

The impact of psychological empowerment on job satisfaction of manufacturing empl...



ABSTRACT

The main purpose of this paper is to examine the relationship between the psychological empowerment and job satisfaction of Malaysia manufacturing employees'. The research intends to appraise existing literatures and eventually set the research agenda. Moreover, the extant literature encapsulates the relationships between the psychological empowerment and job satisfaction of Malaysia manufacturing employees'. Several past research studies have also examined and revealed the relationship between the four cognitions of psychological empowerment: meaning, competence, self-determination and impact and job satisfaction. This analysis has found that only the meaning cognition has the most consistent result generated from the studies as compared to the other three cognitions. However, it is recommended that organizations and supervisors can focus more on impact cognitions but it is also encouraged to focus competence and impact cognitions in order to increase the manufacturing employees' job satisfaction within an organization. Successfully shaping the attitude of manufacturing employees' will lead to improvement of overall organizational performance.

1. 0 Introduction

1. 1 Background of the Study

In the end of 2010, the Prime Minister Datuk Seri Najib Tun Razak has implemented the economic transformation programme (ETP). Although, Malaysia has successfully achieved significant economic and social progress over the past few decades, but, this is the time for Malaysia to implement another new economic model in order to transform from middle-income

nation to high-income nation in year 2020, due to the world economy is changing rapidly (Economic Transformation Programme: A roadmap for Malaysia, 2010). By implementing this ETP, the Malaysian Government is not only aiming to become a high-income nation, but it also must in both inclusive and sustainable by 2020. In order to transform the nation into high-income nation, it must at least have to grow at an annual real growth rate of 6 percent per year from 2011 to 2020. The current definition of high-income nation from the World Bank's as a per capita income USD15, 000 or RM48, 000. Malaysia will focus on three main structural shifts in the economy, which will assist and support Malaysia's to achieve at least 6 percent annual growth and be able to transform to high-income nation with both inclusive and sustainable. The three areas to be focus on developing are:

- " 1. A large and thriving services sector, to supplement the nation's historical strengths in oil and gas agriculture and manufacturing;
2. A balanced economy, with significant contributions from private consumption and investment as well as fro government spending and exports. In developed countries domestic demand typically accounts for 50 to 70 percent of GDP. In Malaysia it is currently 53 percent; and
3. Productivity levels similar to those of other leading Asian economies. Achieving this will require developing an economy that is more heavily driven by skills, innovation and knowledge. (Economic Transformation Programme: A roadmap for Malaysia, 2010)"

The implementation of ETP will include 12 National Key Economic Areas

(NKEAs) which are greater KL/ Klang Valley, oil, gas and energy, financial
<https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

services, wholesale and retail, palm oil, tourism, electronic and electrical, business services, communications and content infrastructure, education, agriculture and healthcare. All of these areas will help in achieving high-income nation with both inclusive and sustainable. In this research study, it will focus on the electronic and electrical sector employees. According to Mustapa B. Mohamed, “ the electronics and electrical sector has played a critical role in the development of an industrialized Malaysian economy”. And, he strongly believes that, “ the electronic and electrical (E&E) sector will continue to contribute significantly to the country’s Gross National Income (GNI) in 2020”. Moreover, the expansion of “ E&E sector will bring highly-skilled jobs and a deep scientific and technological base to Malaysia” (Economic Transformation Programme: A roadmap for Malaysia, 2010).

In year 2009, the E&E sector has accounted for 6 percent grow in GNI, provided 522, 000 jobs and contribute 41 percent of Malaysia’s total exports. Since, there is a potential in expansion of the E&E sector, it will have direct impact on the number of employees in this area of manufacturing industry sector. Therefore, it is important to understand the E&E sector employees’ attitude in order to increase their job satisfaction. And, higher job satisfaction will subsequently lead to increase in quality, productivity and performance. Hence, it will be able to strengthen the economic development in Malaysia.

1. 2 Research Problem and Objectives

There is thousand of researchers examined the relationships between psychological empowerment and job satisfaction for various industry sectors employees (Kuo, Yin & Li, 2007; Meyerson & Kline, 2007; Liu, Fellows & Chiu, 2006; Chan, 2003; Laschinger, Finengan & Shamian, 2001a and 2001b; <https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

Kirkman & Rosen, 1999; Wu, Vivian, Short & Paula, 1996). Since, the E&E sector employees' has played an important role in enhancement of organizational performance and maintain the annual growth in Malaysia. Therefore, it is important for organization or managers of the E&E sector to understand the employees attitude and determining what are the way to shape their attitude in order to provide a positive impact on the organization such as improve the quality of production, increase in productivity, reduce in absenteeism and turnover rate and enhancement of creativity and innovative. The objectives of this study therefore are to examine and understand the relationship between psychological empowerment and job satisfaction of Malaysia E&E sector employees. Hence, this will help them to understand how to shape Malaysia E&E sector employees attitude in order to increase their job satisfaction. And, higher job satisfaction will subsequently lead to enhance of overall organizational performance.

1. 3 Significant of the Study

By having a better understanding of the relationship between psychological empowerment and job satisfaction of Malaysia E&E sector employees, it will provide the organization a clear picture on how to shape their the E&E sector employees attitudes in order to have higher job satisfaction. Higher job satisfaction will have greater positive impact on the organizational overall performance such as increase productivity, creativity, innovative, service quality and reduced turnover rate and absenteeism.

2. 0 Literature Review

2. 1 Psychological Empowerment

In the past two decades, psychological empowerment has become a very popular topic in management field for academic researchers and business practitioners. The term of psychological empowerment has been modified by various researchers such as Conger and Kanungo (1988); Thomas and Velthouse (1990) and Spreitzer (1995). Conger and Kanungo (1998) defined psychological empowerment is a process of increasing employee feelings of self-efficacy. However, Thomas and Velthouse (1990) have carried out a study which they argue that psychological empowerment is an increased intrinsic motivation. Thomas and Velthouse (1990) have developed a model identifies four cognitions or task assessments as the basis for employees' empowerment. The four cognitions of empowerment were known as sense of impact, competence, meaningfulness and choice. These four cognitions of psychological empowerment should combine and come together in order to reflect an active orientation to a work role and subsequently, individual employees will felt being empowered. There are another researcher called Spreitzer (1995) who has further extended and operationalized the model of psychological empowerment which has developed by Thomas and Velthouse. Spreitzer has made some precious improvement on the model and renamed the terms of cognitions. Spreitzer renamed the meaningfulness cognitions as meaning cognition and choice cognitions as self-determination cognitions. Hence, Spreitzer defined the psychological empowerment as reflecting a personal sense of control in workplace, as manifested in four beliefs about the person-work environment relationship in four cognitions: meaning,

competence, self-determination and impact. If there is missing any one dimension, then the experience of empowerment will be limited. However, it must come together at the same moment in order to maximize the feeling of being empowered.

Spreitzer has defined meaning cognitions as a “ sense of purpose or personal connection to their work goal”. The meaning cognition is the value of a work goal or purpose, judged relation to an individual’s own ideals (Thomas & Velthouse, 1990). The individual employee’s must have a belief in their sense of judgment, values, work role and behaviors with connection to the work or the employee’s must has the opportunity to guided by their own ideas and standards to evaluate the achievement of the organizational goal or purpose. The meaning cognition must involve a fit between the requirements of a work role and a person’s beliefs, values and behaviors (Brief & Nord, 1990; Dickson & Lorenz, 2009). The work goal should not have any conflict with own values and beliefs in order to have the feeling of being empower. According to Pratt and Ashforth (2003), meaning can find in almost any task, job or organization.

Competence cognitions can be defined as the individual employee believes that they have the skills and capability to perform their work effectively (Spreitzer, 1995). If an individual employee’s lack a sense of confidence in their skills and capability, this actually will make them lack a sense of empowerment as a result of individual inadequate. According to Thomas and Velthouse (1990) indicated that “ competence assessment can be refers to the degree to which a person can perform task activities skillfully when he or she tries”. The person not only must have the sense of believe in them but <https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

he or she should try to perform the assigned tasks in order to have feeling of competency. However, those workers who have low self-efficacy will lead them to avoid situations that require the relevant skills which will make someone to prevent from confronting fears, building competencies and improving perceived competence (Bandura, 1977). In contrast, if he or she has high self-efficacy, then their high self-efficacy should result in initiating behaviors, willing to exert more effort and persistence in the face of obstacles.

Self-determination is a sense of freedom for an individual employee to do their own work (Spreitzer, 1995). The superior must provide their employees the chance and freedom to make certain decision about their work instead of just require their employees to follow the rules and regulations within the organization. If employee's belief that they are just following the order from their superior rather than own action, then they will feel lack a sense of empowerment due to the little autonomy and freedom. Moreover, perceived self-determination will produces greater flexibility, creativity, initiative, resiliency and self-regulation (Deci & Ryan, 1985). Eventually, by having this excellence and positive outcome will enhance the overall organization performance as well as employees satisfaction.

Lastly, impact defined as " an individual employee belief they can influence the strategic, administrative, or operating outcomes at work" (Spreitzer, 1995). They believe themselves that able to make a difference and have significant effect in their organization by accomplishing the work task (Thomas & Velthouse, 1990). The competence and impact cognitions are very similar to each other. However, Thomas and Velthouse study has try to <https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

distinguish between competence and impact cognitions with a light of conceptual refinements that help to further clarify the variables more clearly. Moreover, Spreitzer, Kizilos and Nason (1997) stated that the impact is different from self-determination, which self determination is refer to individuals' sense of control over their own work, however, impact is refers to individuals' sense of control over organizational outcomes and believe in having the ability to make a contribution and significant positive effect in their organization performance..

2. 2 Job Satisfaction

Job satisfaction has become a primary factor that will influence the individuals jobs and to the job experience. If there is enhancement of employees' job satisfaction within the organization, this will in turn lead to increase in individual employee and overall organization productivity and performance, improve employee creativity and innovative, reduced turnover rate as well as absenteeism (Dickson & Lorenz, 2009). Sometime, job satisfaction is responsible to act as important roles to determine an individual employee either to resign or remain with the organization. If he or she has a low job satisfaction, then he or she tends to resign or leave the organization.

Although, there are many different definitions of job satisfaction from various researchers, but the meaning of job satisfaction is remain the same. Job satisfaction can be defined as an indication of the employees' emotional and their physical feelings (Hoppock, 1935). Vroom (1964) has further explain the job satisfaction in more detailed and precisely which if one individual job or job experience has been evaluate and appraise by the organization, then <https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

the employee will have a pleasant feelings and positive emotional state. This meant the job evaluation and appraisal of their work outcome will determine whether an individual employee get a good or bad feedback. The feedback will lead to employees emotional state and pleasant feelings which will affect the level of employees' job satisfaction. In year 1976, Locke has defined the job satisfaction as a pleasant or positive emotional state as a result of the job evaluation and appraisal or job experience.

2. 3 Psychological Empowerment and Job Satisfaction

Job satisfaction is an earliest anticipated or predictors outcomes of empowerment (Spreitzer, Kizilos & Nason, 2007). The psychological empowerment models developed by Thomas and Velthouse (1990) and Conger and Kanungo (1988) did not include and examine the outcome variables. However, Thomas and Tymon (1994) has further extended the empowerment models and found that the employees' level of job satisfaction was the most significant relationship. The empirical research has found that psychological empowerment is significantly positive associated with job satisfaction. However, the result of the relationships between the four cognitions of psychological empowerment and job satisfaction has found to be varied from study to study (Dickson & Lorenz, 2009; Carless, 2004; Liden, Wayne & Sparrowe, 2000).

The empirical research has found that psychological empowerment is significantly positive related to job satisfaction. However, the result of the relationship between four cognitions of psychological empowerment and job satisfaction has found to be varied from study to study (Dickson & Lorenz, 2009; Carless, 2004; Liden, Wayne & Sparrowe, 2000; Spreitzer, Kizilos and <https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

Nason, 1997). The only result generated by all of the study have the same outcome which is the meaning cognition has significant related to job satisfaction for part-time and temporary workers. Spreitzer, Kizilos and Nason (1997) has carried a study to examines the relationship between the four cognitions that developed by Thomas and Velthouse's (1990) multidimensional conceptualization of psychological empowerment and the three expected outcomes of empowerment: effectiveness, job satisfaction and job-related strain. There are two separate samples were collected with different set of research questions due to the different in organizational level, demographics and types of organization. The primary sample was consisted mid-level employees from a Fortune 500 industrial organization. The secondary sample was consisted of lower-level employees from an insurance company. The result generated by Spreitzer, Kizilos and Nason was shown that the meaning cognition was found to be positively related to job satisfaction for both primary and secondary sample. Dickson and Lorenz (2009), Carless (2004) and Liden, Wayne and Sparrowe (2000) were also found that there is a significant positive relationship between meaning cognition and job satisfaction for temporary and part-time workers. When individual employees who perceive their job assigned by their superior is to be significant, then they will feel higher level of job satisfaction as compared to those who perceive their jobs as having little value (Liden, Wayne & Sparrowe, 2000). If individual employee have found that the work they perform consistent with their beliefs, attitudes and behaviors would result higher job satisfaction and happy to perform their work (Carless, 2004). Therefore, the relationship between impact cognitions and job satisfaction should be significant positive related.

<https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

The other three cognitions have shown an inconsistent result among the studies. The self-determination cognition has been found that no significant positive relationship with job satisfaction and this result was found to be consistent with other study (Carless, 2004; Liden, Wayne & Sparrowe, 2000). However, Dickson & Lorenz, (2009) generated that there is negative relationship and Spreitzer, Kizilos and Nason (1997) indicated that there is no significant relationship between self-determination cognitions and job satisfaction. Furthermore, the competence and impact cognitions have also been found to be inconsistent result. According to Liden, Wayne and Sparrowe (2000) indicated that the competence cognitions is found to have significant negative relationship with job satisfaction, while Spreitzer, Kizilos and Nason (1997) and Carless (2004) found that there is a significant positive relationship with job satisfaction. As compared to Dickson and Lorenz (2009) shown that the competence cognition do not have any relationship with job satisfaction. For impact cognitions, its has found to have significant positive relationship with job satisfaction for Dickson and Lorenz (2009) and Carless (2004) but there is no positive relationship with job satisfaction for Liden, Wayne and Sparrowe (2000) and no any relationship between them for Spreitzer, Kizilos and Nason (1997).

From the above, there is inconsistent result has been generated by different study for self-determination, competence and impact cognitions. Although, the measurement of the four cognition of psychological empowerment used by various studies was the same, but the measurement of job satisfaction was different to each others. Lorenz and Dickson (2009) has adopted the measurement of job satisfaction that developed by Cellucci and DeVries

(1978) which known as managerial job satisfaction questionnaire. Carless (2004) has adopted two scales from the Job Descriptive Index (JDI) developed by Balzer (1977) while, the 18-item satisfaction with the work itself scale of the JDI developed by Smith et al. (1987) has adopted by Liden, Wayne and Sparrowe study. Lastly, Spreitzer, Kizilos and Nason study has adopted the measurement of job satisfaction developed by Smith, Kendall and Hulin (1969). The difference in measurement of job satisfaction might be affecting the result generated by various studies to be inconsistent.

Moreover, the target respondents used was different among the studies. Different target respondents will have different perceptions and background or demography which will lead to different outcomes. Undergraduate students or nonstandard students' workers might be more educated and have different expectations of their nonstandard work arrangement as compared to non undergraduate students or nonstandard workers (Dickson & Lorenz, 2009). However, the target respondents for Spreitzer, Kizilos and Nason study was lower-level employees from an insurance company and mid-level employees from a Fortune 500 industrial organization. Next, 280 customer service employees working in call centers and related administrative areas at two private financial organizations and a public organization in Australia were selected as sample for the Carless (2004) study. For the sample of Liden, Wayne and Sparrowe (2000) study was 337 employees and the immediate supervisor from a large service organization located in three Midwest states. From the difference in target respondents, dealing with the respondents' perception towards their organization or

faculty will be very different. Therefore, the results generated from different studies were not consistent.

In the case of undergraduate students or nonstandard students' workers were selected as the sample for Dickson & Lorenz (2009) study. Most of the time, the purpose of student holding a part-time or temporary job may not necessary committed to the organization and their main purpose are to gain financial in order to support their study in university life. Therefore, their job satisfactions might be affected by other variable such as benefits or monetary term instead of being empowered.

3.0 Proposed Conceptual Framework and Hypothesis Development

This paper proposes to identify the relationship between psychological empowerment and job satisfaction of Malaysia E&E sector employees. Based on the discussions presented in the literature review, psychological empowerment affects job satisfaction. The four cognitions of psychological empowerment: meaning cognition, competence cognition, self-determination cognition and impact cognition affect job satisfaction. Based on the above discussion, the research framework is constructed and presented in Figure 1.

Figure 1: The Proposed Conceptual Framework for the Study

Psychological Empowerment

Four Cognitions:

Meaning Cognition

Competence Cognition

Self-determination Cognition

Impact Cognition

Job Satisfaction

Dependent Variable

Independent Variable

The study proposes the following hypothesis concerning the Malaysia E&E sector employees:

Hypothesis 1:

Psychological empowerment is positively related to job satisfaction.

Hypothesis 2:

The four cognitions of psychological empowerment, namely meaning cognition, competence cognition, self-determination cognition and impact cognition are positively related to job satisfaction.

5. 0 Conclusion

The paper is a review of existing literature on the relationship between psychological empowerment and job satisfaction. The study evaluates the relationships between the cognitions of psychological empowerment:

meaning, competence, self-determination and impact and job satisfaction.

Making a clear understanding of Malaysia E&E sector employees' attitudes is

<https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

essential for most organization. By examine the relationship between psychological empowerment and job satisfaction, organization and supervisor will have better ideas and knowledge that how to shape the E&E sector employees attitudes by using psychological empowerment in order to increase their job satisfaction in Malaysia. Even though, the results generated by various studies shown inconsistent, but it is recommended to focus on meaning cognition.

APA Referencing

Allan, P. (2002). The contingent workforce: challenges and new directions. *American Business Review*, 103-110.

Balzer, W. K., A., K. J., Smith, P. C., Irwin, J. L., Bachiochi, P. D., Rohie, C., et al. (1997). Users' manual for the job descriptive index (JDI: 1997 Revision) and the job in general (JIG) scales. . Bowling Green, OH: Bowling Green State University.

Bandura, A. (1977). Self-efficacy: Toward a unifying theory of behavioral change. *Psychological Review*, 84(2), 191-215.

Brief, A. P., & Nord, W. R. (1990). Meanings of occupational work. Lexington: Lexington Books.

Carless, S. A. (2004). Does psychological empowerment mediate the relationship between psychological climate and job satisfaction? . *Journal of Business and Psychology* 18(4), 405-425.

Cellucci, A. J., & DeVries, D. L. (1978). Measuring management satisfaction: a manual for the JSQ technical report II. Center of Creative Leadership.

Chan, Y. H. (2003). A nomological network approach to the study of antecedents, moderator, mediators and outcomes of psychological empowerment., The University of Memphis.

Conger, J. A., & Kanungo, R. N. (1988). The empowerment process: Integration theory and practice. *Academy of Management Journal*, 13(3), 471-482.

Connelly, C. E., & Gallagher, D. G. (2004). Emerging trends in contingent work research. *Journal of Management*, 30(6), 959-983.

DeCenzo, & Robbins. (2007). *Fundamentals of human resource management* (9th ed.). New York: John Wiley & Sons, Inc.

Deci, E. L., & Ryan, R. M. (1985). *Intrinsic motivation and self-determination in human behavior*. New York: Plenum.

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.

Hoppock, R. (1935). *Job satisfaction*. New York: Harper.

Kalleberg, A. L. (2000). Nonstandard employment relations: part-time, temporary and contract work. *Annu. Rev. Sociol*, 26, 341-365.

Kirkman, B. L., & Rosen, B. (1999). Beyond self-management: Antecedents and consequences of team empowerment. . *Academy of Management Journal*, 42(1), 58-74.

Kuo, H.-T., Yin, T. J.-C., & Li, I.-C. (2007). Relationship between organizational empowerment and job satisfaction perceived by nursing assistants at long-term care facilities. *Journal of Clinical Nursing*, 17, 3059-3066.

Laschinger, H. K. S., Finegan, J., & Shamian, J. (2001a). The impact of workplace empowerment, organizational trust on staff nurses' work satisfaction and organizational commitment. *Health Care Management Review*, 26(3), 7-23.

Laschinger, H. K. S., Finegan, J., & Shamian, J. (2001b). Promoting nurses' health: effect of empowerment on job strain and work satisfaction. *Nursing Economics* 19(2), 42-52.

Liden, R. C., Wayne, S. J., & Sparrowe, R. T. (2000). An examination of the mediating role of psychological empowerment on the relations between the job, interpersonal relationships, and work outcomes. *Journal of Applied Psychology*, 85(3), 407-416.

Liu, A. M. M., Fellows, R., & Chiu, W. M. (2006). Work empowerment as an antecedent to organisational commitment in the Hong Kong quantity surveying profession. *Surveying and Built Environment.*, 17(2), 63-72.

Locke, E. A. (1976). The nature and causes of job satisfaction. *Handbook of Industrial and Organizational Psychology*, 1279-1350.

<https://assignbuster.com/the-impact-of-psychological-empowerment-on-job-satisfaction-of-manufacturing-employees/>

Meyerson, S. L., & Kline, T. J. B. (2008). Psychological and environmental empowerment: antecedents and consequences. *Leadership & Organization Development Journal*, 29(5), 444-460.

Pratt, M. G., & Ashforth, B. E. (2003). Fostering meaningfulness in working and at work. In K. S. Cameron, J. E. Dutton, & R. E. Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* (309-327), San Francisco: Berrett-Koehler Publishers Inc.

Smith, P. C., Kendall, L. M., & Hulin, C. L. (1969). *The measurement of satisfaction in work and retirement: a strategy for the study of attitudes*. Chicago: Rand-McNally.

Spreitzer, G. M. (1995). Psychological empowerment in the workplace: Dimensions, measurement, and validation. *Academy of Management Journal*, 38(5), 1442-1465.

Spreitzer, G. M., Kizilos, M. A., & Nason, S. W. (1997). A dimensional analysis of the relationship between psychological empowerment and effectiveness, satisfaction and strain. *Journal of Management* 23(5), 679-704.

Thomas, K., & Tymon, W. (1994). Does empowerment always work: understanding the role of intrinsic motivation and personal interpretation. *Journal of Management Systems*, 6(3).

Thomas, K. W., & Velthouse, B. A. (1990). Cognitive elements of empowerment: an "interpretive" model of intrinsic task motivation. *Academy of Management Review*, 15(4), 666-681.

Vroom, V. H. (1964). *Work and motivation*. New York: John Wiley & Sons.

Wu, Vivian, Short, & Paula, M. (1996). The relationship of empowerment to teacher job commitment and job satisfaction. *Journal of Instructional Psychology*, 23(1), 85.