

A Study on the Impact of Empowerment on Employee Performance in The Logistic Industries of North Karnataka

Mohammed Javed Kalburgi

Abstract— Employee empowerment has widely been recognized as an essential contributor to organizational success with many authors observing a direct relationship between the level of employee empowerment and employee performance. The major objective of this study is to understand the employee empowerment and its effect on performance. Primary data was collected from 100 employees working in logistic industry of north Karnataka, by administering the questionnaire, while using discussion & interview method. The major findings of the paper are the empowered employee is the better performer in the industry.

Index Terms— Employee, empowerment, performance, logistic.

I. INTRODUCTION

An organization's human resource is its most valuable asset. The employees are the repository of knowledge, skills and abilities that can't be imitated by the competitors. Technologies, products and processes are easily imitated by the competitors; however, at the end of the day, employees are the most strategic resource of the company.

Generally, people are a firm's most underutilized resource. And that is why management tries to empower the employees. But employees often are afraid of taking this responsibility. They fear the additional work pressure that they will have to bear as a part of being empowered. Besides, they also fear being held accountable for the decisions they make.

Employee empowerment has widely been recognized as an essential contributor to organizational success with many authors observing a direct relationship between the level of employee empowerment and employee performance, employee job satisfaction and employee commitment. Empowering employees enables organizations to be more flexible and responsive and can lead to improvements in both individual and organizational performance. Similarly, it is maintained that employee empowerment is critical to organizational innovativeness and effectiveness

The major objective of this study is to understand the employee empowerment and its effect on performance of an employee and also understand the factor affecting employee empowerment and performance of employee.

Manuscript received Nov 24, 2014

Mohammed Javed Kalburgi, Asst Professor, Department Of Management Studies, Ballari Institution of Technology and Management, Bellary, India

II. LITERATURE REVIEW

Klagge J. (1998) sees the literature in a way indicating the meaning of empowerment as to release improved "power and authority" along with the relevant duties and expertise to employees.

Empowerment has been defined in numerous ways, but most authors agree that the core element of empowerment involves giving employees a discretion (or latitude) over certain task related activities. Randolph (1995) defines employee empowerment as "a transfer of power" from the employer to the employees. Blanchard et al. (1996) for instance argued that empowerment is not only having the freedom to act, but also having higher degree of responsibility and accountability. This indicates that management must empower their employees so that they can be motivated, committed, satisfied and assist the organization in achieving its objectives.

Empowerment is defined as a approach to facilitate employees makes assessment (Bowen & Lawler, 1992) and share their knowledge, skills and take liability for their own actions and events (Pastor, 1996). Earlier research defined empowerment as a collection of management practices to hand over authority to the staff (Blau & Alba, 1982) whereas recent research has a major focus on employee experience i.e. psychological empowerment (Corsun & Enz, 1999).

A study shows that employee empowerment leads to job satisfaction (Zeithaml, Berry, & Parasuraman, 1988). Customer problems can easily be solved quicker by empowerment because employees performed their duties without wasting time and referred the complaints of employees immediately to higher authority (Rafiq & Ahmed, 1998).

Employee empowerment refers to the delegation of power and responsibility from higher levels in the organizational hierarchy to lower level employees, especially the power to make decisions. Employee empowerment will lead to improving productivity, performance and job satisfaction (Nick et al., 1994).

III. METHODOLOGY

With a view to achieving the objectives set for the study, the researcher has used combination of exploratory and descriptive research. The data used in this chapter are obtained from primary sources. The data are obtained by administering questionnaire to selected 100 employees of the logistic industry. The researcher based on his convenience and judgment has chosen simple random sampling method. For collecting the data Interview method has been used.

Employee empowerment & performance

Empowerment has general and specific countless meaning and this various definitions and approaches, faced the integrity of this concept with problem. such a way that define empowerment factors is used such as intrinsic motivation, understanding and commitment, job structure, and the sharing of resources and data transmission, power or authority . The first definition of empowerment, back in 1788 that empowerment knew as delegating authority to the organization role of individual. This authority should be granted to an individual or seen in his organization's role (Soofali,2003) In the dictionary, empowerment evokes the different meanings. Empowerment, is a collection of systems, methods and measures to develop the capability and competence of individuals to improve and increase productivity, organization development, growth and prosperity And human resources according to the organization's goals are used. Empowerment, is not only giving power to employees but cause employees with learning the skills and motivation, could improve their performance. Accepting empowerment as something that no single entity, enabling a wide ranges of projects covering a variety of managerial incentives those they can include. However, they all share the common perceptions of managers and staffs are inseparable connected. They can change range from a mechanistic (eg restructuring) to organic (the attitude and culture).

IV. DATA ANALYSIS AND INTERPRETATION

What is the present performance of an employee in an organization?

Table 1 Present performance of an employee in an organization

| Particulars | Rating in % |
|-------------|-------------|
| Excellent | 10% |
| Good | 80% |
| Fair | 10% |
| Poor | 0% |

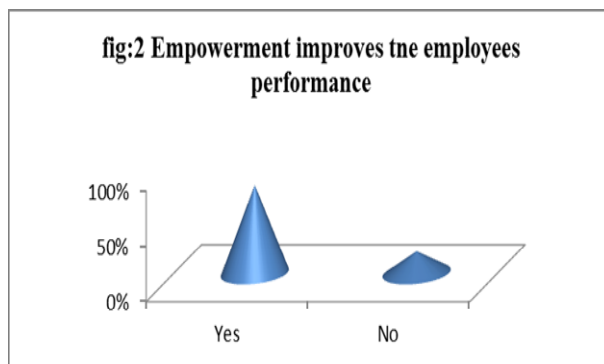


From the above table & figure 1 majority of the respondents believed that the performance of an employee in an organization is excellent (10%), good (80%) , fair is 10% and poor is zero.

Does empowerment improves the employee performance?

Table 2: Empowerment improves the employee's performance

| Particulars | Rating in % |
|-------------|-------------|
| Yes | 80% |
| No | 20% |

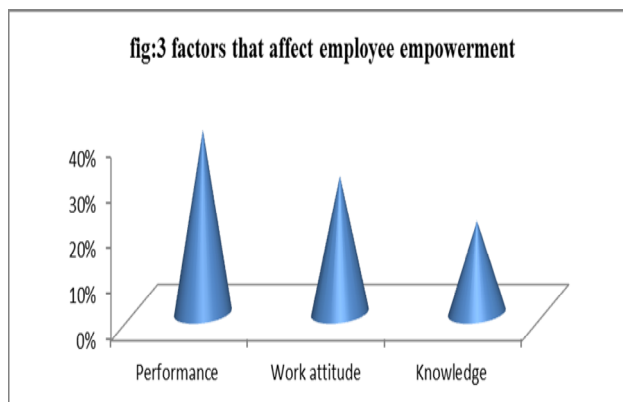


Majority of the respondents from the figure 2 said that i.e 80% Empowerment improves the employee's performance and 20% say no.

Factors that affect employee's empowerment?

Table:3 factors that affect employee empowerment

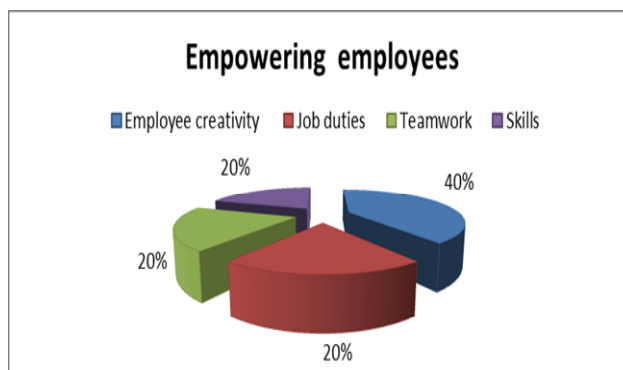
| Particulars | Rating in % |
|---------------|-------------|
| Performance | 40% |
| Work attitude | 30% |
| Knowledge | 20% |
| skills | 10% |



From the above figure 3 majority of the respondents believed that factors that affect employee empowerment for performance are 40%, work attitude is 30%, possessing knowledge is 20% and skills is 10%.

How do you empower your employees?

| Particulars | Rating in % |
|---------------------|-------------|
| Employee creativity | 40% |
| Job duties | 20% |
| Teamwork | 20% |
| Skills | 20% |



From the above figure4 majority of the respondents believed that empowering employees through employee creativity is 40%, job duties is 20%, teamwork is 20% and skills is20%

CONCLUSION

Employee performance is about employees achieving the results, goals or standards as per the expectations set by the organization. Employees are rated on how well they do their jobs compared to the performance standards set. Empowerment plays significant role in employee's satisfaction thus promoting their performance in organizations. Employee's participation in decision making delegation of power, access to information and resources there is an immediate need to pursue with employees what will make the employees more effective and competitive as the number of Organizations and Business are increasing.

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