

# A Study of Employee Empowerment and Its Impact on Employee's Performance in Private Hospitals at Vellore, Vellore District

OPEN ACCESS

Volume: 7

Issue: 3

Month: July

Year: 2019

ISSN: 2320-4168

Received: 29.05.2019

Accepted: 28.06.2019

Published: 01.07.2019

Citation:

Satheesh Kumar, M., and S. Abdul Sajid. "A Study of Employee Empowerment and Its Impact on Employee's Performance in Private Hospitals at Vellore, Vellore District." *Shanlax International Journal of Commerce*, vol. 7, no. 3, 2019, pp. 75-80.

DOI:

<https://doi.org/10.34293/commerce.v7i3.525>



This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

**M.Satheesh Kumar**

*Research Scholar, Department of Commerce*

*C.Abdul Hakeem College (A), Melvisharam, Vellore, Tamil Nadu, India*

**S.Abdul Sajid**

*Principal, PG and Research Department of Commerce*

*C.Abdul Hakeem College (A), Melvisharam, Vellore, Tamil Nadu, India*

## Abstract

*Employee empowerment is a new approach which is defined in many companies to make human resource development and to withhold employee from leaving their job by giving responsibility for decision making regarding their organizational tasks. The paper explains about the employee empowerment and its impact on employee's experience in hospital service sectors excluding; nurses, doctor and lab technicians. The data are collected from primary and various secondary sources. It is took to a close that empowered employee is more being satisfied with their job and it increases the performance of the employee in work.*

**Keywords:** Employee empowerment, information, knowledge power, reward, autonomy decision making.

## Introduction

In today's industrial arena companies or service sectors are facing a lot of problems, and it affects the performances of employees in the service sectors. Employee empowerment through information sharing, knowledge development, power, reward and decision making makes the employee performance very effective in their jobs. Hence researcher selected hospital service sector for his research excluding doctors, nurses, and lab technicians.

## The objective of the study

1. To study the employee empowerment and its impact on employee performance.
2. To study the factors which contribute more to employee performance.

## Research Methodology

The primary data is collects from the service sector through the questionnaire. The secondary data are collected from Articles, Journals, and Books and with the help of internet. In this research study, the researcher has taken a hundred samples from various services sector in Vellore district. Non-probability sampling method is used for this research study. Convenience sampling methods were adopted. In this research study simple statistical tools are used, like charts, Percentage and charts diagrams.

## Hypothesis

1. Hypothesis H0: that there is no significant relationship between employee empowerment and employees performance.
2. Hypothesis H1: that there is a significant relationship between employee empowerment and employees performance.

## Review of Literature

The following gives a review of the literature regarding employee empowerment.

Bowen and Lawler (1992) researched on empowerment has shared with front-line employees with information regarding organizational performance, knowledge to understand and contribution to organizational performance, rewards related to organizational performance and power to make a decision that influence organization directly and performance.

John Newstrom and Keth Davis found that Empowerment is a process that provides greater authority through the sharing of related information and the provision of control over factors affecting job performance.

Ford and Fottle, (1995) found that the empowerment process requires the sharing of information and knowledge essential to enable employees to contribute to organizational performance.

Karakoc (2009) employee empowerment is an vital concept of management which improves the knowledge, skill, and talent of the employees at the top level which gives employees satisfaction. Caudron (1995) employee empowerment is a process which influences the employees to provide job satisfaction. Greasley (2005) employee empowerment is a commitment and sense of belonging to the organization which gives job satisfaction.

Ettore (1997) defines empowerment as employees having autonomous decision making skills and acting as associates in the business, all with an eye on the bottom line.

Looy et al. (2003) point out that the most essential reason for empowerment at the individual employee level is the faith that autonomy motivates people, and boost them to take initiative and make decisions.

Brown and Harvey (2006) define employee empowerment as a process of giving staffs or employees the authority or power to make decisions about their job.

Gill (2011) found that employee empowerment states the important of the job of employees, their feeling of competence, autonomy, and contribution to the decision making or applications of leadership.

Blanchard et al. argue (2009) that empowerment refers not only to have power or authority to make decision and act but also to have a higher level responsibility and accountability.

Demirci and eras (2010) say that employee empowerment a sole style of management where managers discuss about various work -related problems and activities with the employees of the organization.

Honold (1997) empowerment has become the most important way to increase the efficiency of the employee, at all the level to use their abilities to improve the performance of the organization and also increased the quality of their work. On the other hand, the employee empowerment is the systematic process to increase the efficiency of the employee by using some tools and technique, employee empowerment is the proper authority and responsibility to the employee to deal with the ultimate customer as service.

According to Honald (1997) empowerment relates to providing task discretion and more authority to an employee, whereas gerialis and terziovski (2003) has defined employee empowerment as the human resource management techniques which involve the transfer of authority and control form a high level of employee to the lower level employee.

Cunningham (1998) fount that empowerment is the delegation of power, authority or responsibility in the organizational structure. It is a process of decentralizing decision making in the organization.

Lashley (2000) employee empowerment is a strategy and philosophy that gives employees to make decisions about their jobs and helps employees through their work and take responsibility for their results.

### Measurement of Employees Empowerment Information Sharing

It means to provide the essential information to employees simply and access causes for self-confidence and awareness of employees of the present situation of organization and will be reason culture strengthening of confidence and unanimity. If employees do not have sufficient information, they will not take the correct decision. Employees access information causes for belonging feeling, performance improvement and responsibility of employees Knowledge.

Before and after empowering employee every company needs to give training for increasing knowledge and skills of the employee. Which build up their problems solving decision- making ability. As by having a power of knowledge and skills an employee can be bright to contribute to the aims of the company.

### Power

To make considerable decisions, employees must have the power by giving up some of the power traditionally held by management, which means managers also must take on new roles, knowledge, and responsibilities.

### Rewarding

The employees need to get the bonus on the basis of their performances and the company's performance. The employees can be more dedicated towards the company by having a good appreciation, engagement with development, recognition, and trust.

### Autonomy

Autonomy is synonymous with a choice dimension of and refers to the extent to which employees experience substantial freedom and discretion in their work. The major describing characteristics of autonomy are the freedom and preference to make a decision about how to schedule work. Independencerequires moving from hierarchical control and direction systems to a system where low-level employees are given preference over prepare to perform their work. The degree in which individual can exercise his action about work-related activities at his own decision.

### Decision Making

Employee empowerment is giving employees responsibility and authority to make decisions regarding all aspects of product development. Empowerment is a process where employees are taking part or share in managerial decision making. Employee empowerment is the method of allowing an employee to think, take action and control work and decision making in autonomy or independent way.

Participation in decision making means to provide achance and give importance to their worker thinking whether they are the unequal hierarchy. Participation in decision making fulfills the need of employee's ego, and employee's behavior will be more cooperative towards organization objectives and goals.

We can say that when employee involves as a part of essential information and planning processes, his level job satisfaction will be high and higher motivation, it will lead to higher job satisfaction.

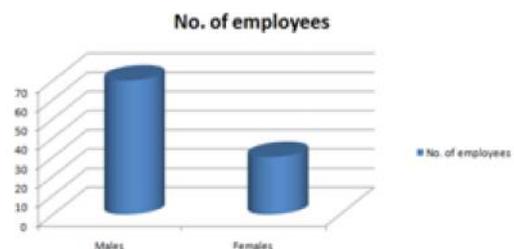
### Analysis of Data

The following chapter gives the analysis of data

**Table Frequency of distribution Gender**

| Gender       | No. of employees | Percentage  |
|--------------|------------------|-------------|
| Males        | 70               | 70%         |
| Females      | 30               | 30%         |
| <b>Total</b> | <b>100</b>       | <b>100%</b> |

Source: Primary data – Questionnaire.



**Inferences:** From the above chart, it is found that 70% of the employees are males, 30% of the employees are females.

**Conclusion:** Most of the employees are males.

**Table Frequency distribution of employee's age**

| Age            | No. of employees | %           |
|----------------|------------------|-------------|
| Below 25 years | 28               | 28%         |
| 25 – 35 years  | 32               | 32%         |
| 35 – 45 years  | 28               | 28%         |
| 45 – 55 years  | 12               | 12%         |
| <b>Total</b>   | <b>100</b>       | <b>100%</b> |

Source: Primary data – Questionnaire.



**Inference:** From the above chart, it is found that 28% of the employees are in between below 25 years of age, 32% of the employees are in between 25 – 35 years of age, 28% of the employees are in between 35 – 45 years of age, 12% of the employees are in between 45 – 55 years of age.

**Conclusion:** Most of the employees are in between 25- 35 years of age.

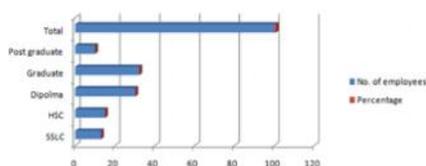
**Table frequency distribution of Educational Qualifications**

| Edn. Qualifications | No. of employees | %           |
|---------------------|------------------|-------------|
| SSLC                | 13               | 13%         |
| HSC                 | 15               | 15%         |
| Dipolma             | 30               | 30%         |
| Graduate            | 32               | 32%         |
| Post graduate       | 10               | 10%         |
| <b>Total</b>        | <b>100</b>       | <b>100%</b> |

Source: Primary data – Questionnaire.

**Inference:** From the below chart, it is found that 13% of the employees studied up to SSLC, 15% of the employees studied up to HSC, 30% of the employees studied up to diploma, 32% of the employees studied up to graduate, 10% of the employees are studied up to post graduate.

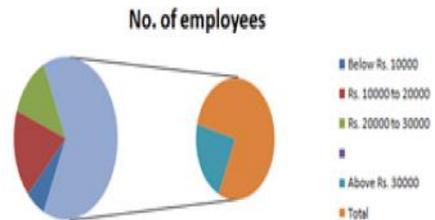
**Conclusion:** Most of the employees are graduate.



**Table Frequency distribution of Income**

| Income             | No. of employees | Percentage  |
|--------------------|------------------|-------------|
| Below Rs. 10000    | 12               | 12%         |
| Rs. 10000 to 20000 | 35               | 35%         |
| Rs. 20000 to 30000 | 25               | 25%         |
| Above Rs. 30000    | 28               | 28%         |
| <b>Total</b>       | <b>100</b>       | <b>100%</b> |

Source: Primary data – Questionnaire.



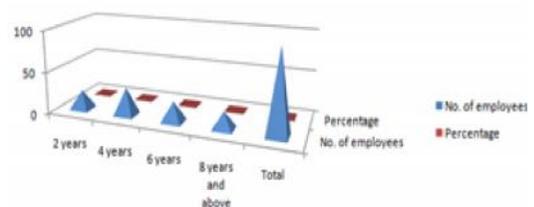
**Inference:** From the above chart, it is found that 12% of the employees are earnings below Rs. 10000 as an income, 35% of the employees are earnings Rs.10000 to 20000 as an income, 25% of the employees are earnings Rs.20000 to 30000 as an income, 28% of the employees are earnings above Rs.30000 as an income.

**Conclusion:** Most of the employees are earnings Rs.10000 to 20000 as an income.

**Table Frequency distribution of Experience**

| Experience        | No. of employees | Percentage  |
|-------------------|------------------|-------------|
| 2 years           | 23               | 23%         |
| 4 years           | 33               | 33%         |
| 6 years           | 24               | 24%         |
| 8 years and above | 20               | 20%         |
| <b>Total</b>      | <b>100</b>       | <b>100%</b> |

Source: Primary data – Questionnaire.



**Inference:** From the above chart, it is found that 23% of the employees have 2 year experience on the job, 33% of the employees have 4 year experience on the job, 24 % of the employees have 6 year

experience on the job, 20% of the employees have 8 years and above experience on the job.

**Conclusion:** Most of the employees have four year experience on the job.

### Relationship between Employee Empowerment and Its Impact of Employee Performance

| S.No         | Questionnaire items | S. Agree /Agree | %         | Disagree/ S. Disagree | %         | Neither agree / nor agree | %         | Total      |
|--------------|---------------------|-----------------|-----------|-----------------------|-----------|---------------------------|-----------|------------|
| 1            | Information sharing | 53              | 53        | 27                    | 27        | 20                        | 20        | 100        |
| 2            | Knowledge           | 54              | 54        | 30                    | 30        | 16                        | 16        | 100        |
| 3            | Power               | 52              | 52        | 28                    | 28        | 20                        | 20        | 100        |
| 4            | Reward              | 56              | 56        | 24                    | 24        | 20                        | 20        | 100        |
| 5            | Autonomy            | 52              | 52        | 32                    | 32        | 16                        | 16        | 100        |
| 6            | Decision making     | 55              | 55        | 27                    | 27        | 18                        | 18        | 100        |
| <b>Total</b> |                     | <b>322</b>      | <b>54</b> | <b>168</b>            | <b>28</b> | <b>110</b>                | <b>18</b> | <b>600</b> |

According to chart aggregate response, 320 (54%) indicate the strongly agree and agree, 170 (28%) indicate the strongly disagree and disagree while 110 (18%) indicate undecided. This implies that there is a positive relationship between employee empowerment and employees performance. The reward is a most effective factor in the empowerment process.

### Conclusion

In this research, researcher conclude that employee is doing work after providing reward and involve decision making in their work. In turn, it will increase job performance. Employee empowerment does influence their performance, and such influence can be facilitated with appraisal in an organization. So, it is very important for every organization to enhance their empowerment activity and a good performance appraisal to increase the level of employee performance.

### References

Blanchard, K, Carlos, JP & Randolph, A, *Empowerment Takes More Than a Minute*, Berrett – Kochler, San Francisco, 1996.

Bowen, DE & Lawler, EE. “The Empowerment of Service Workers: What, Why, How and When”. *Sloan Management Review* (spring), vol. 33, no. 3, 1992, pp. 31-39.

Byham, WC, “Characteristics of an Empowered Organization” in Ginnodo, B. (ed), 1997.

Caudron, S. “Create an Empowering Environment,” *Personnel Journal*, vol. 74, no. 9, 1995, P. 28.

Conger, JA and Kanungo, RN. “The Empowerment Process: Integrating Theory and Practice”, *Academy of Management Review*, vol. 13, no. 3, 1988, pp. 471-482.

Cunningham, I and Hyman, J. “Empowerment: The Right Medicine for Improving Employee Commitment and Moral in The NHS?”, *Health Manpower Management*, vol. 22, no. 6, 1996, pp. 14-224.

Demirci, MK and Erbas, A. 2010. “Employee Empowerment and its Effect on Organizational Performance”, in *2<sup>nd</sup> International Symposium on Sustainable Development*, 2012, Sarajevo.

Ettorre, B. *The Empowerment Gap: Hype Vs. Reality*, 1997.

Lashley, C. “Employee Empowerment in Services: A Framework for Analysis.” *Personnel Review*, vol. 28, no. 3, 1999, pp. 169-191.

Looy, BV, Gemmel, P and Dierdonck, RV. “Service Management: An Integrated Approach”. 2nd ed. Harlow: Financial Times Prentice Hall, 1999, 2003.

Mohrman, SA, “Empowerment: There’s More to It Than Meets the Eye.” *The Power of Empowerment: What the Experts Say and 16*

*Actionable Case Studies*, edited by Ginnodo, B. Pride, 1997.

Pun, KF, Chin, KS and Gill, R. “Determinates of Employee Involvement Practice in Manufacturing Enterprises”, *Total Quality Management*, vol. 12, no. 1, 2001, pp. 95-109.

Randolph, WA, “Navigating the Journey to Empowerment,” *Organizational Dynamics*, vol. 23, no. 4, 1995, pp. 19-32.

Ronald Linda, “A Review of Literature of Employee Empowerment” *Empowerment in Organization*, vol. 5, no. 4, 1997, pp. 202-212.

### Author Details

**M.Satheesh Kumar**, *Research scholar, Department of Commerce, C.Abdul Hakeem College (Autonomous), Melvisharam, Vellore, Tamil Nadu, India. Email ID: msatheeshkumar2013@gmail.com.*

**Dr.S.Abdul Sajid**, *Principal, PG and Research Department of Commerce, C.Abdul Hakeem College (Autonomous), Melvisharam, Vellore, Tamil Nadu, India.*