinsic motivating factor not an

external Organizational Commitment

Allen and Meyer (1984) initially proposed to make the distinction between affective and continuance commitment although in 1990 they introduced normative commitment. During these times the tool consisted of 24 items (8 items for each scale). The later version was developed in 1997 with only 18 items (6 items for each scale).

- **Reliability and Validity**

Lee, Allen, Meyer, and Rhee (2001) also found the following Cronbach alpha coefficients for affective commitment (0.86), continuance commitment (0.76) and normative commitment (0.84) (with reference to Allen&Meyey designed questionnaire).

- **Description, administration and scoring**

The Organizational Commitment Questionnaire (OCQ) is a self-scoring questionnaire assessing three components of commitment; namely normative, continuance and affective commitment.

This questionnaire consists of 8 items for measuring affective component, 3 items for measuring normative part and 2 items for measuring continuance part. Responses to

rated using a 5-point Likert scales ranging from strongly disagree to strongly agree.

Trust in Management

In this research, the concept of trust in management is defined as employees' perceptions of the level of their trust in management's honesty and competence to make effective decisions. The concept of trust management is measured by four items based on the article of Cook and Wall (1980). Responses to each of the items are rated using a 5-point Likert scales ranging from strongly disagree to strongly agree. An example of an item to measure trust management is: The management carries out its tasks efficiently, as far as I can assess. The Cronbach's Alpha of trust in management is .83 (with reference to Cook and Wall designed questionnaire).

Job Engagement

In this research, the concept of job engagement is defined as the degree in which an employee is attentive and absorbed in his performance of the job. In the survey measurement is done on four items formulated by Schaufeli et al. (2006). An example of one of the items to measure absorption is: Responses to each of the items are rated using a 5-point Likert scales ranging from strongly disagree to strongly agree when I am working, I forget everything around me". An example of one of the items to measure dedication is: Job engagement is evaluated on a scale ranging from totally disagree (1) to totally agree (5).

The Cronbachs Alpha of job engagement is .86(with reference to Schaufeli designed

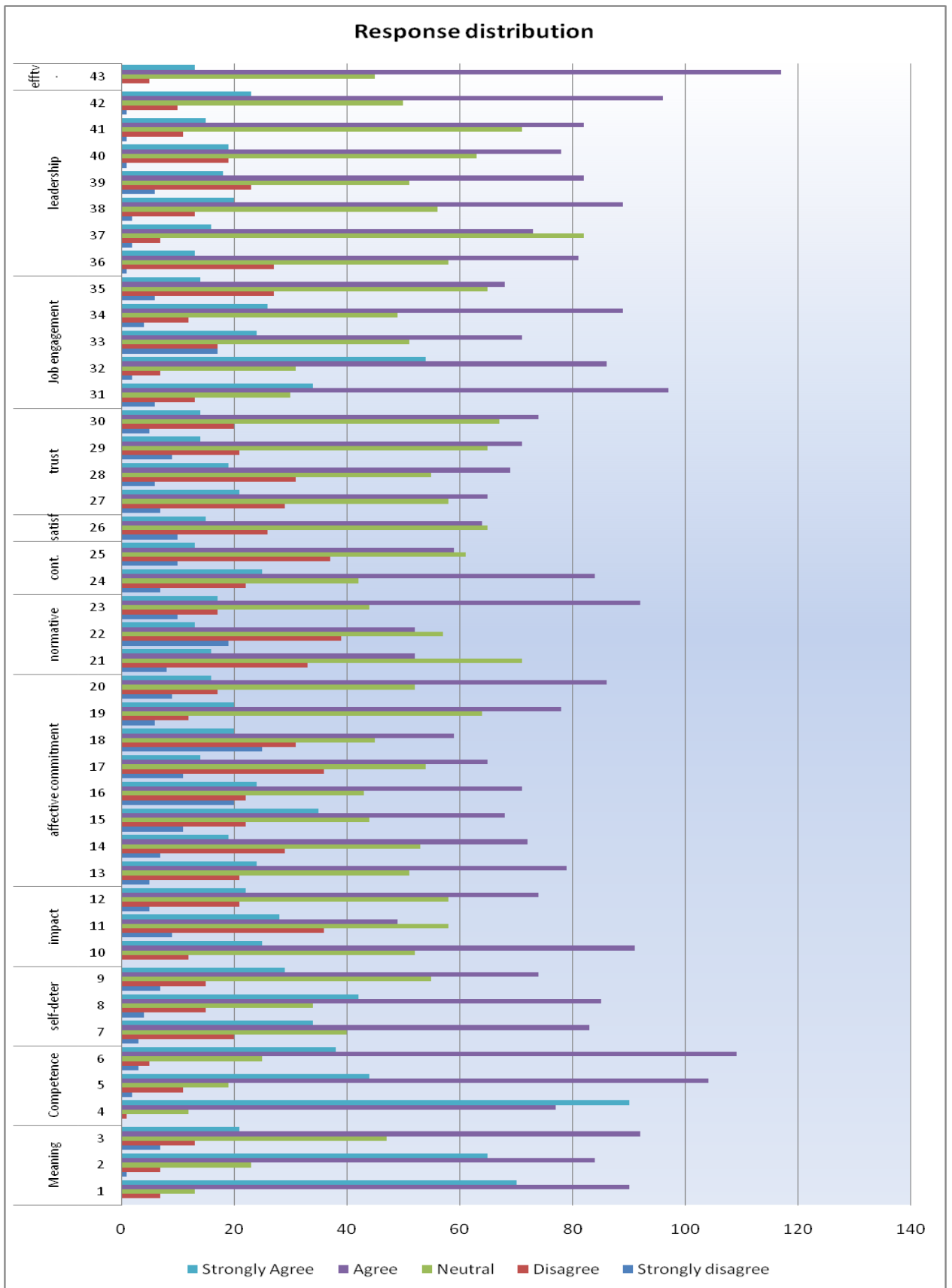
CHAPTER 4

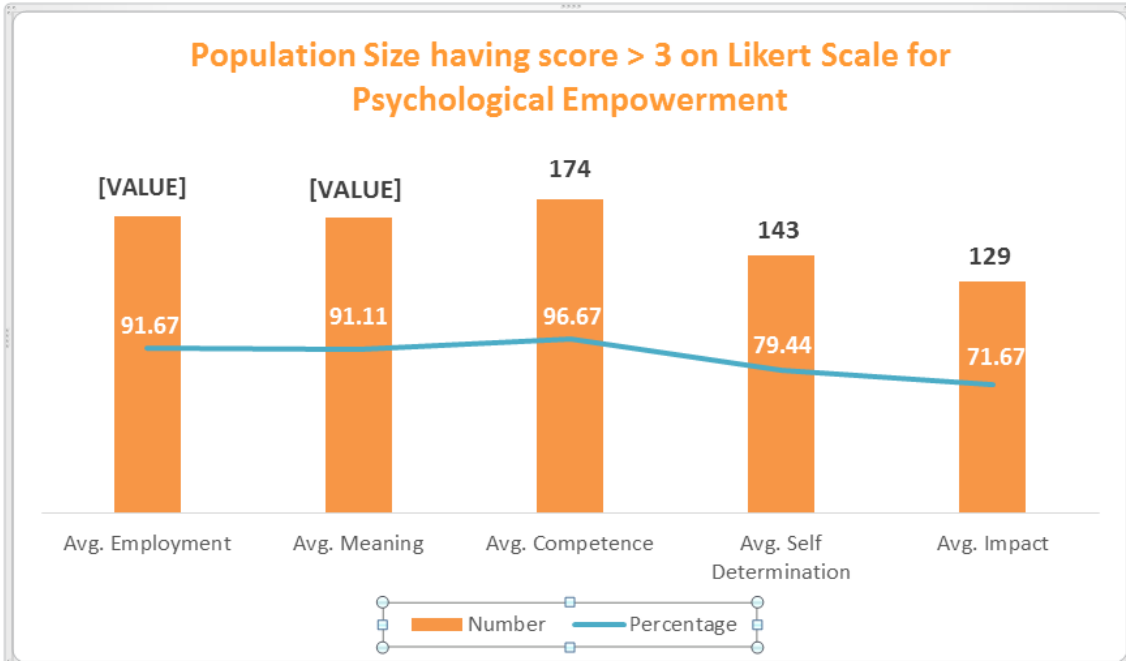
RESULTS

4.1 INTRODUCTION

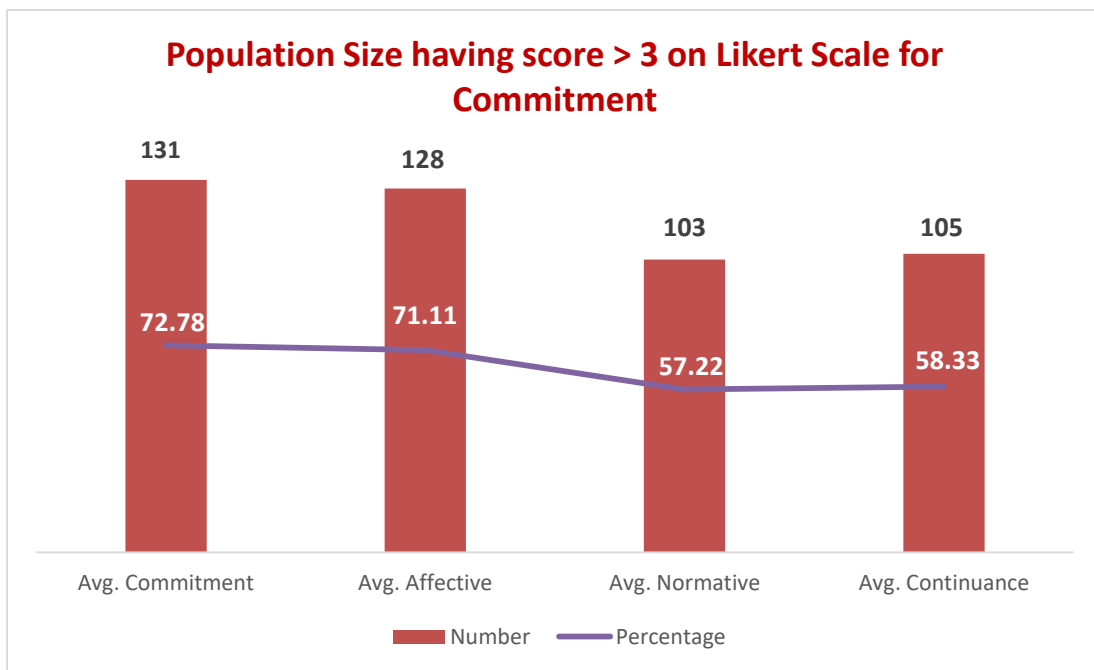
This chapter presents what has been done, what statistical procedures have been followed and present the results of this study. Simple explanations and tables have been used to present these findings. Analysis was conducted on the scales of psychological empowerment, job satisfaction, organizational commitment, trust in management and job engagement. The statistical analysis was carried out by using SPSS program and MS Excel. In the first step descriptive statistics was calculated to describe the data .

	N	Minimum	Maximum	Mean	Std. Deviation
Totalresponses	180	1.00	180.00	90.5000	52.10566
industry	180	1.00	3.00	2.0000	.81877
company	180	1.00	3.00	2.0000	.81877
sector	180	1.00	2.00	1.4833	.78017
Jobtitle	180	1.00	10.00	4.2667	2.88630
position	180	1.00	3.00	1.8778	.52486
gender	180	1.00	2.00	1.2111	.40924
age	180	1.00	6.00	2.4833	1.22120
Expincurrent	180	1.00	4.00	2.3000	1.06178
Avgmeaning	180	2.00	5.00	3.9939	.61573
Avgcompetence	180	2.30	5.00	4.1233	.49150
Avgselfdetermination	180	1.00	5.00	3.6967	.79396
Avgimpact	180	1.70	5.00	3.4900	.76100
Totavg empowerment	180	1.80	5.00	3.8300	.52586
Avgaffective	180	1.10	5.00	3.3889	.76938
Avgnormative	180	1.00	5.00	3.2517	.63952
Avgcontinuance	180	1.00	5.00	3.3500	.87149
Totavg commitment	180	1.40	4.80	3.3272	.62987
satisfaction	180	1.00	5.00	3.2667	.99496
Avg trust	180	1.30	5.00	3.3828	.76222
Avgjobengagement	180	1.00	5.00	3.6322	.67125
Avgleadership	180	1.00	5.00	3.5433	.52726
Employee effectiveness	180	1.70	5.00	3.7694	.55734
Valid N (listwise)	180				

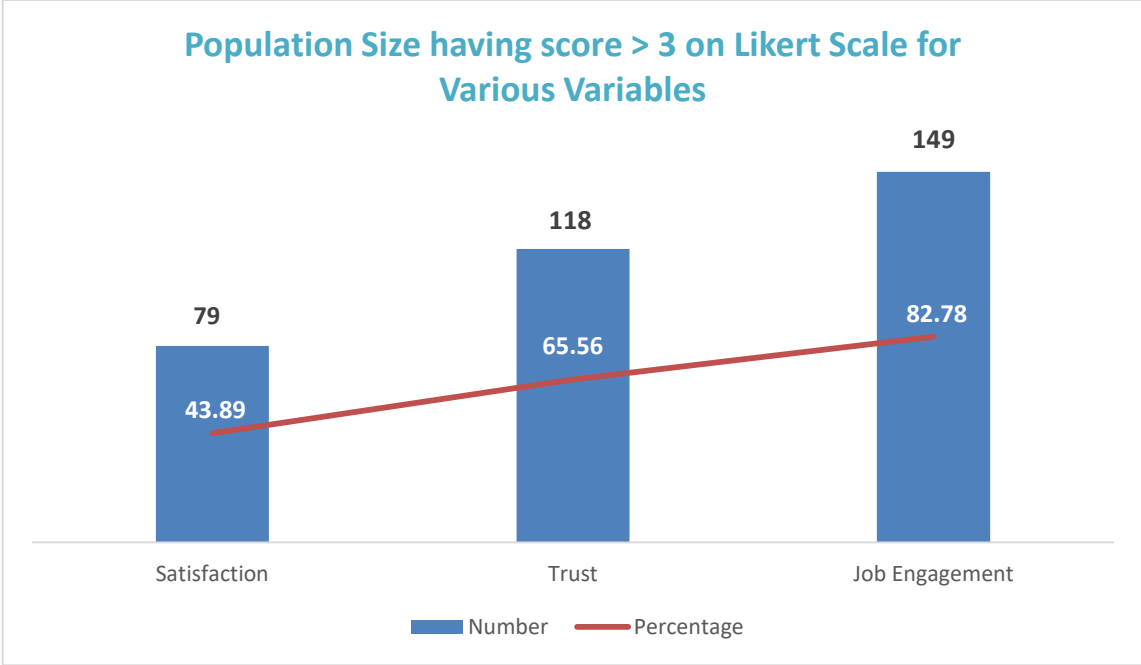




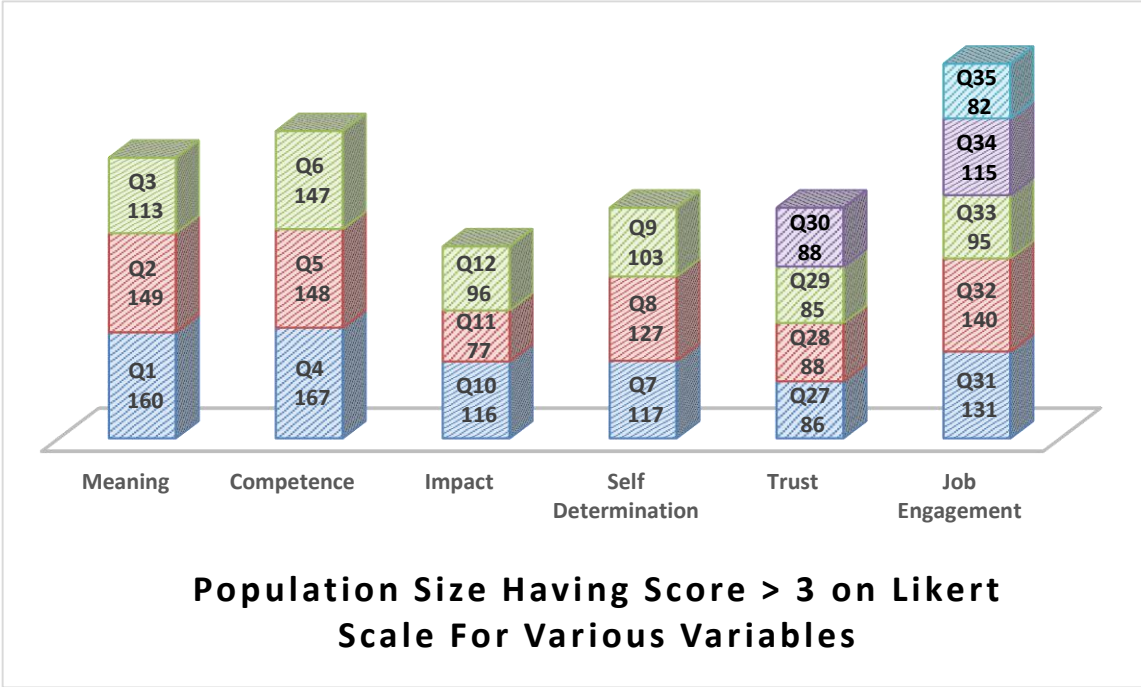
Graph: 1



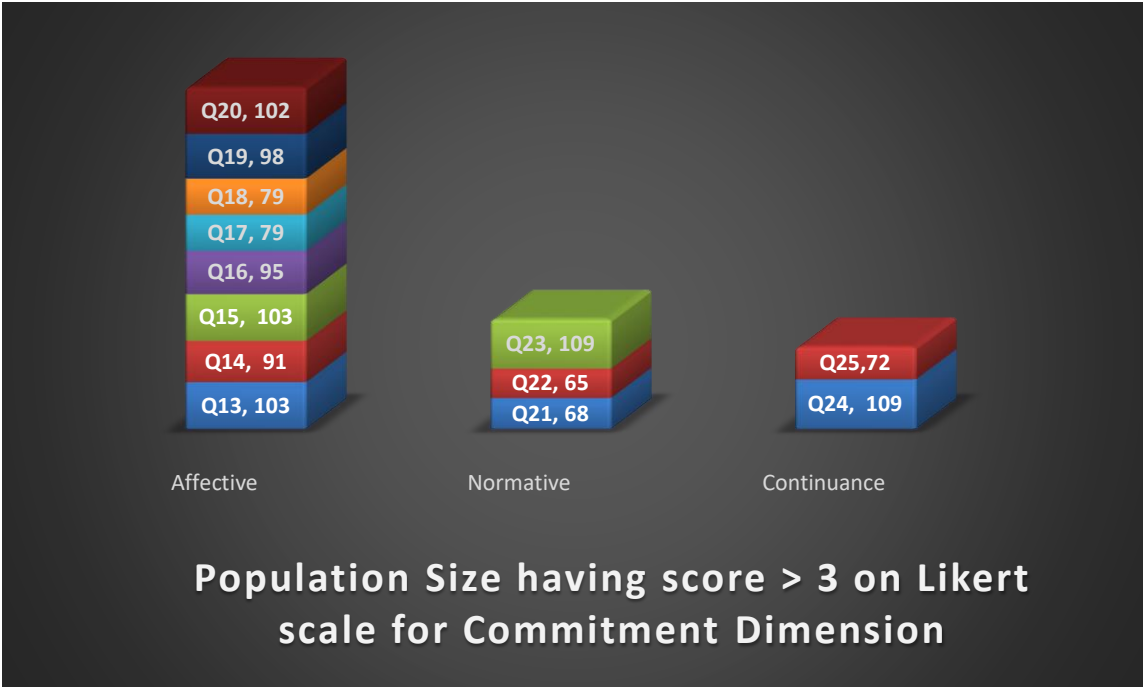
Graph: 2



Graph: 3



Graph: 4



Graph: 5

4.3 PSYCHOLOGICAL EMPOWERMENT AND ITS RELATIONSHIP TO FOUR DIMENSIONS

Correlations – Table 1

		avgmeaning	avgcompetence	avgselfdeter	avgimpact	totavgempowerment
avgmeaning	Pearson Correlation	1	.554**	.578**	.388**	.780**
	Sig (2-tailed)		.000	.000	.000	.000
	N	180	180	180	180	180
avgcompetence	Pearson Correlation	.554**	1	.450**	.385**	.703**
	Sig (2-tailed)	.000		.000	.000	.000
	N	180	180	180	180	180
avgselfdeter	Pearson Correlation	.578**	.450**	1	.581**	.860**
	Sig (2-tailed)	.000	.000		.000	.000
	N	180	180	180	180	180
avgimpact	Pearson Correlation	.388**	.385**	.581**	1	.781**
	Sig (2-tailed)	.000	.000	.000		.000
	N	180	180	180	180	180
totavgempowerment	Pearson Correlation	.780**	.703**	.860**	.781**	1
	Sig (2-tailed)	.000	.000	.000	.000	
	N	180	180	180	180	180

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

Psychological empowerment has four dimensions: meaning, competence, self-determination and impact .

The result shows that there is a significant relationship between psychological empowerment and its four dimensions. **The relationship is significant since $p < .01$ as can be seen in above table1 .**

Meaning – A fit between requirement of work role and individual belief, values and behavior. Pearson correlation coefficient is 0.78, $p < .01$. There is a strong positive significant relationship between meaning and empowerment. Means as one increase other also increases .

Competence – Individual belief in capability to perform job with skills. Pearson correlation coefficient is 0.703, $p < .01$. There is a strong positive significant relationship b/w competence and empowerment. Means as one increase other also increases.

Self-determination– Individual sense of having choice in initiating and regulating actions. Pearson correlation coefficient is 0.86, $p < .01$. There is a strong positive

significant relationship b/w self-determination and empowerment. Means as one increase other also increases.

Impact –Degree to which individual can influence outcomes. Pearson correlation coefficient is 0.781, $p < 0.01$. There is a strong positive significant relationship b/w impact and empowerment. Means as one increase other also increases.

As expected and proved in researches there is a significant positive relationship b/w empowerment and its four dimensions.

However the most strongly significant of all four dimensions was found to be self-determination ($r = .86, p < 0.01$).

4.4 JOB SATISFACTION AND ITS RELATIONSHIP TO PSYCHOLOGICAL EMPOWERMENT

The correlation between job satisfaction and psychological empowerment was found through simple correlation analysis, and then the Pearson correlation coefficient between each variable was estimated.

Table 2 and Table 9 report the result of the correlation analysis between job satisfaction and psychological empowerment. In this analysis, job satisfaction was taken as dependent variable and empowerment and its sub-dimensions as independent variables.

According to the findings in Table 2, a significant correlation at 0.01 significance level was found between job satisfaction and psychological empowerment. **Pearson coefficient, “r”** was observed to be 0.510, with $p = .000$ ($p < 0.01$).

Correlations – Table2

		Tot avg empowerment	satisfaction
Tot avg empowerment	Pearson Correlation	1	.510**
	Sig. (2-tailed)		.000
	N	180	180
satisfaction	Pearson Correlation	.510**	1

	Sig. (2-tailed)	.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

This shows that there is a significant positive relationship between job satisfaction and psychological empowerment.

This proves first hypothesis i.e.

H1: *There is a significant positive relationship between psychological empowerment and job satisfaction.*

According to the findings in **Table9**, a significant correlation at 0.01 significance level was found between job satisfaction and sub-dimensions of psychological empowerment .

Meaning – Pearson coefficient, $r=.481$, $p<0.01$
Competence – Pearson coefficient, $r=.323$, $p<0.01$
Self-determination – Pearson coefficient, $r=.389$, $p<0.01$
Impact - Pearson coefficient, $r=.419$, $p<0.01$.

Meaning dimension, a fit between work role and individual self-belief is more strongly related to job satisfaction .

4.4 ORGANIZATION COMMITMENT AND ITS RELATIONSHIP TO PSYCHOLOGICAL EMPOWERMENT

The correlation between commitment and psychological empowerment was found through simple correlation analysis, and then the Pearson correlation coefficient between each variable was estimated .

Table 3, Table4, Table5 and Table6 reports the result of the correlation analysis between commitment and psychological empowerment. In this analysis, commitment was taken as dependent variable and empowerment and its sub-dimensions as independent variables.

According to the findings in Table3, a significant correlation at 0.01significance level was found between commitment and psychological empowerment. Pearson coefficient “r” was observed to be 0.573, with p=.000 (p<0.01).

Correlations – Table3

		Tot avg empowerment	Tot avg commitment
Tot avg empowerment	Pearson Correlation	1	.573**
	Sig. (2-tailed)		.000
	N	180	180
Tot avg commitment	Pearson Correlation	.573**	1
	Sig. (2-tailed)	.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

This shows that there is a significant positive relationship between organization commitment and psychological empowerment.

This proves our second hypothesis i.e .

H2: There is a significant positive relationship between psychological empowerment and organization commitment.

According to the findings in **Table4**, a significant correlation at 0.01significance level was found between commitment and sub-dimensions of psychological empowerment”.

Meaning – Commitment: Pearson coefficient, r=.564, p<0.01
Competence – Commitment: Pearson coefficient, r=.355, p<0.01
Self-determination – Commitment: Pearson coefficient, r=.482, p<0.01
Impact - Commitment: Pearson coefficient, r=.419, p<0.01

Correlations – Table4

		<u>Avg</u> meaning	<u>Avg</u> competence	<u>Avg self-</u> deter	<u>Avg</u> impact	Tot <u>avg</u> commitment
<u>Avg meaning</u>	Pearson Correlation	1	.554**	.578**	.388**	.564**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	180	180	180	180	180
<u>Avg</u> competence	Pearson Correlation	.554**	1	.450**	.385**	.355**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	180	180	180	180	180
<u>Avd self-deter</u>	Pearson Correlation	.578**	.450**	1	.581**	.482**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	180	180	180	180	180
<u>Avg impact</u>	Pearson Correlation	.388**	.385**	.581**	1	.419**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	180	180	180	180	180
Tot <u>avg</u> commitment	Pearson Correlation	.564**	.355**	.482**	.419**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	180	180	180	180	180

Meaning dimension, a fit between work role and individual self-belief is more strongly related to job organization commitment.

According to the findings in **Table5**, a significant correlation at 0.01significance level was found between commitment and its sub-dimensions .

Affective – Commitment: Pearson coefficient, $r=.875$, $p<0.01$

Normative – Commitment: Pearson coefficient, $r=.789$, $p<0.01$

Continuance – Commitment: Pearson coefficient, $r=.815$, $p<0.01$

Affective commitment, an emotional attachment to the organization is more strongly related to organization commitment.

According to the findings in **Table6**, a significant correlation at 0.01significance level was found between sub-dimensions of commitment and psychological empowerment .

Correlations – Table 6

		Avg affective	Avg normative	Avg continuance	Tot avg empowerment
affective	Pearson Correlation	1	.650**	.534**	.622**
	Sig. (2-tailed)		.000	.000	.000
	N	180	180	180	180
normative	Pearson Correlation	.650**	1	.406**	.461**
	Sig. (2-tailed)	.000		.000	.000
	N	180	180	180	180
continuance	Pearson Correlation	.534**	.406**	1	.350**
	Sig. (2-tailed)	.000	.000		.000
	N	180	180	180	180
avg empowerment	Pearson Correlation	.622**	.461**	.350**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	180	180	180	180

Affective – Commitment: Pearson coefficient, $r=.622$, $p<0.01$
 Normative – Commitment: Pearson coefficient, $r=.461$, $p<0.01$
 Continuance – Commitment: Pearson coefficient, $r=.350$, $p<0.01$

Affective commitment, an emotional attachment to the organization is more strongly related to psychological empowerment which is in relation to H2 .

4.5 TRUST AND ITS RELATIONSHIP TO PSYCHOLOGICAL EMPOWERMENT

The correlation between trust in management and psychological empowerment was found through simple correlation analysis, and then the Pearson correlation coefficient between each variable was estimated.

|

Table 7 reports the result of the correlation analysis between trust in management and psychological empowerment. In this analysis, trust was taken as independent variable and empowerment and its sub-dimensions as dependent variables.

According to the findings in Table 7, a significant correlation at 0.01 significance level was found between managerial trust and psychological empowerment. Pearson coefficient, “r” was observed to be 0.592, with $p=.000$ ($p<0.01$).

⊕

Correlations – Table 7

		Tot avg empowerment	Avg trust
Tot avg empowerment	Pearson Correlation	1	.592**
	Sig. (2-tailed)		.000
	N	180	180
Avg trust	Pearson Correlation	.592**	1
	Sig. (2-tailed)	.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

This shows that there is a significant positive relationship between trust in management and psychological empowerment. When employees trust their management, they feel |
 This proves third hypothesis i.e.

H3: There is a significant positive relationship between trust in management and psychological empowerment.

According to the findings in Table 10, a significant correlation at 0.01 significance level was found between trust in management and sub-dimensions of psychological empowerment.

Meaning – Trust: Pearson coefficient, $r=.553$, $p<0.01$
 Competence – Trust: Pearson coefficient, $r=.325$, $p<0.01$
 Self-determination – Trust: Pearson coefficient, $r=.563$, $p<0.01$
 Impact – Trust: Pearson coefficient, $r=.402$, $p<0.01$

Trust in management is strongly correlated to meaning and self-determination dimension of psychological empowerment .

4.5 JOB ENGAGEMENT AND ITS RELATIONSHIP TO PSYCHOLOGICAL EMPOWERMENT

The correlation between job engagement and psychological empowerment was found through simple correlation analysis, and then the Pearson correlation coefficient between each variable was estimated.

Table 8 reports the result of the correlation analysis between trust in management and psychological empowerment. In this analysis, job engagement was taken as independent variable and empowerment and its sub-dimensions as dependent variables.

According to the findings in **Table 6**, a significant correlation at 0.01 significance level was found between managerial trust and psychological empowerment. **Pearson coefficient, “r” was observed to be 0.706, with p=.000 (p<0.01).**

Correlations - Table8

		Tot avg empowerment	Avg job engagement
Tot avg empowerment	Pearson Correlation	1	.706**
	Sig. (2-tailed)		.000
	N	180	180
Avg job engagement	Pearson Correlation	.706**	1
	Sig. (2-tailed)	.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

This shows that there is a significant positive relationship between job engagement and perception of employee empowerment. When employees are fully engaged, they feel empowered.

This proves fourth hypothesis i.e.

H4: There is a significant positive relationship between job engagement and psychological empowerment.

According to the findings in Table 10, a significant correlation at 0.01 significance level was found between job engagement and sub-dimensions of psychological empowerment.

Meaning –Job Engagement: Pearson coefficient, $r=.687$, $p<0.01$
Competence –Job Engagement: Pearson coefficient, $r=.490$, $p<0.01$
Self-determination –Job Engagement: Pearson coefficient, $r=.623$, $p<0.01$
Impact –Job Engagement: Pearson coefficient, $r=.446$, $p<0.01$

Job engagement is strongly correlated to meaning and self-determination dimension of psychological empowerment.

CHAPTER 5
DISCUSSION

1.1 PSYCHOLOGICAL EMPOWERMENT AND ITS FOUR DIMENSIONS

Recent theoretical efforts at developing a valid definition of empowerment in the organizational studies literature (Thomas & Velthouse, 1990) have suggested that defining empowerment unidimensionally is inadequate^{2.1-2}. This implies that it is only through the combined experience of empowerment on all the four dimensions that each of the anticipated outcomes of empowerment can be achieved.

The result obtained shows that out of the four dimensions of empowerment, *self-determination and impact dimensions were found to be strongly associated* with psychological empowerment. This implies that employees having sense of choice in initiating and regulating actions and who can influence the strategic, administrative or operating outcomes at work feel more empowered. In sum, psychological empowerment can be defined as motivational construct manifested in four cognitions: meaning, competence, self-determination and impact representing active orientation rather than a passive.

1.1 PSYCHOLOGICAL EMPOWERMENT AND JOB SATISFACTION

One of the major findings of this study is that a significant relationship exists between psychological empowerment and job satisfaction. This result supports a consistent findings that employee empowerment is a significant predictor of job satisfaction^{2.1-2}. It suggests that individuals who find the work they perform consistent with their beliefs, attitudes and behaviors are more likely to be happy in their job. Employee empowerment leads to job satisfaction among the employees.

Study determined that the greater the level of psychological empowerment experienced by employees, the higher the level of their job satisfaction. Result shows that *meaning "dimension, a fit between work role and individual self-belief is more strongly" associated* with job satisfaction as compared to other sub-dimension of psychological empowerment .

1.2 PSYCHOLOGICAL EMPOWERMENT AND ORGANIZATION COMMITMENT

According to Thomas and Velthouse, (1990)(Natalie J. Allen, 1990)^{2,1-3}, empowerment evokes organizational commitment because :

- a) A meaningful job provides a suitable fit between the requirements and purposes of one's organizational work roles and one's personal value system ;
- b) A sense of competence gives workers the belief that they are able to perform their work roles with skill and success, stimulating them to exert considerable effort on behalf of the organization ;
- c) Self-determination gives workers control over their work and a voice in work-related decision processes, leading to enhanced involvement in the organization .
- d) Having impact facilitates workers' possibilities to participate in shaping the organizational system in which they are embedded .

Allen and Meyer (1990) contend that commitment refers to a psychological state that binds the individual to the organization. The strength of people's desires to continue working for an organization because they agree with its underlying goals and values. People feeling high degrees of affective commitment desire to remain in their organizations because they endorse what the organization stands for and are willing to help it in its mission

Commitment involves emotional commitment to the family of the organization. Previous researches (Allen and Meyer), have also shown a strong association between psychological empowerment and organization commitment. Result of this study also shows strong association between these two variables and with reference to sub-dimensions of empowerment *meaning dimension of psychological empowerment was found to be more strongly associated* with organization commitment. Out of the three forms of commitment i.e affective, normative and continuance commitment, *affective commitment which is emotional attachment with the organization seems to be strongly associated* with overall psychological empowerment and to organization commitment

which can also be verified from the correlation table in previous chapter and is in-line with previous researches.

1.3 PSYCHOLOGICAL EMPOWERMENT AND TRUST IN MANAGEMENT

One of the major findings of this study is that a significant relationship exists between the overall psychological empowerment and trust in management. *Trust predicts psychological empowerment.* This result supports the studies that emphasize the importance of organizational trust as one of the factors influencing empowerment practices. The findings also show that trust in management is strongly associated with *meaning and self-determination dimension* of psychological empowerment. This means when employee trusts their management they are in better position to associate their personal goals, belief with organization goals and feel more responsible in regulation and controlling task actions.

Trust tends to enhance communication, provide opportunities for effective problem solving and encourage individual discretion; thus, trust enables individuals to feel empowered.

The current study results indicate that trust in management provides a positive employees empowerment. When belief in the management's reliability, dependability and competence increases, employee empowerment increases as well .

1.3 PSYCHOLOGICAL EMPOWERMENT AND JOB ENGAGEMENT

One of the major findings of this study is that a significant relationship exists between the overall psychological empowerment and job engagement. *Job engagement predicts psychological empowerment.* The findings also show that job engagement is strongly associated with *meaning and self-determination dimension* of psychological empowerment. This means when employee are fully engage in their role work they are in better position to associate their personal goals, belief with organization goals and feel more responsible in regulation and controlling task actions.-

The current study results indicate that job engagement provides a positive employees

empowerment. Job engagement leads to increases psychological empowerment through increase their contribution in achieving organizational objectives and giving the opportunity to control on their work, and finally their self -determination for work .

1.3 COMPARATIVE STUDY IN DIFFERENT INDUSTRIES AND SECTORS

This research has been carried out with the aim to have comparative study in different industries and sectors. This study determine the level of empowerment among employees working in three set of industries covering Manufacturing, IT and Services and working in different sectors such as Private, Public and Govt. The result obtained cannot be taken as absolute correct inference for different sectors subject to different in population size however it can be used for perception view only.

Manufacturing/IT follows production line approach. What more matters is final product which is visible, tangible and is consumed later. They have a script written where every process has to be followed. Manufacturing is more oriented towards backline support and services more towards frontline support where employees in the frontline are more close to customers in delivering value. ^{2.7-1}

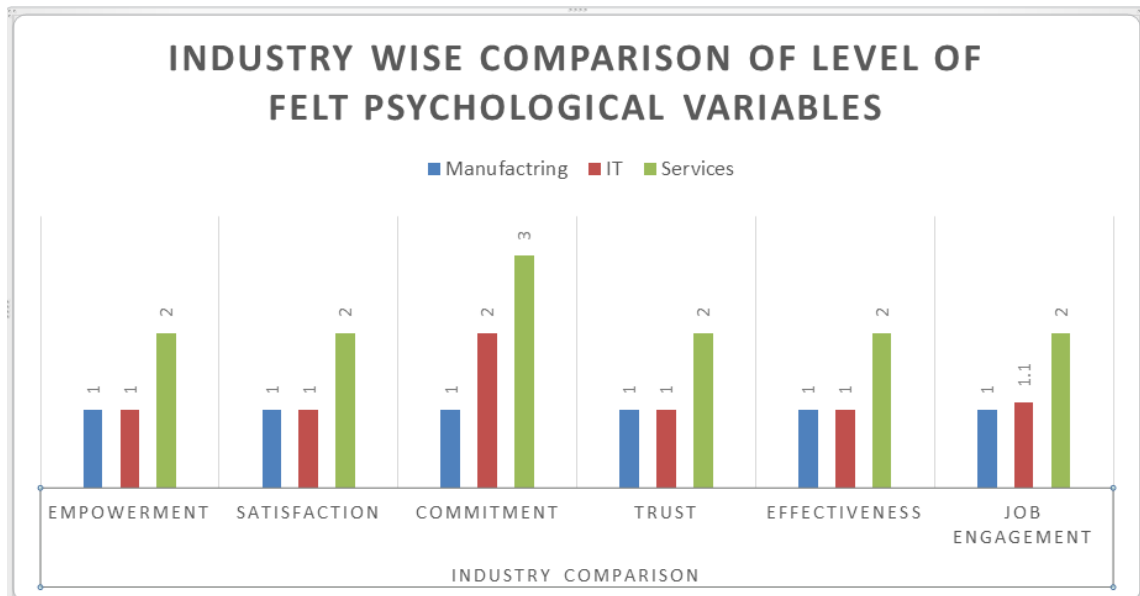
McDonald's is a good example of production line approach. Workers are taught how to greet customers and ask for their order, including a script for suggesting additional items. They learn a set procedure for assembling the order (for example, cold drinks First, then hot ones), placing items on the tray, and placing the tray where customers need not reach for it. There is a script and a procedure for collecting money and giving change. Finally, there is a script for saying thank you and asking the customer to come again. This production-line approach makes customer-service interactions uniform and gives the organization control over them. It is easily learned; workers can be quickly trained and put to work

Empowerment very much looks to the “performer of the tasks” for solutions to service problems . -Workers are asked to suggest new services and products and to solve problems creatively and effectively. It would be impossible to get people's best efforts, involvement, and caring concern for things you believe important to your customers

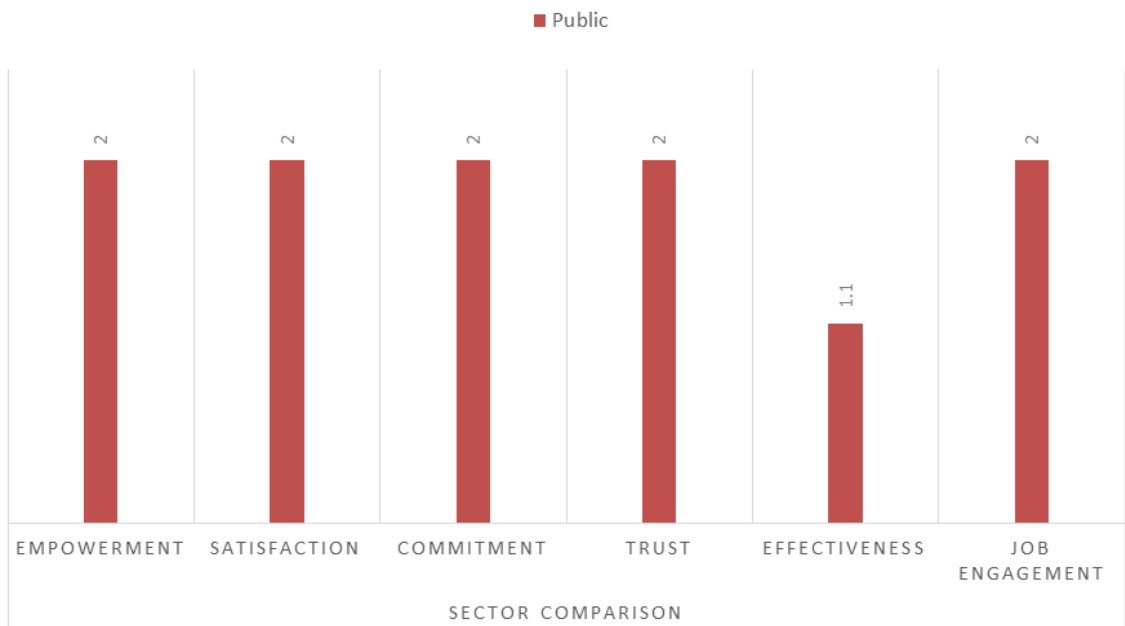
and the long-term interests of your organization when we write policies and procedures that treat them like thieves and bandits.^{2.7-1}

The result also shows that *employees in Public Sector are much more empowered* as compared to in private sector. This further explains that outcome of psychological empowerment and variables predicting psychological empowerment are also high for public sectors as compared to other.

Below graphical representation give overall picture of comparison of various psychological variables between industries and sectors selected in this study.



SECTOR WISE COMPARISON OF LEVEL OF FELT PSYCHOLOGICAL VARIABLES



CHAPTER 6

CONCLUSION & RECOMMENDATION

6.1 CONCLUSION & RECOMMENDATION

This research gave a brief introduction to the concepts as; psychological empowerment, job satisfaction, organizational commitment, employee effectiveness, trusts in management and job engagement. Different perspectives from the vast range of authors were explored (Conger & Kanungo, 1988; Thomas & Velthouse, 1990; Meyer & Allen, 1991; Meyer, Allen & Smith, 1993; Spreitzer, 1995; Allen & Meyer, 1996; Quinn & Spreitzer, 1997) as well as how their perspectives through empirical research brought light to these constructs. This paper further went on to explain the methods to empirically test these construct in various industries and sectors, recorded these findings with the use of tables and brief explanations, followed by an in depth explanation and interpretation regarding these results.

In summary, the four dimensions of psychological empowerment together are modest, yet differential, predictors of the different anticipated outcomes of psychological empowerment (job satisfaction, organization commitment, employee effectiveness).

“The results show statistically significant positive relationships of psychological empowerment to job satisfaction, organizational commitment, employee effectiveness, trust in management, and job engagement.”

Psychological empowerment can't be assumed to be existing on its own. It is felt and perceived by association with top management and executives in organization. Where employee empowerment does exist in organizations it needs to be enhanced, supported by management and employees. Therefore, there is need for good leadership to be in place at all levels of the organization to formulate and implement policies of employees empowerment. Employees' empowerment increases job involvement and promotes good employee relations in organization.

In this study, *“empowerment predicted job satisfaction.”* This means that if organizations are being able to improve the way employees feel about their levels of self-determination and impact, being able to feel that what they are doing has immense

impact in the organization and is able to decide about how to complete their tasks, they would also be more satisfied in most aspects of their job. Organizations need to define individual talent and roles in a way that makes employee feel a sense of meaning to organization. Employee competence can be improved by various training and development programs. Satisfaction involves work environment and commitment involves emotional attachment to the family of the organization. Employees who feel more empowered are more satisfied with their job and thus will contribute more above the work duties. This will have direct impact on their effort to work assignments and employee turnover intentions .

Psychological empowerment triggers intrinsic motivation, which is more influencing than extrinsic motivation while determining employee's intention to stay long with the organization. To meet the demands of customers as well as they want and as fast as their demand, is one of the criteria of quality service and the provision of this quality service which is no doubt closely and directly related to certain factors such as the way the service is provided by the employee providing the service, his/her speed, working environment, knowledge, competence and skills, authority in terms of problem solving and so on .

“Psychological empowerment also predicted commitment” (affective, normative and continuance). When employees are experiencing empowerment they would also feel to stay with the organization and not necessarily because they don't have alternative options. In order to keep employees knowledge within the organization, commitment to the organization might be important. In this research we have focused on affective commitment. Affective commitment refers to the employee willingness to stay in the organization. Affective commitment is positively related to behaviors that are beneficial to the organization such as performance, attendance, and staying with the organization .

Furthermore, Meyer and Allen (1997) ^{2,1-3}, argue that being committed to an organization lead people to stay on their jobs and to show up when they are supposed to. However, committed employees demonstrate a great willingness to share and make sacrifices for the organization to thrive . Meyer and Allen (1997) contend that

commitment may be enhanced by enriching jobs, by the employees having greater autonomy in doing their job, by receiving more feedback about their work and by aligning the interests of the company with those of employees .

The results show another interaction effect between psychological empowerment and trust in the management. In this interaction, trust in the management is important when an employee cannot identify his or her personal ideals with the organizational ideals and goals. Trust contributes to a positive working environment characterized by supportive relationships. Since trust is a salient component of well-functioning organization, this finding can provide employees with a useful framework for analyzing the concept of organizational “*trust as a contribution to individuals' perceptions of empowerment*”.^{2,1-4}

Job engagement also keeps employees active in their routine work and makes them feel part of the organization, which enforces to work above work duty .

Management should involve and consult employees in decision-making process of their organizations. In addition there is need to train employees properly to cope with any changes in macro – environment. Employees who are empowered will make the organization to survive, grow and face challenges with confidence. Management at all levels of the organization should trust their employees and encourage open communication .

Employee empowerment is strongly criticized in increasing the workload of employees. Therefore, management should ensure that employee empowerment is seen as an opportunity rather a strategy to increase the workload of other employees. Similarly management should put in place internal controls to check the misuse of power and authority in their organizations. Thus employees' empowerment without adequate training of employees would be a major treat to employee relation in organization. Managers should note that empowerment will not happen naturally in organization, but must be initiated and is an ongoing process.

This study will contribute to the existing literature of psychological empowerment; specifically will inspire managers to come up with various interventions on how to retain employees in their organizations by using psychological empowerment as one of the strategies.

Feeling that you have an impact in what happens in your organization you are likely to experience feelings of job satisfaction (autonomy- able to make decisions about ways to complete your duties; social- having better relations with colleagues and co-workers; intrinsic- feeling more satisfied with the work and giving internal satisfaction; and advancement- believing that you are able to be awarded an advancement if performance meets the expected standards) and initially leading to Affective commitment (being part of the organization by choice and exerting higher levels of effort towards achieving organizational goals.

Activating implementations intended for employee empowerment will considerably contribute to the establishments by providing competitive advantages especially in sectors where employees and employers face a fierce competition. Quick-mindedness, problem-solving skills and competence in human relations are very important for employees working in the tourism sector, which requires great physical and mental exertion. *“When empowered, employees will have the advantage of providing unsatisfied customers with various alternatives by utilizing their creativity and personal skills in quick decision making to respond to the customer as fast as possible.”*^{2.7-1}

The customer wants a quick response. And the employee would often like to be able to respond with something other than “No, it is against our rules,” or “will have to check with supervisor.” Empowering employees in these situations can lead to the sort of spontaneous, creative rule-breaking that can turn a potentially frustrated or angry customer into a satisfied one.

This is particularly valuable when there is little time to refer to a higher authority, as when the plane is leaving in fifteen minutes. Even before greeting customers, empowered employees are confident that they have all the necessary resources at their command to provide customers with what they need .

“An empowerment approach works best with a market segment that wants the tender

loving care dimension more than speed and cost.” Empowerment is the best approach when service delivery involves managing a relationship, as opposed to simply performing a transaction. The service firm may want to establish relationships with customers to build loyalty or to get ideas for improving the service delivery system or offering new services. ^{2.7-1}

“Businesses that operate in unpredictable environments benefit from empowerment.” Airlines face many challenges to their operations: bad weather, mechanical breakdowns, and competitors’ actions. They serve passengers who make a wide variety of special requests. It is simply impossible to anticipate many of the situations that will arise and to “program” employees to respond to them. Employees trained in purposeful chaos are appropriate for unpredictable environments . ^{2.7-1}

CHAPTER 7
**LIMITATIONS AND SCOPE FOR
FUTURE RESEARCH**

7.1 LIMITATIONS

During the data collection many people decided not to participate in the study. Since it is a comparative study in select organizations covering three industries data was to be collected from various organizations, which include geographic constraint. Study is only concentrated on industries in Delhi/NCR area. Further, as convenient survey approach was adopted most of the survey respondents were middle & junior level managers as they were more easily approachable. Although in our opinion will not have a significant impact on the results of the study as the need for psychological empowerment is most felt at middle levels .

The data sample consists of 180 respondents, which is significant, but might be limited for generalization to a larger population. This research is based on survey conducted in three companies across industries and sectors. A more generalized results could have been achieved if the number of companies per industry and per sector had been more.-

A question that could arise from the foregoing is the reliability of the respondents. Respondents were selected based on convenient from different organizations within same industry or sector, working in different locations. Possibly, respondents in different organizations do not experience the unplugged environment in the same way.-

The data has been collected within various departments of the same organization also. In order to make statements and judgments about other departments in general, the results shown in this research are not necessarily representative. This is because departments have their own organizational culture, which does influence perception of empowerment.

Measurements may not reflect the actual performance of the respondents. I was unable to actually observe the employees. In my opinion by having direct interaction or interview with participants would have helped to develop better understanding of various psychological outcomes.-

More efficient outcomes could be obtained by considering both behavior and psychological empowerment. Behavior dimension deals with the role of top management in employee empowering. This is one of the limitations of this paper as

senior management did not participated actively to a great level as compared to employees upto middle level. Leadership influences empowerment. Empowered supervisors are innovative, upward influencing, inspirational and less focused on monitoring to maintain the status quo.

Variables such as satisfaction, commitment and effectiveness to a certain extent depend upon extrinsic motivation factors also such as pay, availability of information, power etc. This study is based on intrinsic factors only and there is a possibility of bringing external factors into consideration while filling up the survey, which is not associated in this study, however these can to a certain level produce variation in result.

7.2 FUTURE RESEARCH

Future research design should be longitudinal, using field experiments and direct interviews which can model causality as well as help uncover the underlying processes which link empowerment with various outcomes.

This study can be taken up for future research in determining association between leadership and psychological empowerment. This can help to understand from the side of management whether it is macro-managed or micro managed. It is with the role of top management, empowerment can be feel.

Macro management is the act of leading decision makers or managing the managers. Macro management is a close concept to the economic concept of design. When a macro manager directs a system, first she or he will focus on the system's entities (such as constraints, rules, information architecture, etc.) and thereafter she or he will change them so that the system spontaneously moves to the defined aim, i.e. to the new lower potentials which a micromanager has tuned.

Micromanaging is a management style in which a supervisor closely observes or controls the work of an employee. In contrast to giving general instructions on smaller tasks while supervising larger concerns, the micromanager monitors and assesses every step. This behavior adversely affects supervisor–employee communication, creativity, productivity, problem-solving, flexibility, trust, feedback, openness, and company

Future research can also be carried out across different cultures to study influence of it on empowerment. Empowerment is contextual. It is a social construct nested in how an individual integrates perceptions of personal control, a proactive approach to life and an understanding of the socio-political environment. Hence, empowerment can be viewed differently across cultures and thus the success of empowerment as a managerial practice depends on an appropriate understanding of the culturally based assumptions, values and beliefs held by those who are being managed (Hofstede Model of culture dimensions)

Future research can be carried on how empowerment is experienced between different genders. Do males feel more empowered as compared to females or is it at same level