



# Studying the influence of Psychological empowerment on job satisfaction

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### ABSTRACT

The purpose of writing the current paper is to survey employees' empowerment on their job satisfaction in Iran insurance. To measure empowerment, competency, trust, meaning, impact and self-determination and to survey job satisfaction nature of work, salaries and income, leadership style, relation with coworkers and promotion systems were applied. 2 separated questionnaires in empowerment and job satisfaction distributed among statistical society after proving their validity and reliability. The results of applying Spearman and Friedman tests show that empowerment and its dimensions have positive and meaningful influence on job satisfaction in which the influence of competency is more than other variables. Also there are positive relationship between employees' educational level and job experience with their satisfaction. Finally the results of applying Binomial test show that all variables were placed in high levels.

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### Introduction

Increasing customers' expectations, growing globalization and high advanced technology are the factors which make more differences between traditional organizations and modern ones. In traditional organizations, employees' energy was managed, meanwhile in modern ones, intellectual power and creativity of individuals should be managed too. In this condition, not only ordering-controlling hierarchy methods are not appropriate, but also employees have to blurt their creativity and play role in autonomous work teams to solve organizational problems (Maccoby, 1999). Therefore necessity of developing employees who have ability of self-controlling leads to human resource empowerment as a new paradigm attract much more attention of researchers (Thomas and Velthouse, 1990).

In addition, in current era empowerment has been identified as a new tool which enables managers administrate effectively the today's organizations which have some characteristics like diversity of penetration channels, low difference between boss and subordinate (Koberage et al, 1999). So continuance of organizations' life in 21<sup>st</sup> century followed by the empowered employees who are able to play important role in autonomous work teams.

Having committed and creative employees is one of the most important tools of organizations' success. Human force is base of organizations' wealth. Traditional organizations emphasizing on employees' physical activities, tended to do their works in a defined framework. But modern organizations need employees to make proper decisions and to present affective solution for problems. So employees should be empowered and accountable about results (Khanalizadeh, 2008).

In Qazvin branch of Iran insurance, human resources are not considered important ones and are easiest to change. Disaffiliation them in decision making process, lack of trust on organization and transactional leadership style make employees to be unsatisfied of their work and employees desertion rate increases continuously. So the most important question of the research can be considered as:

Is there any relationship between psychological empowerment and employees job satisfaction in Qazvin branch of Iran insurance?

### Literature Review

#### Empowerment

Available literature about empowerment can be divided to two separated approaches. The first one emphasize on structural aspect of human resource empowerment. In these researches, empowerment is output of the process which affects from external environment of organizations. This approach which is identified as "structural approach", is based on the idea that managers empowered their employees by meeting their needs and requires. The most important experts of this area are: Eisenberger (1986), Burke (1987), Block (1987), Deci (1989), Ryan (1989), Carson (1991) and Parker (1994) (Miri et al, 2011).

The second approach emphasize on the role and importance of psychological aspect of empowerment. These researchers considered empowerment as extra structural factors in line of improve and develop activities and processes. They believe that empowerment in personal and individual factor and therefore is directly related to employees' attitude, feelings and perception of their works. Indeed empowering attitude and its understanding increase employees' motivation and make them to do their works better than before. The most important researchers of this aspect are: Conger and Kanungo (1988), Thomas & Velthous (1990), Zimmerman (1990) and Spreitzer (1994) (Miri et al, 2011).

In empowerment literature, there is not a unique definition, but its definition is related to people and position (Barry et al, 2005; Lyons et al, 2001) and much more researches should be done to be able to understand its nature (Petter et al, 2002). Before 1990, empowerment meaning was managerial action and strategies like delegation and sharing information, knowledge, reward and power to employees. But after 1990, researchers attended empowerment in employees' beliefs and feelings aspect (Mir KAmali & Nasti Zaei, 2010).

### Job satisfaction

Definitely each manager is following methods to motivate their employees to improve their performance and make them more committed to the organization. One of these methods is increasing job satisfaction. If job satisfaction enhance, people and organization will achieve their goals, objectives and finally more success (Stewart, 2008).

Job satisfaction is one of information gathering methods about organizations which explains their attitudes, feeling and personal priorities (Chen, 2007) and shows the individuals' interests to their organizations (Lambert et al, 2007). The managers by understanding their employees' job satisfaction are able to find their employees' needs and desires and consider some factors like rewards, promotion, income, welfare facilities and . . . according to people try and effort (Tsai et al, 2007).

People bring their physical and spiritual skills to the organizations. Most of them try to make difference between their and others' life by work. Works can be considered as a tool to gain personal goals. when a job meet people expectations, they experience positive feeling. This feeling illustrates job satisfaction. So it can be claim=med that job satisfaction is one of the factors about life satisfaction (Green, 2000).

In response of the question "what is job satisfaction", Green says: combination of spiritual, psychological and environmental positions which make an individual more satisfied (Green, 2000). In another definition, job satisfaction has been defined as employees' attitudes about their roles in organizations and its relationship to their motivation (Nestor & Leary, 2000). Also it was defined as favorite or positive emotional explanation about individuals' job appraisal or their job experiences (Brewer and McMahan-Landers, 2003).

### The relationship between empowerment and job satisfaction

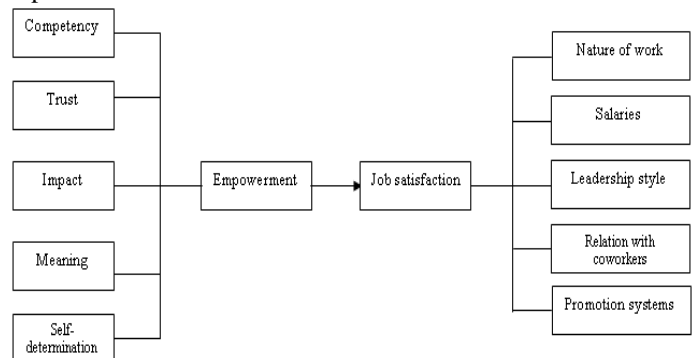
What employees feel to be able to do in the workplace, is psychological empowerment. Spiritzer (1995) defined psychological empowerment as a position in which employees emphasize on their job and experiences. People believe that their undeniable roles in organizational output and productivity, increase their self confidence and motivation to achieve more success (Najafi et al, 2011).

The managers, who let their employees to participate in decision making, utilize their human capital maximally. Empowerment increase employees' performance and improve organizational workplace. Polite and respectful behavior of managers and encourage make employees to interest their job and it enhance their job satisfaction. Most of managers empowered their employees by continual reporting of their work which failed of this way. But if employees' empowerment is accompanied accurate definition of organizational vision (in line of developing personal and organizational goals), employees motivation will increase to do their work effectively. Therefore empowerment will lead to employees' job satisfaction (Akbar et al, 2011).

When managers try to create or enhance their employees' self confidence, employees will more committed to their organization, try so much in terms of organizational values and blurt more creativity to achieve organizational goals and objectives. Activities of human resource empowerment as motivational factor create security and safety sense in them. Empowered people are highly motivated to follow and achieve organizational goals and during the process, have sense of independence, meaningful and effectiveness (Oloko & Ogotu, 2011).

### Conceptual framework of research and hypotheses

The chart below is combination of Spritzer (1995) and Robbins (1997) researches in which empowerment and its dimensions include competency, trust, meaning, impact and self-determination are independent and job satisfaction is dependent one.



### Conceptual framework (Spreitzer, 1995; Robbins, 1997)

1. Psychological empowerment has positive and meaningful influence on employees' job satisfaction.

1.1. Competency has positive and meaningful influence on employees' job satisfaction.

1.2. Trust has positive and meaningful influence on employees' job satisfaction.

1.3. Impact has positive and meaningful influence on employees' job satisfaction.

1.4. Meaning has positive and meaningful influence on employees' job satisfaction.

1.5. Self-determination has positive and meaningful influence on employees' job satisfaction.

### Methodology

The study was done in a society includes 147 employees of Iran insurance (Qazvin branch).

Current study can be considered as a descriptive survey if to view from data collection aspect and as an applied research if to investigate the goals of the study. To collect the data library method (to refer to books, articles, libraries, etc...) and fieldworks (questionnaire) was being applied.

2 questionnaires were designed in empowerment (with 20 questions) and job satisfaction (with 22 ones) and 5 point scale was invented in them.

For assessing questionnaire validity we asked for experts' opinions and to confirm its reliability Cronbach's alpha method has been applied. The reliability results calculated which was above the reasonable threshold (0.7).

### Data analyzing

#### Kolmogorov- Smirnov test

To survey normality of data distribution in statistical society, Kolmogorov-Smirnov test was applied. The results of applying the test are shown in table 1:

**Table 1. the results of applying Kolmogorov-Smirnov test**

Variables	sig	Test statistics
Empowerment	0.000	1.725
Job satisfaction	0.005	2.175

The results show that sig amounts for both variables are less than standard error of the research. So normality of data distribution was rejected; therefore some non-parametric tests were utilized for data analyzing.

### Spearman test

To survey the relationship between empowerment and its dimensions with job satisfaction, Spearman test was applied:

**Table 2. The results of applying Spearman test**

Relationships	Spearman statistics	Sig	Results
Empowerment with JS	0.794	0.000	Positive and meaningful relationship
Competency with JS	0.520	0.000	Positive and meaningful relationship
Trust with JS	0.570	0.000	Positive and meaningful relationship
Impact with JS	0.642	0.000	Positive and meaningful relationship
Meaning with JS	0.610	0.000	Positive and meaningful relationship
Self-determination with JS	0.745	0.000	Positive and meaningful relationship

Table 2 shows empowerment and all dimensions have positive and meaningful influence on job satisfaction.

### Friedman test

To rank empowerment dimensions Friedman test was utilized.

**Table 3. the results of applying Friedman test**

Dimensions	Mean rank	Final rank
Competency	3.73	1
Trust	2.49	5
Impact	3.01	3
Meaning	3.25	2
Self-determination	2.52	4
N=147; $\chi^2=70.650$ ; df= 4; Sig= 0.000		

Table 3 illustrates competency is the most important dimension of empowerment and meaning and impact were placed in second and third places. Meanwhile trust was the last one.

### Chi Square test

Chi Square test was applied to survey the relationship between employees' demographic characteristics and their job satisfaction. The results are shown in table 4:

**Table 4. the results of applying Chi Square test**

variables	P-Value	Sig	Results
Age and JS	8.066	0.070	No relationship
Gender and JS	7.489	0.124	No relationship
Educational level and JS	8.765	0.033	Positive relationship
Job experience and JS	11.085	0.026	Positive relationship

Table 4 shows that there are positive and meaningful correlations between employees' age and gender with their job satisfaction.

### Binomial test

This test was applied to consider variables' levels.

**Table 5. The results of applying Binomial test**

Variables	Observed prop.	Test Prop.	Sig	Results
Empowerment	0.08	0.05	0.000	Favorable level
Competency	0.08			Favorable level
Trust	0.08			Favorable level
Impact	0.08			Favorable level
Meaning	0.08			Favorable level
Self-determination	0.06			Favorable level
Job satisfaction	0.08			Favorable level

Table 5 shows that all variables are placed in favorable levels.

### Conclusion and suggestions

The current study with the purpose of the influence of employees' empowerment on their job satisfaction was done in a society include 147 people of Iran insurance company in Qazvin. First of all by applying Kolmogorov-Smirnov test normality of data distribution in statistical society was rejected, so some non parametric tests were applied.

The results of applying Spearman and Friedman tests illustrate positive and meaningful correlations between empowerment and its dimensions with job satisfaction meanwhile competency was the most important one. The results are consistent to Najafi et al (2011) and Gholipour et al (2009) researches.

Also the results of Chi Square test shows there are positive and meaningful relationships between employees' educational level and job experience with their job satisfaction which is consistent with Goudarzi research (2012).

Attending to positive and meaningful correlations between empowerment and its dimension with job satisfaction, some suggestions are presented as:

- **Competency:** accurate explanation of people task to them, holding educational courses (e. g. work with internet) and appreciating them.
- **Trust:** making culture contains mutual trust in organization, information sharing to employees and attending to employees' success and survival.
- **Impact:** Valorizing considered idea from employees' side, trying to flourish employees' talent, permitting employees to express their ideas even if are not suitable to execute and finally motivating them by some factors like rewards, salaries and income.
- **Meaning:** delegation, learning and teaching employees to develop them.
- **Self-determination:** getting necessary authorities to employees, creating autonomous work teams, providing situations for employees to do their work voluntarily.

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