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# Impact of Employee Empowerment on Performance Management

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*Employee empowerment is concentrated on the developmental aspects of the individuals in the organization. It is the tool to improve the team performance, develop competitiveness and be accountable in the attainment of goals of the organization. Employee participation is the key issue for the successful implementation of employees' empowerment in the organization. Hence, it is the responsibility of the management to develop a strategic plan to empower the employees. Performance management is focused on the continuous development of the individuals. In the performance management process, 'empowerment' has a positive relation in the development of the capabilities of the individuals. With this intension, this paper is designed to know the benefits for the employee empowerment in the performance management. This study is based on reviewing the literature on employee empowerment.*

**Keywords:** competitiveness, responsibility, capability.

## INTRODUCTION

In this era of globalization employees need empowerment in the organization to take quick decision and react quickly to every change taken place in the environment. Empowerment leads to committed and motivated workforce (Nick et al., 1995)<sup>7</sup>. It is the motivational tools for the employees to manage the performance with an increased participation in taking decision (Pun K, 2001)<sup>8</sup>. Employee empowerment is associated with a transferring the power from superior to the subordinates. This will make the employees competent to handle the situation in a better way. It is a relocate of power from the managers to their subordinates. It is the process of transferring knowledge, skill and ability from senior employees to the junior. This helps the employees to analyze the things in a better way and contributes towards the growth of the organization (Lee M. and Koh J, 2001)<sup>5</sup>. In the empowerment process each individual is responsible for given task to be performed in the organization. This will make them accountable for their work and enjoys all the credit of success. It also provides platform for innovation and recognize them for the entire work done in the organization. Empowerment results continuous growth of the individuals and organization in the performance management system (Morrow, 1993)<sup>6</sup>.

Empowerment creates leaders in the organization to perform various tasks in the organization. It enriches the skills and competitiveness among the employees

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to take leadership at the work place. Employees are feeling free to take their own decision in the plant and it encourages them to think in their own angle. This results empowerment builds leadership quality among the employees to execute the projects successfully in the organization (Hamish D, 2004)4.

Employee empowerment creates interest in job and it enhances active involvement of employees in the projects. Further, involvement creates satisfaction in the mind of the employees in achievement of results. This result improvement in the productivity of the employee's in attainment of goals of the organization. Empowerment brings maturity in the thinking and forces employees are loyal in the organization. It feels like employees are recognized for their contribution in the workplace (Seibert S, 2004)9.

Empowerment gains the support from top management to lower level management and vice versa. This creates a mutual understating and cooperation for every project executed in the organization. A healthy relationship among the management and employees will always result a healthy progress in the operations of the organization. It reduces the conflict in the workplace and aims growth in the performance of individuals (Conger J A and Kanungo RN, 1988)3.

The success of the empowerment is depends on the involvement of the employees in this process. Management has to prepare a strategic plan to empower each individuals and department to take higher responsibility and authority. In the process of empowerment to make the employees competent provide training and initiate development activity. This will boost the performance of the employees to take higher responsibility and authority in the workplace. A successful delegation of the authority is only possible if employees take it in a positive way.

Empowerment is a continuous process, which concentrate on the growth of the performance of the employees in the operations of the organization.

Empowerment is a journey to meet the final destination of success with cooperation from each employees of the organization. In the performance management, empowerment contributes significant role in development of competencies of the employees. It concentrates on creating a good atmosphere for the growth of the industry.

Empowerment is an intrinsic motivation that involves positively valued experiences for which an employee derive directly from a task. The employees consider themselves as having freedom, autonomy and discretion, feel personally connected to the organization, and feel confident about their abilities and capable of having an impact on the organization (Busche et.al, 1996)1. The empowerment of employees can occur in ways that may not require giving the employees more power. The feeling of employee empowerment can be improved by listening and being more responsive to employee comments, providing necessary training, encouragement by management and fellow employees, providing employees with the necessary resources to do their jobs, allowing access to relevant information and matching employees to their tasks according to training and experience (Morrow, 1996)6. Like most initiatives in organizations, "to be effective, practical, and achievable, empowerment and quality must start at the top" (Venkat Ratnam, 2006)11. Believe it or not, empowerment changes an organization's model, whether it can be a restructuring or change in job responsibilities (Chandan and Sitaram, 2011)2. Thus, upper management must be an active factor for building and implementing employee empowerment initiatives (Singh, 2004)9.

## OBJECTIVES OF THE STUDY

- To study the impact of employee empowerment on the performance of the employees.
- To understand to the concept of employee empowerment.

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### METHODOLOGY

#### Primary Data

The research is developed through observation and collection of data through questionnaires issued to the 43 respondents who presently working in the steel industry of Karnataka.

#### Secondary Data

The theory is developed on the basis of referring secondary data like books, journals and magazines.

#### Statistical tool:

To analyze the data Chi square technique and tabulation are used to make meaningful inference from the data collected.

### EMPIRICAL RESULTS

Table1. H1: Null Hypothesis: There is no significant difference that experience helps in developing leadership qualities of employees in the empowerment process.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.099	4	.277
Likelihood Ratio	6.728	4	.151
Linear-by-Linear Association	1.612	1	.204
N of Valid Cases	43		

Here p (.277) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that experience helps in developing leadership qualities of employees in the empowerment process.

Table 2. H2: Null Hypothesis: There is no significant difference that education qualification had an impact in developing the competency level of the employees in the empowerment process.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.415 <sup>a</sup>	6	.492
Likelihood Ratio	7.084	6	.313
Linear-by-Linear Association	1.038	1	.308
N of Valid Cases	43		

Here p (.492) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that education qualification had an impact in developing the competency level of the employees in the empowerment process.

Table 3. H3: Null Hypothesis: There is no significant difference that Designation of the employees had concern related to delegation of authority.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.399 <sup>a</sup>	12	.495
Likelihood Ratio	13.755	12	.317
Linear-by-Linear Association	.683	1	.409
N of Valid Cases	43		

Here p (.495) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that Designation of the employees had concern related to delegation of authority.

Table 4 H4: Null Hypothesis: There is no significant difference that empowerment provides guidelines to improve the performance of the employees.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.350	6	.385
Likelihood Ratio	7.654	6	.265
Linear-by-Linear Association	.288	1	.592
N of Valid Cases	43		

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Here p (.385) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that empowerment provides guidelines to improve the performance of the employees..

Table 5. H5: Null Hypothesis: There is no significant difference that Departments contribution had an impact on the continuous growth of employees in the empowerment process.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.113a	21	.514
Likelihood Ratio	20.474	21	.491
Linear-by-Linear Association	.000	1	.986
N of Valid Cases	43		

Here p (.514) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that Departments contribution had an impact on the continuous growth of employees in the empowerment process.

Table 6. H6: Null Hypothesis: There is no significant difference that age factor motivates the performance of the employees in the empowerment process.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.010a	6	.237
Likelihood Ratio	8.950	6	.176
Linear-by-Linear Association	.406	1	.524
N of Valid Cases	43		

Here p (.237) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that age factor motivates the performance of the employees in the empowerment process.

Table.7. H7: Null Hypothesis: There is no significant difference that education qualification will helps the

employees to take quick decision in the empowerment process.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.931a	6	.177
Likelihood Ratio	6.538	6	.366
Linear-by-Linear Association	.360	1	.548
N of Valid Cases	43		

Here p (.177) value is greater than .05 it indicates that accept the null hypothesis from this we conclude that there is no significant difference that education qualification will helps the employees to take quick decision in the empowerment process.

### FINDINGS

- Empowerment results to take quick decision for the problems faced in the organization.
- Empowerment motivates the employees to take challenging job.
- Empowerment is emphasized on the continuous growth in the performance of employee's.

### SUGGESTIONS

- Encourage the employees to pursue higher education to make them a better performer in the organization.
- Improve the competency level of the employees to make empowerment process successful in the organization.

## CONCLUSION

Empowerment results continuous development of the employees for the long term success of the organization. It helps the employees to achieve greater result and be a performer in all the projects executed by the organization. A clear plan and successful implementation of the empowerment process in the performance management system results overall growth of the organization.



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