

A study of employee empowerment and job performance among the banking employees in Manipur

¹T Seikhotinthang Haokip & ²Dr. K Lavanya Latha

¹Ph.D. Scholar, Department of Management Studies, Pondicherry University, Puducherry – 605014 (India)

²Assistant Professor, Department of Management Studies, Pondicherry University, Puducherry – 605014 (India)

ARTICLE DETAILS

Article History

Published Online: 09 March 2019

Keywords

Empowerment, Human Resource practices, Job performance, Organizational performance

Corresponding Author

Email: drklavanyalatha[at]gmail.com

Haokipw[at]gmail.com

ABSTRACT

According to Business dictionary, empowerment refers to a management practice of sharing information, rewards and power with employees so that they can take initiative and make decisions to solve problems and improve service and performance. On the other hand, job performance is the work related activities expected of an employee and how well those activities were executed. The study aims to investigate the relationship between employee empowerment and job performance in the banking sector in Manipur, India. Employee empowerment is widely viewed as a promising approach to improve job performance in workplace. It is a descriptive study with fifty samples chosen using stratified random sampling. The self-prepared questionnaire was self-administered to the respondents. The employees in banking sectors find that empowerment strongly influences their job performance and improves significantly. Employee empowerment can be seen as the basic component to increase job performance in the banking sector.

1. Introduction

Employee empowerment is one of the strategies of human resource management(HRM) practices to increase productivity through effective techniques and optimal use of the resources in achieving organizational objectives. It aims at overcoming the major challenges such as technology growth, shortage of manpower, retention, uncertainty of the future, monitoring employees' performance faced by the business organization. Exceptionally empowered employees are required in request to address these difficulties. Management has begun to utilize diverse techniques to make their workers proactive, as opposed to receptive (Narang & Singh, 2010). One of such technique is employee empowerment. Empowered employees get authority and responsibility over their job and organization. With the changing pattern of worldwide business condition and to meet the needs of the diverse customer and stakeholder, employees have to face various challenges in their workplace. Therefore employee empowerment has a great impact upon the employees' job performances. Sashkin (1984) has said that employee empowerment which involves employee participation is a complex management tool that over 50 years of research have proved, when applied properly, can be affective in improving performance, productivity and job performance(as cited in Rajalingam et al., 2015). The best related consequence of employee empowerment is the job performance. Employee empowerment is linked with the today's modest environment where the knowledge of employees are very essential and institutions are stirring to the dispersed, biological type organizational arrangements (Baird &Wang, 2010).

2. Review of Literature

Iqbal, Ahmed & Javaid(2013) recognized a solid relationship among employee empowerment and the performance of the employees. Employee performance is anticipated by the empowerment and by two

determinants(meaningful of work and competencies) of empowerment meaningful work which is established to be very essential determinant forecasting the performance of the employee.

Employee empowerment reflects a positive connection between employee participation and employment fulfilment, inspiration and execution, individual responsibility and corporate accomplishment (Doughty, 2004).

Klagge(1998) assumed empowerment as the activity of designating appropriate responsibility to specialists and making capacities for them.

According to Vogt & Murrel (1990), empowerment is a time of refining the basic leadership capacity of the specialists over help, association, planning, learning and the cooperation.

Kanter (1977) viewed empowerment from the perspective of the leader's role in empowering employees. It shows that managers use empowerment as one of the strategies to give authority and responsibility over their job to enhance the performance and satisfaction level (as cited in Rajalingam et al., 2015).

Empowerment is a continuing process, delightful place in a lively environment, relating many essentials that work at diverse levels of study (Robbins, Crino &Fredendall, 2002). This means that employee empowerment has a significant relationship job performance which will pave a way to employee satisfaction as well as customer satisfaction.

Mullins & Peacock (1991) reiterated that empowered employees have a more prominent feeling of employment fulfilment, inspiration and authoritative dedication. A satisfied and committed employee is a profitable resource for the organization. Such an employee is mentally connected to his

job and is more averse to leave the association, takes pride in having a place with the organization (Kuo, Ho, Lin & Lai, 2009) and makes more prominent commitment for the accomplishment of the organization.

3. Methodology

The study was conducted in Manipur, India. Manipur is touted as the India's "Entryway toward the East" through Moreh and Tamu towns, the land route for trade exchange between India and Myanmar and other Southeast Asian Nations. The objective of the study is to understand how employee empowerment is related to the job performances and the impact on employees' performance with respect to the banking employees in Manipur. The study is a descriptive study with fifty samples chosen using stratified random sampling. The self-prepared questionnaire was self-administered to the respondents. The respondents were chosen from the banks (both private and public sector) functioning in the state of Manipur. The study is predominantly quantitative in nature. The research ethics are strictly adhered to during the collection of data. IBM SPSS 20.0 was used for data analysis.

4. Research hypotheses

- There is a significant difference between gender and employee empowerment
- There is a significant difference between the banks where the employees work and their employee empowerment
- There is a significant difference between respondents educational qualification and employee empowerment
- There is a relationship between the age of the respondents and the employee empowerment
- There is a relationship between the respondents' work experience and the employee empowerment.

5. Data Analysis and Results

The descriptive statistics and inferential statistics are employed in the data analysis. Parametric test was conducted for analysis.

- In this study 73 per cent are male and 27 per cent are female.
- Four-fifth (83 per cent) of the respondents is from urban area.
- Two-third (66 per cent) have completed post-graduation and less than one-third (30 per cent) have completed graduation
- The average experience of the respondents are 11 years
- There is no significant difference in gender Male ($M=88.2$, $SE=2.7$) and Female ($M=93.4$, $SE=3.5$) and their employee empowerment score, $t(48) = -1.155$, $p > .05$
- There is no significant difference between the respondents work places and employee empowerment, $F(9,40) = 1.316$, $p > .05$
- There is a significant difference between the respondent's educational qualification and employee empowerment, $F(3,46) = 3.287$, $p < .05$
- There is no significant relationship between age of the respondents and employee empowerment, $r = -.009$,

$p > .05$

- There is no significant relationship between respondent's experience and employee empowerment, $r = -.006$, $p > .05$

6. Implications of the study

With the growth of global business trends which opened up various opportunities and challenges to the employees of every organization, empowerment has a vital role to engage and satisfy the employees. Practicing empowerment in workplace will help the managers and leaders to retain the talented employees in the organization. So the study is of paramount importance as it highlights several important issues for the practice of human resource management in the banking sector. The studies on empowerment have also shown strong bonding between employee empowerment and job performance, therefore it can be applied to any organization in order to maintain organizational health and also to improve individual and organizational performance. The study is applicable not only in the banking sector but also applies to any organization which involves the practice of human resource management.

7. Suggestions

- Every bank should practice employee empowerment as the organizational culture in order to increase job performance.
- The study shows that satisfied or empowered employees have a better performance so managers should emphasize on the employee satisfaction which is possible with empowerment.
- Managers in the bank should frame strategies for employee empowerment for the success of the organization. Empowerment can be a helpful mediator to various issues in the bank.
- Every bank should follow a common banking ethics and update from time to time.
- Webinars on appropriate topics and workshops for the employees including bank tellers, clerks, support staff and administrative assistant should be conducted to bridge the skill-gap in the banking industry.
- Managers should create an environment which is participative culture and give certain freedom to the employees according to their type of job.

8. Conclusion

From the study we can conclude that employee empowerment has a significant effect on the job performance of the employees. Empowered employees get self-motivated and have the sense of responsibility and commitment towards their job and the organization. It means that empowered employees felt engaged and more associated with the organization and they began to have more commitment, satisfaction, thus increasing their performance as a result of which there is an increase in the organizational performance. Therefore there is a need for each and every organization to enhance their empowerment strategy in order to increase the job performance, level of satisfaction, and accomplishing organizational goals.

References

1. Baird, K., & Wang, H. (2010). Employee empowerment: extent of adoption and influential factors. *Personal review*, 39(5), 574-599.
2. Doughty, H. (2004). Employee Empowerment: Democracy or Delusion? 9(1): 1-24. *The Innovation Journal: The Public Sector Innovation Journal*, 9(1), 1-24.
3. Iqbal, N., Ahmad, N., & Javaid, K. (2013). Impact of Employee Empowerment on Employee's Performance in the context of Banking sector of Pakistan. *Pinnacle Business Management, Volume 2013*, 1-6.
4. Klagge, J. (1998). The Empowerment squeeze-views from the middle management position. *Journal of Management Development*, 17(8), 548-558.
5. Kuo, Tsung, H., Ho, L., Lin, C., & Lai, K. (2009). Employee Empowerment in a Technology Advanced Environment. *Industrial Management and Data Systems*, 110(1), 24-42.
6. Mullins, L., & Peacock, A. (1991, December). Managing through People: Regulating the Employment Relationship. *Administrator*, 45-55.
7. Narang, L., & Singh, L. (2010). Human Resource Practices in Indian Organization: An Empirical Study. *Management and Labour Studies*, 35(1), 25-34.
8. Rajalingam, Y., Junaimah, J., & AbdulGhani, B. (2015). A Study on the Impact of Empowerment on Employee Performance: The Mediating Role of Appraisal. *International Journal of Liberal Arts and Social Science*, 3(1), 92-104.
9. Robbins, T., Crino, M., & Fredendall, L. (2002). An integrative model of the empowerment process. *Human Resource Management Review*, 12(3), 419-443.
10. Vogt, J. F., & Murrell, K. L. (1990). Employee empowerment : solution to a burgeoning crisis? . *Challenge*, 38(5), 25-27.