

Impact of Psychological Empowerment on Employees' Work and Organization Engagement: A Study in the Manufacturing Sectors, Bangladesh

Rubaba Nawrin

Lecturer- Business Administration, St. Theresa International College, Thailand

Doi:10.5901/mjss.2016.v7n5p389

Abstract

Today's organizations prioritize to have energized, active and psychologically empowered employees who can be engaged solely in their work and organization. In this regard, the current study explores the impact of the relationship between psychological empowerment and work and organization engagement in Bangladesh. Employees working in the manufacturing sectors in Bangladesh are the target population for this study. Total 237 respondents responded to the survey. The data were collected by using a survey questionnaire from three large manufacturing organizations in Bangladesh. The data are analyzed through regression technique to see the cause and effect of the relationship between psychological empowerment and engagement. The results depict that the dependent variable (work engagement) is influenced by the independent variable (psychological empowerment) by 62.4% and psychological empowerment influences organizational engagement by 41.6%. The research generates a new contribution to the HROD field by adding organization engagement in the literature. For future research, the author suggests adding different psychological variables to be aware of the impact on engagement of the employees.

Keywords: Psychological empowerment, work engagement, organization engagement, Bangladesh.

1. Introduction

In today's competitive business world, organizations are expected to be a high performer for sustaining long run in the industry (Ndlovu and Parumasur, 2005). Globalization, workforce mobility, market pressure influence the organization to be more responsive (Maynard, Mathieu, Gilson, O'Boyle Jr and Cigularov, 2012). To cope with the continuously changing environment and to attain competitive advantage, an engaged and empowered workforce is always preferred to be a better choice (May, Gilson and Harter, 2004, Quinn and Spreitzer, 1997). Having changed demand for risk taking, lifelong learning, and networking, these concepts are deemed to improve the performance of the organization (Wentzel and Geldenhuis, 2005). According to Stander and Rothmann (2010), to bring changes in the workplace also to improve the performance of the employees, an organization should focus on the building up the engagement level of the employees as well as make them psychologically empowered. In her research, Moura, Orgambidez-Ramos and de Jesus (2015) asserted that psychological connection of the employees with their work needs to be the prime concern for the organizations to bring out effective performance. Moreover, both engagement and psychological empowerment enhance the satisfaction level of the employees as well as their commitment and task performance (Seibert, Wang and Courtright (2011), Maslach and Leiter, 2008).

Previous researchers have been identified the importance of the relationship between employee engagement and psychological empowerment. However, employee engagement, which is a broad concept in organization development literature, has been segregated into two parts: work engagement and organization engagement (Saks, 2006). Thereby, previous literatures do not address the impact of psychological empowerment on work and organization engagement separately. Both work and organization engagement provide significant contributions in the engagement literature. Individually, they are unique where one concentrates only for work development perspective and the other addresses the organization holistically. Apart from that, there is a lack of knowledge development regarding these variables in an Asian context (Wang, Zhang and Jackson, 2013). Researchers identified the constructs cannot be globally generalized except in the work domain (Spritzer, 1995). To keep this mind, researcher chooses to conduct this research in Bangladesh which is considered to be a promising country in near future. Despite of having political unrest, infrastructure problems, and corruption, the economic growth in Bangladesh is uprising. The contribution of the manufacturing sector is 17% of the total GDP (World Bank, 2015). Though it provides a significant contribution in the total economy, research regarding the perspectives of human resource development, organization development, and understanding organization psychology

are very limited. This study, therefore, designed to generate new knowledge about psychological empowerment and engagement issues in the manufacturing sectors, Bangladesh with an aim contributing in the above mentioned fields. Therefore, the objective of the study is seeing the impact of the relationship between psychological empowerment and work and organization engagement in the manufacturing sectors, Bangladesh.

2. Literature Review

2.1 Psychological Empowerment

Psychological empowerment has been studied for a long time in the organizational study's literature (Spritzer 1995). According to Drucker (1988), psychological empowerment gained its interest when a high requirement for changes and innovation in the organizations were required. The notion refers as 'intrinsic task motivation manifested in a set of four cognitions reflecting an individual's orientation to his or her work role: competence, impact, meaning, and self-determination' (Spritzer 1995, p. 1444). Being empowered, individuals become more resilient, creative and initiative in their work as well as committed to the organization (Bogler & Somech, 2004; Kuo, Yin, and Li, 2008). Conger and Kanungo (1988) viewed it as a process of improving self efficacy feeling especially where the employees have a feeling of powerlessness. In his study, Wilkinson (1998) found that employees, who believe that they are highly psychologically empowered, are more determined to their job and contribute valuable ideas compared to those who are low in it.

In their work, Thomas and Velthous (1990) first identified four cognitive constructs of empowerment that are meaning, competence, self-determination and impact. Here, the meaning is identified as the individuals' value for their work roles, competence as the degree of self efficacy or the confidence of performing the job, self-determination as the extent of autonomy for doing the work and impact refer as degree of influence for performing the work. These four cognitions are accepted to understand sufficiently about psychological empowerment. If any one of the elements is not compelling, the overall validity of this construct will be lessened (Spritzer, 1995).

2.2 Work and Organization Engagement

The notion of engagement has started gaining its interest since last decade (Hallberg and Schaufeli 2006; Demerouti, Nachreiner, and Schaufeli 2001; Saks and Gruman 2011). Although the consulting firms first bring this issue into the limelight, academics also demonstrate their interest in doing numerous research to develop the constructs, antecedents and outcomes of the variables. For the organization, engagement of the employees towards their job results in a job satisfaction as well as commitment to the organizations (Freney and Tiernan, 2006). Not only this, it is also accountable for various organizational outcomes as well as building up positive workplace attitudes, psychosomatic health and motivation (Schaufeli and Salanova, 2007). On one side, while the engaged employees bring numerous benefits to the organization, disengaged employees generate loss as they are not enthusiastic and motivational also disconnected from their work (Bakker and Demerouti 2007). Research has shown the reasons why engaged employees perform better the disengaged employees which are quite vast. Firstly, it enhances the positive emotion the productivity, second, it brings good health to the employees which, in turn, bring the advantage to perform well, third, engaged employees create and mobilize the resources and finally, engagement is the cause of increasing performance of the members of the organization (Bakker & Demerouti, 2007). The literature, thereby, characterized the engaged employees, from the work engagement perspective, as vigorous, dedicated to their job and who give full discretionary effort or absorb their work (Schaufeli et al. 2002). Here vigor refers to high energy level and mental resilience during working, dedication refers to strong involvement towards work associated with enthusiasm and pride, and absorption refers as full concentration on one's work. On the other hand, in burnout literature, Maslach, Schaufeli, and Leiter (2001) explained it with three categories, namely, energy, involvement and efficacy. In addition, Kahn (1990) viewed it as a preferred self, where employees devoted themselves towards their work. Therefore, a cognitive, emotional and physical engagement is required for the individuals to be fully engaged in their work (Kahn, 1990, May et al., 2004). In his study, Saks (2006), first, distinguished the concept of employee engagement in two dimensions; work engagement and organization engagement. The derivation got the influence from understanding role identification. According to him, employees' work role is different than their role towards their organization. Based on the concept, he shows that the antecedents and the consequences of work and organization engagement are different. He defined organization engagement as sense of the personal attachment towards their organization.

To support this research, the study uses social exchange theory to justify the relationships among the variables. Social exchange theory assumes self interested actors transect with other self interested actors to accomplish individual

goals that they cannot achieve alone (Lawler and Thye, 1999). The basic form of this theory is that it is a process of negotiated exchange between parties. Therefore, it is needed to deal with the exchange of the behavior of a human being where mutually contingent or mutually rewarding process is involved in a transaction or exchange between people (Emerson 1976). In the literature, Saks (2006) mentioned that employees' dedication towards their organization and their work is based on what the organization provides for them. In their study, Gerco, Laschinger and Wong (2006) found that employees become engaged when they are in the empowering environment condition and relate it with their expectations. Meyerson and Kline (2008) stated that employees' competency, commitment and performance are highly depending on the empowering culture of the organization.

2.3 Psychological Empowerment and Work and Organization Engagement

Numerous studies have been explored that psychological empowerment brings positive organizational outcomes such as job satisfaction and performance (Dickson & Lorenz, 2009; Hechanova, Alampay, & Franco, 2009; Kirkman, Rosen, Tesluk, & Gibson, 2004), organizational citizenship behavior and organizational commitment (Manz & Sims, 1993). According to Hackman and Oldham (1980), psychological empowerment is a psychological state of the individuals that relates to the intrinsic motivation of the employees and has a great impact on the work related outcomes. Later on, Kahn (1990) identified there is a relationship between psychological meaningfulness and engagement. According to him, by pursuing meaningfulness, which is a psychological state and an inherent need for individuality, employees become more connected to their work once they perceive their work is meaningful. In addition, the four constructs of psychological empowerment also considered the psychological conditions that lead to engagement (Stander and Rothmann 2010). In their research they have found a significant relationship of these two variables. As the previous research provides the results in western perspective, the current study will, therefore, check the impact of the relationship in Asian context. From the above discussion, the hypothesis can be developed as

H1: Psychological empowerment has an impact on work engagement

H2: Psychological empowerment has an impact on organization engagement.

2.4 Research Model

The study focuses on the impact of psychological empowerment on both work and organization engagement in the manufacturing industries in Bangladesh. Following is the research model for the study.

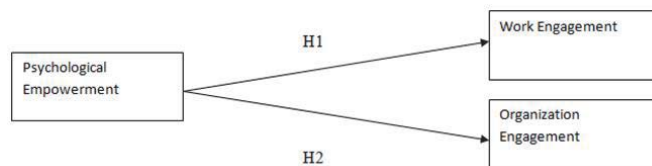


Figure 1: Impact of psychological empowerment at work and organization engagement

2.5 Research Methodology

Participants: The target populations are employees working in the manufacturing sectors in Bangladesh. Total 237 respondents responded to the survey where the response rate is 61.60%. Of the respondents (57.4%) are male and (42.6%) are female. (72.2%) employees work around 1-3 years and (27.8%) employees are around 5 years.

Procedure: The data were collected through a survey questionnaire from three large manufacturing organizations in Bangladesh. The survey included a cover letter to inform the purpose of the study. Participation of the research was voluntary and keeps the information confidential.

Measure: Work engagement: Work engagement will be evaluated by using the Utrecht Work Engagement Scale (UWES) developed by Schaufeli, Bakker, Salanova (2006). The questionnaire consists of three subscales vigor (six items), dedication (five items), and absorption (six items) (in total 9 items). The sample questions are, "In my job, I am mentally very resilient" (Vigor), "I am enthusiastic about my job" (Dedication) and "Time flies when I am working" (Absorption). The questionnaire is a 7-point Likert scale ranging from 0 (strongly disagree) to 6 (strongly agree). The

reliability of the scale is $\alpha = .85$ (Schaufeli et al., 2006).

Organization engagement: Organization engagement will be evaluated by Saks's (2006) scale. The sample of the questionnaire is, "Being a member of this organization is very captivating". The questionnaire is a 7-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The reliability of the scale is $\alpha = .87$ (Saks, 2006).

Psychological empowerment: Psychological empowerment will be measured by Spritzer's (1995) scale. The questionnaire is a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The reliability of the scale is $\alpha = .843$ (Spritzer, 1995). The sample questions are, "The work I do is very important for me" (Meaning), I am confident about the ability of my job (competence), I have significant autonomy in determining how I do my job (Self-determination) and I have significant influence over what happens in my department (Impact).

3. Discussion of Results

Impact of psychological empowerment on work engagement:

The analysis below is showing the relationship impact of psychological empowerment on work engagement. The regression technique is used to analyze the data to see the cause and effect relationship between psychological empowerment and work engagement.

Table I: Regression model summary-work engagement

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.791 ^a	.626	.624	.28895

a. Predictors: (Constant), PE

Table II: Results of ANOVA for work engagement model

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	32.807	1	32.807	392.937	.000 ^a
1 Residual	19.621	235	.083		
Total	52.428	236			

a. Predictors: (Constant), PE

b. Dependent Variable: WE

Table III: Regression coefficient for work engagement model

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.095	.265		4.124	.000
	PE	.804	.041	.791	19.823	.000

a. Dependent Variable: WE

The results depict, as shown in the table I, that the dependent variable (work engagement) is influenced by the independent variable (psychological empowerment) by 62.4%. From Table II, the ANOVA result shows the statistical significance between the variables as the p value is ($p = .000^a$). Therefore, the hypothesis (H1) are accepted. In addition, the high b (beta) value, 79.1%, in table III explains the high influence of psychological empowerment over work engagement and generates the following equation:

$$i) \text{ Work Engagement} = .804x \text{ Psychological Empowerment} + 1.095$$

Impact of psychological empowerment on organization engagement

Below data has described the influence of psychological empowerment over organization engaged through regression analysis.

Table IV: Regression model summary-organization engagement

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.647 ^a	.419	.416	.49030

a. Predictors: (Constant), PE

Table V: Results of ANOVA for organization engagement model

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	40.731	1	40.731	169.433	.000 ^a
	Residual	56.493	235	.240		
	Total	97.224	236			

a. Predictors: (Constant), PE

b. Dependent Variable: OE

Table VI: Regression coefficient for organization engagement model

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.623	.426		1.462	.145
	PE	.841	.065	.647	13.017	.000

a. Dependent Variable: OE

From table IV, it is projected that psychological empowerment influences organizational engagement. The variance is influenced by 41.6%. The ANOVA result in Table V demonstrates the statistical significance as p value is .000. Table VI illustrates the strong influence of psychological empowerment over organization engagement. The following equation is generated from Table VI:

$$i) \text{ Organization Engagement} = .841x \text{ Psychological Empowerment} + .623$$

The study, conducted with the aim to explore the impact of psychological empowerment of individuals at work and organization engagement in the manufacturing industries in Bangladesh. From the results, the equations (i) and (ii) depict that both work and organizational engagement depend substantially over psychological empowerment. Therefore, there is a positive relationship between the variables. If the employees are empowered psychologically, it will increase their engagement towards both work and organization. The significant path validity is observed in both the dependent variables; work and organization engagement. From table III and I, we have got the *t* value of work engagement is 19.823 and coefficient determinant is 62.4%. On the other hand, for organization engages, *t* value is 13.017 (Table VI) whereas R square is 41.6% (IV). The coefficient depicts the positive *t* value which emphasizing the strength of psychological empowerment over both work and organization engagement. Therefore, when the employees feel they are psychologically empowered through meaning, competence, self determination and impact, it will bring the characteristics of engagement on both work and organization side. In a study, Liden, Wayne, and Sparrow (2000) showed that individuals who are empowered can be more committed to the organization, increase job performance and become more satisfied for their work. As empowered employees are self motivated it also generates more commitment towards their work and organization.

Moreover, the findings from this study are consistent with previous studies that showed the psychological empowerment, relationship with positive job behaviors, such as productivity, job satisfaction and the organization's commitment. The results, here, extend the previous literature by adding organization engagement. For example, Manz and Sims (1993) empowered employees are more committed towards their organization. Spreitzer, DeJanasz and Quinn (1999), found that there is a significant positive relationship between psychological empowerment and innovative behavior. The result also supports Stander and Rothmann's (2010) study where they show the positive relationship between psychological empowerment and organization engagement. Moura et al. (2015) revealed that psychological empowerment and work engagement are the key predictors of employees' job satisfaction.

4. Conclusion

Having current challenges in the business world, engagement of the employees for their work and the organization become the key interests of the employers. Besides, craving for satisfied and engaged workforce, organization also understand the importance of psychological empowerment of the people. This study has shown the positive impact of psychological empowerment over engagement. The study also supports the previous studies (Gerco et al., 2006, Liden et al., 2000). Understanding the fact, the employers should focus more on developing psychological empowerment to their employees to have engaged workforce. The management should understand the values of engagement and thereby develop their employees to experience empowerment through understanding meaning, competence, self determination and impact. The study focuses on both work and organization engagement as it is believed that employees would be engaged both on their work and organization. According to Moura et al. (2015), employees who are engaged with high psychological empowerment are more trustworthy, demonstrate a positive attitude towards their work and organization which eventually improve their working life. Though few research have been done between psychological empowerment and work engagement, organization engagement perspective is completely a new area. Thus, the research generates a new contribution to the HROD field where the future research can explore more on this variable. Moreover, future research also adds different psychological variables to understand the impact on engagement issues. Cross sectional analysis using other methods also can provide valuable knowledge regarding this study.

References

- Bakker, A. B., & Demerouti, E. (2007). The job demands–resources model: State of the art. *Journal of Managerial Psychology*, 22, 309–328.
- Bogler, R., & Somech, A. (2004). Influence of teacher empowerment on teachers' organizational commitment, professional commitment and organizational citizenship behavior in schools. *Teaching and Teacher Education*, 20, 277-289.
- Conger, J. and Kanungo, R., "The Empowerment Process: Integrating Theory and Practice," *Academy of Management Review*, v.13, no.3, pp. 471-482, 1988.
- Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B. (2001). The job demands–resources model of burnout. *Journal of Applied Psychology*, 86, 499–512.
- Dickson, K. E., & Lorenz, A. (2009). Psychological empowerment and job satisfaction of temporary and part-time nonstandard workers: a preliminary investigation. *Institute of Behavioral and Applied Management*, 166-191.
- Drucker, P.F. (1988), *The coming of the new organization*. Harvard Business Review, January-February, 45-53
- Emerson, R., M. Social exchange theory. *Annual review of sociology*, 2, 335-362.
- Freeney, Y. & Tiernan, J. (2006). Employee engagement: An overview of the literature on the proposed antithesis of burnout. *The Irish Journal of Psychology*, 27, 130-141.
- Greco, P., Laschinger, H.K.S., & Wong, C. (2006). Leader empowering behaviors, staff work empowerment and work engagement/burnout. *Nursing Leader - ship*, 19(4), 41-56.
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. *Organizational behavior and Human Performance*, 16, 250-279.
- Hechanova, R. M., Alampay, R. B. A., & Franco, E. P. (2009). Psychological empowerment, job satisfaction, and performance among Filipino service workers. *Asian Journal of Social Psychology*, 9(1), 72-78
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33, 692-724.
- Kirkman, B. L., Rosen, B., Tesluk, P. E., & Gibson, C. B. (2004). The impact of team empowerment on virtual team performance: The moderating role of face-to-face interaction. *Academy of Management Journal*, 47(2), 175-192.
- Kuo, H. T., Yin, T., J., & Li, I. (2008). Relationship between organizational empowerment and job satisfaction perceived by nursing assistants at long-term care facilities. *Journal of Clinical Nursing*, 17, 3059-3066.
- Lawler, E., J., Thye, S., R. (1999). Bringing emotion into social exchange theory. *Annual review of sociology*, 25, 217-244.
- Liden, R. C., Wayne, S. J., & Stilwell (1993). A longitudinal study on the early development of Leader-Member Exchanges. *Journal of Applied Psychology*, 78, 662–67.
- Manz, C. C., & Sims, H. P., Jr. (1993). *Business without bosses: How self-managing teams are building high-performing companies*. New York: Wiley
- Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology*, 52, 397-422.
- Maynard, M., T., Mathieu, J., E., Gilson, L., L., O'Boyle, Jr, E., H., & Cigularov, K., P. (2012). Drivers and outcomes of team psychological empowerment: a meta-analytical review and model test. *Organization Psychology Review*, pp. 1-37.
- May, D. R., Gilson, R. L., & Harter, L. M. (2004). The psychological conditions of meaningfulness, safety, and availability and the engagement of the human spirit at work. *Journal of Occupational Psychology*, 77, pp.11-37. doi:10.1348/096317904322915892
- Meyerson, S. L., & Kline, T. J. B. (2008). Psychological and environmental empowerment: Antecedents and consequences. *Leadership & Organization Development Journal*, 29(5), 444-460. Ndlovu, N., & Parumasur, S.B. (2005). The perceived impact of downsizing

- and organizational transformation on survivors. *SA Journal of Industrial Psychology*, 31, doi: 10.4102/sajip.v31i2.198
- Moura, D., Orgambidez-Ramos, A. and de Jesus, S. N. (2015). Psychological empowerment and work engagement as predictors of work satisfaction: a sample of hotel employees. *Journal of Spatial and Organizational Dynamics*, III (2).
- Quinn, R.E. and Spreitzer, G.M. (1997), "The road to empowerment: seven questions every leader should consider", *Organizational Dynamics*, Vol. 26 No. 2, pp. 37-49.
- Saks, A. M. (2006), "Antecedents and consequences of Employee Engagement", *Journal of Managerial Psychology*, Vol. 21, pp. 600-619. doi:10.1108/02683940610690169
- Saks, A.M. and Gruman, J.A. (2011). Getting newcomers engaged: the role of socialization tactics. *Journal of Managerial Psychology*, 26, 383-402.
- Schaufeli, W.B., Bakker, A.B. and Salanova, M. (2006). "The measurement of work engagement with a short questionnaire: A cross-national study, *Educational and Psychological Measurement*, 66, 701-716.
- Schaufeli, W. B., Salanova, M., Gonzalez-Roma, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A confirmative analytic approach. *Journal of Happiness Studies*, 3, 71-92.
- Schaufeli, W. B., & Salanova, M. (2007). Efficacy or inefficacy, that's the question: Burnout and work engagement, and their relationship with efficacy beliefs. *Anxiety, Stress, and Coping*, 20, 177-196.
- Spreitzer, G. M. (1995). Psychological empowerment in the workplace: Dimensions, measurement, and validation. *Academy of Management Journal*, 38, 1142-1465.
- Spreitzer, G. M., De Janasz, S.C., & Quinn, R. E. (1999). Empowered to lead: The role of psychological empowerment in leadership. *Journal of organizational Behavior*, 20, 511- 526.
- Stander, M.W., & Rothmann, S. (2010). Psychological empowerment, job insecurity and employee engagement. *SA Journal of Industrial Psychology*, 36, 1-8
- Thomas, K. W., & Velthouse, B. A. 1990. Cognitive elements of empowerment: An "interpretive" model of intrinsic task motivation. *Academy of Management Review*, 15: 666-681
- Wang, J., Zhang, D., and Jackson, L. A. (2013). Influence of self-esteem, locus of control, and organizational climate on psychological empowerment in a sample of Chinese teachers. *Journal of Applied Social Psychology* 2013, 43, pp. 1428-1435.
- Wentzel, A., & Geldenhuys, P. (2005, March). The dynamics of incongruence in the changing world of work. Paper presented at the Changing World of Work Conference, Vanderbijlpark, South Africa.
- Wilkinson, A. (1998). Empowerment: theory and practice. *Personal Review*, 27, 40-56.
- World Bank. (2016, February 26). Retrieved from <http://data.worldbank.org/> (accessed 13 February 2016).