

Impact of Psychological Employee Empowerment on Employee Satisfaction in the Banking sector in West Bengal

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Employee empowerment is giving employees a certain degree of autonomy and responsibility for decision-making regarding their specific organizational tasks. Psychological employee empowerment, structural empowerment, critical social empowerment and social empowerment are some of the common perspectives of empowerment.

The aim of the study has been to ascertain individually the factors affecting psychological employee empowerment and employee satisfaction. This study also attempts to measure the impact of psychological employee empowerment on employee satisfaction.

The study is based on a sample consisting of 402 employees of various banks in West Bengal, India. Data was analysed using Cronbach's Alpha, Factor Analysis, and Multiple Regression in SPSS Software.

Reliability Analysis by Cronbach's alpha showed excellent reliability between items of Psychological Empowerment Scale, and Satisfaction Scale. Factor Analysis revealed the factors affecting Psychological Empowerment, and Employee Satisfaction. Multiple Regressions demonstrated a positive relation between psychological employee empowerment and employee satisfaction.

Competency and Autonomy significantly affect Psychological employee empowerment. Four factors like Company Policies, Nature of Job, Work Environment, and Self Esteem significantly impact employee satisfaction. It is concluded that employee empowerment has a positive impact on employee satisfaction.

Key Words: *psychological empowerment, satisfaction, banking sector.*

Introduction

This study is a part of a more in-depth research investigating the empirical relationship between employee empowerment and employee satisfaction. Here, the main focus is on the psychological aspect of employee empowerment. Psychological employee empowerment can be defined as an intrinsic motivation of an employee that stems from an employee's cognitive characteristics towards his job like meaning, competence, self-determination, and impact (Stander, 2009).

An environment consisting of empowered employees is a vital factor for ensuring the efficiency and success of any business establishment. Through the process of empowerment, higher management delegates power, authority and responsibility to subordinates. Consequently, this will create a conducive organizational climate for decentralized decision making. Empowering employees provides them with a sense of control over organizational decisions. In management practice, two complementary empowerment approaches are at play – socio-structural and psychological. A third perspective of empowerment is that of critical-social empowerment (Corbally, et al 2007). Psychological employee empowerment has been defined as an intrinsic motivation that stems from employees' four cognitive characteristics – meaning, competence, self-determination and impact regarding his job (Karakoc and Yilmaz, 2009).

When empowerment, as a managerial concern is given its due importance, then that would have a profound positive effect on employee commitment and attrition rate. Empowerment has been held to be synonymous with confidence building, active

participation in decision making, and the blurring of the border line that separates management and employees. It increases productivity, performance and job satisfaction (Conger & Kanungo, 1998). Empowerment is a tool which enables an employee to contemplate independently about the nature of his job and to go beyond his scope of work. It leads to success at his workplace through his persistent efforts, which yields better organizational results (Olshfski & Cunningham, 1998). When human capabilities are developed, there is a corresponding increase in overall economic development (Michael, 2019). Empowerment is often expressed as an intrinsic motivation that stems from four cognitions that are reflective of a person's temperament for his job-related responsibilities.

A fundamental aim of employee empowerment is for team members to stretch themselves to reach their full potential. This results in job satisfaction (Casey and Saunders, 2010). Job satisfaction which gives rise to employee satisfaction is the level of satisfaction that a person has with his or her job (Spector, 1997). The idea that employee satisfaction bears a linear relation to employee empowerment is a relevant topic for research (Lacy & Sheehan, 1997). Job satisfaction occurs along three dimensions – a) what the employees feel vis-à-vis the work environment; b) how closely expectation and reality are linked and c) their level of contentment regarding remuneration package (Ameer, 2014). The present reality is that a productive individual spends a major part of his day within the confines of the four walls of his workplace. Hence, it is needless to say that an employee's overall satisfaction is contingent on his job satisfaction. Employee satisfaction towards his job is an indispensable component for the formation of healthy milieu and climate in any business unit (Mulinge & Muller, 1998).

The study corroborates that people will be encouraged towards superior and excellent performance if they consider their jobs to be of high consequence, significance and enjoyable. It implies that they tend to stay with jobs that are satisfying while the same people may call it quits when they find that the job is boring, unappealing and dissatisfying. Thus, job satisfaction is a first-and-foremost expected result of empowerment.

1.1: Statement of the Problem

Banks are the financial lifeline of any nation. They play a major role in the economic development of the country and also act as a major source of employment generation. In the new Indian economic scenario, market – both private and public – has become highly liberalized, privatized, and globalized. Banks face cut-throat competition from rival organizations to retain and expand their market share. Attainment of customer satisfaction has become imperative for survival and growth (Abu et al, 2012). A reservoir of talented employees who can take quick decisions is a must. For these reasons, employee empowerment is becoming a very important issue in organizations (Ghosh, 2013).

Literature review reveals that employee empowerment practises – both psychological and structural – have a profound effect on employee satisfaction. But how these two dimensions of empowerment separately impact employee satisfaction in the banking sector in West Bengal is yet to be thoroughly investigated. The research paper thus tries to identify and establish if psychological employee empowerment bears any relation with employee satisfaction in banks in West Bengal. It has further made an endeavour to analyse the various factors of psychological empowerment and how, and to what extent each of them influences satisfaction. Lastly, it elaborates whether the findings can be applied to other parts of India and even other economies.

1.2 Literature Review

Survey of existing literature on employee empowerment suggests that organizational practises supporting empowerment enhance the feelings of job satisfaction amongst the employees (Khera, 2015).

Employee Empowerment

Empowerment as a process enhances the feelings of self-efficacy among organizational members. It has been emphasized that employee empowerment develops people's mindset to achieve individual and organizational peak (Conger and Kanungo, 1998). Psychological empowerment puts the focus of empowerment on the employees' work experience. It refers to the psychological state of employees wherein they feel a sense of control vis-à-vis their job (Bowen & Lawler, 1992). Also, it has been estimated that personality and its various components have an indelible imprint on work outcome, motivation and engagement of employees (Gwal, 2019). Presence of positive personality dimensions in employees contribute a lot towards employee engagements in business establishments (Vinchur, 1998). Organizations always strive to ensure that the work behaviour demonstrated by their employees is in consonance with the stated organizational objectives and is not counterproductive. Counterproductive work behaviour needs to be avoided as such behaviour results in wastage of employer's time and resources (Lorinkova, 2017). When employees are empowered, such negative behaviour can be suitably avoided.

Dimensions of Psychological Empowerment

Meaning: It implies congruency between the needs of one's job-role and his or her own expectations and value systems (McFarlin and Coget, 2013).

Competence: It refers to self-efficacy in one's job responsibilities as also confidence in his or her abilities. This can be suitably enhanced through training. It has been postulated that training enhances employee performance. Training makes the employees more competent by increasing their skill and knowledge acquisition. This makes them more committed towards their work (Saxena, 2020).

Self-Determination: Self-determination refers to the presence of alternatives in employees' work life in initiating and controlling one's actions (Kinlow, 1995). In such a scenario, employees exercise autonomy in taking work-related decisions that directly affect them. Higher perceived job autonomy reduces the likelihood of the employees quitting their jobs (Spector, 1986).

Impact: Impact refers to the extent employees exert influence or affect strategic, administrative or operating decisions at the workplace (Makinda and Kwasira, 2012) (Spreitzer, 1995).

Employee Satisfaction

Employee satisfaction is referred to as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. It is actually an individual's own appraisal of the job-situation (Sumitha and Padmaja, 2017; Locke, 1976). Again, employee satisfaction has been found to be linked with customer orientation. Employees who are satisfied demonstrate a higher degree of customer orientation (Gordhan, 2018). Employee satisfaction has also been considered as an important antecedent to customer satisfaction in the service sector, which in turn, retains the company image and brand value (Kurian, 2017).

Dimensions of Employee Satisfaction

Reward policy

A fair and equitable policy of reward and remuneration goes a long way in ensuring satisfaction amongst the workers (Devi and Suneja, 2013).

Job Security

A safe and secured working environment where employees are assured of their positions within the organization is a vital necessity to encourage employee involvement, commitment and ultimately satisfaction (Lane, 2010).

Working Conditions

A healthy working environment improves job satisfaction. Working conditions may include provisions for rest rooms, clean drinking water, subsidised canteen facilities, housing provision, parks, hospital arrangements, crèche facilities, work from home, flexible timings, extended child care leave, career counselling, succession planning, etc. (Deshpande, 2012).

Relationship with Boss

A congenial dyadic boss-subordinate relationship fosters a climate of mutual trust and respect. This is an important precursor for uplifting the employee morale and satisfaction (Chakraborty, et al 2008).

Relationship with Peers

A healthy working environment characterized by cooperation and support between the team members makes the workplace exciting and appealing which results in employee satisfaction (Sowmya and Panchanatham, 2011).

Fair Promotion Policy

An organizational policy that emphasizes performance in promotion decisions results in a work culture that is fair and equity based. A just performance appraisal system and a transparent promotion policy help in making employees satisfied and content (Naveed et al 2011).

Work-Life Balance

Organizational climate and culture that fosters a healthy quality of work life and also enables the employees to maintain balance between their professional and personal life is known as work-life balance. This positively impacts employee

satisfaction (Mcnall, et al 2010), (Saif et al 2011).

1.3: Research Gap

Previous researchers have tried to establish as well as define the relation between employee empowerment and employee satisfaction. But there are only few existing research studies from the Indian perspective. Whatever Indian studies have been conducted are mainly concentrated in the Northern and Southern states. However, they have focused more on the total concept of empowerment. The individual effects of psychological empowerment on employee satisfaction have been dealt with in very few instances. Thus, we find that there is a dearth of literature that has focussed, studied, and analysed the relation between psychological employee empowerment and employee satisfaction in the banking sector in West Bengal, India. This paper attempts to do that.

1.4: Research Objectives

The purpose of this research study is to determine the relation between psychological empowerment and employee satisfaction. This paper attempts to reveal the following:

- i) To discern the factors that impact psychological employee empowerment.
- ii) To determine the factors of employee satisfaction.
- iii) To establish a relation between psychological employee empowerment and employee satisfaction.

1.5: Research Hypothesis H₁₁:

Psychological employee empowerment exerts an effect on employee satisfaction.

Methodology

2.1: Sources of Data

Primary Data: Primary data collection has been done through a questionnaire filled by the employees of banks. We have included both clerical employees as well as officers. The officers were from the following grades: Scale I, Scale II and Scale III.

Secondary Data: Secondary data have been collected from various sources like textbooks on Strategic Management, Human Resource Management, Organizational Behaviour, Journals and Publications, and Articles and Research papers of other researchers in the relevant field of study. Necessary information has also been gathered from bank websites and extensive literature review.

2.2: Sampling Plan

We have utilised stratified random sampling techniques. In 2017-2018, there were 21 nationalised banks (including SBI and IDBI) and 21 private sector banks. To facilitate formation of various strata, banks have been classified into 3 strata on the basis of business (i.e. deposits and advances).

- Large banks having Rs. 5 lakh crore and above business
- Medium banks having Rs. 2 lakh crore and above business but below Rs. 5 lakh crore business.
- Small banks having less than Rs. 2 lakh crore business.

We have selected 10 banks and their different branches situated in various districts of West Bengal. Both Private and Nationalized Banks were selected.

Table 1 demonstrates how the different banks from different strata have been utilised in the data.

Table 1: Identification of Sample

Business Transaction (Deposits + Advances)	Large Size Banks	Medium Size Banks	Small Size Banks
Number of Banks	10	12	20
Sample Size	5	3	2

The sample has been chosen from 42 banks. 5 large-sized banks have been selected – State Bank of India, Bank of Baroda, Punjab National Bank, Axis Bank, and HDFC Bank. 3 medium-sized banks have been selected – Allahabad Bank, Andhra Bank and Federal Bank. 2 small-sized banks have been selected – Corporation Bank and United Bank of India.

The districts have been chosen through simple random sampling by using the random number table. The districts selected were Purba Burdwan, Paschim Burdwan, Hooghly, North 24-Parganas, East Midnapore, West Midnapore, and Kolkata.

2.3: Sample Size

For a survey based on random sample, the sample size required can be calculated according to the Raosoft formula. It has been estimated that the minimum sample size should be 383 when the following are considered:

- The population size = 102,705
- Acceptable Margin of error = 5%
- Confidence Level = 95%
- Response Distribution = 50%

The sample size utilized in our research is 402. We distributed the questionnaire to 450 employees associated with different branches of various banks. Thirty respondents did not return the questionnaire and 18 submitted incomplete responses which were rejected. Thus, a total of 402 respondents were considered as the sample for our study, which is higher than the minimum required according to Raosoft formula. So, we can safely conclude that the sample size is sufficient and acceptable.

2.4: Period of the Study

This research work has been undertaken in West Bengal, India, from June 2017 to March 2018.

2.5: Area of Study

The study has been conducted to evaluate the relation between psychological employee empowerment and employee satisfaction of bank employees of West Bengal.

Result & Discussion

3.1: Reliability Analysis

Cronbach's alpha has been used as a measure of internal consistency, that is, to see whether all items within the instrument measure the same thing. Alpha typically varies between 0 and 1. As alpha gets close to 1.00, the internal consistency of items in the instrument being assessed also increases. It is understood that Alpha of more than 0.80 signifies excellent reliability between different items of a multiple-item scale.

In our study, we have first found out the Cronbach alpha of the twelve psychological empowerment variables. The value has been determined to be .945. This denotes excellent internal consistency between the different items of this scale.

Table 1: Cronbach Alpha of Psychological Employee Empowerment

Cronbach Alpha	Cronbach Alpha Based on Standardized Items	Number of Items
0.945	0.945	12

3.2: Factor Analysis of Psychological Employee Empowerment

Objective 1

To determine the factors of psychological employee empowerment

Here, we have performed a Factor Analysis on the Variables of Psychological Employee Empowerment.

For this purpose, we have considered Kaiser-Meyer-Olkin (KMO) statistics to decide whether factor analysis will be appropriate for the available dataset or not. Kaiser-Meyer-Olkin (KMO) statistics predict if data are likely to factor well, based on correlation and partial correlation. KMO varies from 0 to 1.0 and KMO should be 0.60 or higher to proceed with factor analysis.

Table 2: KMO and Bartlett's Test of Psychological Empowerment

KMO & BARTLETT'S Test of Psychological Employee Empowerment		
Kaiser – Meyer – Olkin Measure of Sampling Adequacy		.915
Bartlett's Test of Sphericity	Approx Chi – Square	4964.229
	Df	66
	Sig	0.000

From Table 2, we find KMO value of Psychological Employee Empowerment to be 0.915 which implies that sample size is adequate. The significant value is 0.000 which is less than 0.05. Hence, Bartlett's test is highly significant and we may proceed with factor analysis of Psychological Empowerment.

Table 3: Rotated Component Matrix of Psychological Empowerment

	Component	
	1	2
Q4. Capability	.881	
Q5. Self assurance	.867	
Q2. Importance	.848	
Q1. Meaningful to organization	.832	
Q3. Meaningful to self	.822	
Q6. Mastery over self	.794	
Q11. Control		.859
Q12. Influence		.858
Q8. Decisive		.852
Q9. Opportunity for independence		.833
Q10. Impact		.818
Q7. Autonomy at work		.766

(Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization
Rotation converged in 3 iterations)

From Table 3, it is clear that there are 2 factors which influence Psychological Employee Empowerment in the Banking Sector in West Bengal. These 2 factors are F1: Competence and F2: Autonomy.

Table 4: Total Variance Explained

Factors	Total	% of Variance	Cumulative %
F1	7.487	62.391	62.39
F2	1.876	15.633	78.024

Extraction Method: Principal Component Analysis

From Table 4, it is clear that Factor 1, that is, **Competence** explains 62.39% of variance followed by **Autonomy** which explains 15.633%. We have explained 78.024% of variance through the above-stated components.

3.3: Factors of Employee Satisfaction

Objective 2

To determine the factors of employee satisfaction.

Table 5: Cronbach's Alpha of Employee Satisfaction

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
0.935	0.934	20

Total Cases: 402

We have calculated Cronbach's alpha of the 20-item satisfaction scale. The value of Alpha has been calculated as 0.934 which again signifies high consistency and reliability among the different items of this scale.

Next, we have proceeded to perform a factor analysis of the total score of Satisfaction.

Table 6: KMO and Bartlett's Test of Satisfaction

KMO and Bartlett's Test		
Kaiser - Meyer – Olkin Measure of Sampling Adequacy		.899
Bartlett's Test of Sphericity	Approx Chi square	7296.947
	Df	190
	Sig Value	.000

From Table 6, we find that KMO value of Employee Satisfaction is 0.899 which implies sample size is adequate. The significant value is .000 which is less than 0.05. Hence, Bartlett's test is highly significant and we may proceed with factor analysis.

Next, we have ascertained the indicators of employee satisfaction by Factor Analysis.

Table 7: Rotated Component Matrix

	Components			
	1	2	3	4
Q11.Utilisation of abilities	.882			
Q12.Company Policies	.874			
Q13.Payment linked to work	.847			
Q10.Give instructions to others	.832			
Q9. Help others	.769			
Q8. Provision for steady employment	.703			
Q7. Ethical work	.673	.530		
Q4. Recognition		.825		
Q3. Do Different things		.815		
Q1. Busy with responsibilities		.783		
Q2. Chance to work alone		.780		
Q5. Dyadic relation		.695		
Q6. Competence of supervisors		.681		
Q16.Try own methods			.892	
Q15. Use Own judgement			.850	
Q17. Working Conditions			.836	
Q14. Chances for advancements			.834	
Q20. Self Esteem				.888
Q19. External Validation				.850
Q18. Relationship with peers				.824

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization
Rotation converged in 6 iterations

Table 7 demonstrates that four factors are affecting Employee Satisfaction in Banks in West Bengal. Out of them, one variable appears in both the components, but we have included it in that component for which its value is higher. These four Factors are Factor 1: Company Policies, Factor 2: Nature of job, Factor 3: Work Environment, and Factor 4: Self Esteem.

Table 8 : Total Variance Explained

FACTORS	TOTAL	% of VARIANCE	CUMULATIVE %
F1	9.110	45.541	45.551
F2	2.997	14.984	60.535
F3	1.928	9.640	70.175
F4	1.375	6.876	77.051

(Extraction Method : Principal Component Analysis)

From Table 8, it is clear that Factor 1, that is, Company Policies accounts for 45.541% of variance followed by Factor 2, that is, Nature of the job which accounts for 14.984% of variance, followed by Factor 3, that is, Work Environment which accounts for 9.640% of variance followed by Factor 4, that is, Self Esteem which accounts for 6.876% of variance. In our study, we have explained 77.051% of variance through the above-stated four components.

So, the four indicators of Employee Satisfaction are:

Factor 1 : Company Policies

Factor 2 : Nature of job

Factor 3 : Work environment

Factor 4 : Self esteem

3.4: Relation between Psychological Employee Empowerment and Employee Satisfaction

Objective 3

To establish a relation between employee psychological empowerment and employee satisfaction.

Here, we have made an attempt to measure the influence of the factors of psychological empowerment of the employee on employee satisfaction with the help of multiple regression analysis.

Here, the dependent variable has been taken as the average employee satisfaction score (ES) and average of all the extracted factors from the factor analysis of psychological employee empowerment have been considered as independent variables. They are Competence and Autonomy.

Table 9: Model Summary

Model	R	R Square	Adjusted R Square	Standard error of the estimate	R square change	Change Statistics				
						F change	df 1	df 2	Sig F change	Durbin – Watson
1	.690	.476	.474	.57103	.476	181.349	2	399	0.000	1.640

- Predictors: (Constant), autonomy, competence.
- Dependent variable : Satisfaction (ES)

From Table 9, it is observed that the R value in this case is .690. This indicates a medium degree of positive correlation. The R2 value emphasizes how much of the total variation in the dependent variable “Employee satisfaction” can be explained by the two independent variables. In this case, 47.6% variance in the dependent variable i.e. employee satisfaction can be explained by the independent variables. There are factors other than these two factors that affect the dependent variable. However, our model is fit since the value of F is statistically significant. The value of Durbin-Watson is 1.640 which implies that there is no problem of auto correlation.

Table 10 : Result of ANOVA

Model		Sum of squares	df	Mean Square	F	Sig
1	Regression	118.267	2	59.134	181.349	.000 ^b
	Residual	130.105	399	.326		
	Total	248.372	401			

- a. Dependent variable: ES
- b. Predictors (Constant): autonomy and competence.

The ANOVA table depicts how well the regression equation fits the data (i.e. predicts the dependent variable). Table 10 indicates that the REGRESSION MODEL predicts the dependent variable significantly well. Here, p (Sig) is less than 0.001, which is actually less than 0.05. It means that this regression model statistically and significantly predicts the outcome variable. So, the model is a suitable fit for the data.

Table 11 : Result of Regression Coefficients

Model	Coefficients						
	Unstandardized Coefficients		Standardized Coefficients	T	Sig value	Collinearity Statistics	
	B	Standard error	Beta			Tolerance	V.I.F
Constant	1.271	.116		10.997	.000		
Competence	.322	.035	.422	9.303	.000	.638	1.567
Autonomy	.279	.036	.348	7.679	.000	.638	1.567

Dependent variable: ES

Table 11 provides the values of 'Unstandardized Coefficients' and reflects if independent variables are significant or not for the regression model. As p values (Sig) of two independent variables are less than 0.05 and the values of unstandardized coefficient are positive, we can say that a positive relation exists between dependent and independent variables at 5% level of significance.

In our study, independent variables have explained 47.4% fluctuations of dependent variables. The Variance Inflation Factor of Competence and Autonomy are 1.567 and 1.567 respectively. All the two values are less than 5. So, we can conclude that multi collinearity does not exist. One unit change in Competence of employees results in 0.322 units of positive changes in employee satisfaction. Again, one unit change in Autonomy of employees renders 0.279 units of positive change in employee satisfaction.

Fitted Model is:

$$ES = 1.271 + .322 \text{ Competence} + .279 \text{ Autonomy}$$

So, the H1 is proved to be correct, that is, psychological empowerment exerts an effect on satisfaction of employees.

Managerial Implications

The findings from this study will hopefully exert a tremendous effect on managers' behaviours. The various findings are enlisted below:

- The study demonstrates two factors that usher in Employee Psychological Empowerment. They are Competence and Autonomy. Thus, if management wants to incorporate an empowered environment, they need to ensure that employees are competent enough and that they are provided with autonomy in decision making. All possible steps need to be undertaken by the management to increase competence. Greater emphasis needs to be accorded to skill development programmes that will result in an enhancement of expertise of the employees. This will hopefully have a manifold effect. On one hand, skill development will result in better quality of goods produced and enhanced quality of services rendered, and decreased scrap and wastage. On the other hand, this will also result in more competent employees which will again give rise to empowered employees (Ashforth, 1989).
- Another factor of Employee Psychological Empowerment as determined from the study is Autonomy. By this, it is meant that employees should be able to exercise independence in decision making. They should not feel obliged to take permission at each and every occasion during the execution of their job roles. Again, this will exert multiple positive effects. For one, when employees exercise autonomy, the need of continuous validation from higher authority is avoided. This again results in quick delivery of goods and services. Employees are also able to gauge effectively the market changes and incorporate necessary advances to gain advantage from the situation. Quick services also bring in customer satisfaction. Again, as ascertained from the analysis, autonomy is a contributory factor for psychological employee empowerment (Greasley and Price, 2008).
- The research paper has also determined that four factors affect employee satisfaction. They are: Company Policies, Nature of Job, Work Environment, and Self Esteem. In order to usher in a climate of empowerment, organizations need to implement fair and just company policies, make the job enriching and challenging, improve upon the work environment, and also give attention to the employees' self-esteem needs (Nallu & Oldham, 1975).
- The study also demonstrates that psychological empowerment brings in employee satisfaction. Management will be able to make employees more satisfied if they are made competent and provided with autonomy. Organizations can boast of a reservoir of competent and highly skilled employees when they are provided with adequate training. Such employees are hugely instrumental in enhancing the overall performance of the organization (Saxena, 2020). These competent employees will also be more satisfied, according to this study. Also, it has been proven in this study that when employees are provided with autonomy, they will demonstrate a more satisfied outlook to work. The positive effects of job autonomy on job satisfaction suggest that the implementation of flexible work policies will be beneficial in the banking sector.

Generalizability and Applicability

The findings and implications from this research study are quite expansive. Though this study has been conducted in West Bengal, we can generalize the findings in other parts of India. This is because all the banks (public and private) which have been chosen are present in most or all the states and union territories of India. There are no/very negligible differences in the policies, practises, and guidelines between branches of a bank across states. Any individual bank will demonstrate considerable homogeneity of policy, guidelines, and practices across all its branches throughout India. So, the findings from the analysis of processes, policies and practises of one bank in a particular state can be generalized for the same bank in another state. A large chunk of the sample, that is, the officers, (Scale I, Scale II, and Scale III) in most banks are frequently subjected to inter-state transfers. This is to say that the respondents in the sample have varied work experiences in the same bank but in various geographical locations across India. So, we can conclude that the findings can be quite conveniently applied to the banking sector in other parts of India.

The corporate world today has become one global village. As such, the broad organizational objectives of improved productivity and enhanced quality of service in order to achieve sustainable competitive advantage remain the universal and core target of all organizations irrespective of their genre. We see that the study has emphasized how competence and autonomy enhance empowerment of employees which is a prerequisite for enhanced productivity in both manufacturing and service sectors. Employee empowerment has become a vital antecedent for organizations to succeed and flourish not only in India but also in other emerging and developed economies. Again, the research study has demonstrated that company policies, nature of job, work environment and employee self-esteem favourably impact attainment of employee satisfaction. Employee satisfaction is a universal target of all organizations in both manufacturing and service sectors. Ensuring satisfaction of

employees is an imperative reality for all types of business houses across the globe. Thus, the findings can hold true and applicable for organizations functioning in all types of economies – developed, evolving or evolved. The relationship established in this study is based on various practises and processes prevalent in the organizations and not on any financial outcomes from the banks concerned. Managers can conveniently replicate the policies and processes mentioned in the study in other organizations of the same or different industry.

Conclusions

The neo Indian economic scenario boasts of a market which is highly liberalized, privatized and globalized. Banks – both private and public – face stiff competition from rival organizations to retain and expand their market share. Thus, a pertinent factor contributing to growth and survival in this sector is attainment of customer satisfaction. For this, the banks need a dedicated, committed and highly loyal workforce who can take quick decisions to face challenges. This becomes a reality if empowerment principles are implemented in practice. It is often correctly postulated that people who visualize their jobs to be highly significant and important seem to possess enhanced levels of work satisfaction than employees who see their jobs as having little value.

Satisfied employees through their motivated service also result in customer satisfaction. Here, the researcher has underlined how empowerment results in satisfaction of employees. From our study, we have found out two factors affecting employee empowerment. They are: Competence and Autonomy. We have also researched and found out the factors that indicate employee satisfaction. They are: Company Policies, Nature of Job, Work Environment, and Self Esteem. We have also established a relation between employee empowerment and employee satisfaction. We have found that Competence and Autonomy positively affect employee satisfaction. Thus, the alternative hypothesis is proved correct.

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