The Importance of Employee Empowerment in Organizational Performance

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Abstract

Companies need to find strategies that enable innovation and improved performance if they want to increase their competitiveness. Previous studies suggested that businesses must employ motivational managerial methods to achieve these goals. Employee empowerment in particular is acknowledged as being important for establishing trustworthy connections inside firms, which in turn promote innovation and higher levels of performance. Fostering a workplace where employees can take part in decision-making, problem-solving, and goal-setting is referred to as employee empowerment. This study makes an effort to review the research on and viewpoints on employee empowerment. Increasing employee accountability and raising the standard of work are the core principles of employee empowerment. Employee empowerment fosters a positive attitude toward the company among the workforce. Employee empowerment can improve the rapport between staff and management, boost morale, and give workers a sense of greater worth. As a result, this will motivate staff to use their experience and knowledge to recommend new techniques of quality improvement at their workstations and fulfill the organization's goals.

KEYWORDS- Importance Of Employee Empowerment, Organizational Performance, Competitiveness, Improvement At Their Workstation, Staff, And Management.

INTRODUCTION

To survive and obtain an edge over competitors in the chaotic world of today, organizations must boost their innovation efficacy and capability. According to several scholars, creativity is one of the most economically important components of success and survival. Companies are therefore urged to look for ways to improve their innovation processes. Recent research on the subject of innovation reveals that this idea should be viewed as an ongoing process of knowledge and skill

growth rather than a single outcome. The dynamic organizational capacities that shape this process are now part of the notion of innovation.

This definition of innovation refers to the process of exploring new capabilities or utilizing ones that already exist. In today's society, the concept of "employee empowerment" is becoming more significant. Employee empowerment has become widely acknowledged as an important topic within business circles because it is seen as one of the crucial elements of supervisory and company performance that rise when authority and influence are divided in an organization (Bekirogullari, 2019). Recent years have seen the recognition of empowerment as a crucial component of effective management. Employees are better prepared to handle market volatility and unforeseen future demands when leaders give them the freedom to do so. More individuals are participating in decisions that have an impact on their daily lives as a result of empowerment. At the cognitive level, empowerment is frequently discussed more than it is realized in daily life (Abualoush *et al.,* 2018).

Intense competition, adjusting to foreign cultures, and accomplishing employee satisfaction in a variety of fields, such as motivating for good performance, rewarding it, and retaining employees by giving them opportunities for advancement, are just a few of the challenges resulting from globalization and financially and cultural openness have placed on business organizations. Organizations are more certain now than ever before that their workforce is their most valuable asset. As a result, contemporary firms frequently change their organizational structures by adding a specialist department for human resources management. This department is responsible for facilitating the growth of human talent to accomplish the organization's objectives. Planned procedures can be used to achieve employee growth, and one of the most successful practices in this area is employee empowerment. To create highly qualified staff members who are capable of achieving the goals, (SHRM) necessitates full reliability with the organization's general goals. In contrast, an organization's top management must supply all of the components—training, education, and recovery—that work to give workers chances. To better understand how employees can be empowered to learn, train, rehabilitate, and be authorized, as well as increase market share, return on investment, and product quality, this study looks at employee empowerment in these four areas (Kumar and Sajid., 2019). In an environment where personnel are the primary actor in directing and overseeing the monetary and physical assets readily

accessible to any organization regarding achieving the organization's objectives, employees' empowerment is essential to the achievement of the tactical objectives of the organization.

LITERATURE OF REVIEW

Areiqat and Naji (2016) said that after the paradigm of the globalization era brought about hasty deviations and adjustments, for both scientific and environmental industries, businesses are now concentrating on getting an unfair advantage in the market. The elements that contribute to this advantage include cutting-edge machinery and equipment, fresh technologies, successful marketing plans, special client services, and other elements. As a result, firms constantly improve their systems, procedures, and technology to handle the demanding current environment. Additionally, the dynamic environment of today forces firms to align their management strategies with these growing issues. The human factor is one of the most crucial tools for a business to survive and accomplish its vital objectives and responsibilities in today's cutthroat business environment.

(Dmour et al., 2018) illustrated that empowering employees to achieve better levels of performance, engagement, and involvement is a crucial issue that needs to be addressed given the fast-paced pace of the work environment. Modern businesses that inspire and uplift their staff are more likely to succeed in achieving maximum effectiveness across the board and will be better able to adapt to the quickly shifting business climate. The relevance of empowerment in today's fast-paced corporate climate, where both managers and employees must make decisions quickly and intelligently, defines this new topic. Unsurprisingly, scholars and practitioners have given empowerment and its implications on organizations a lot of attention during the past ten years.

(Bissinger, O. et al., 2020) Highlighted that successful results between various management levels in an organization's hierarchy. It discusses the importance of strengthening, which is a crucial supporter of increased responsibility among managers and employees, worker independence and opportunity to carry out their jobs, and support and guidance from managers in raising representative responsibility levels, which leads to representatives providing excellent service to clients. This assessment can be used as a guide by lodging managers to manage their staff in a way that improves benefits and advances hierarchical development. As a result,

empowerment is a crucial predictor that not only improves commitment but also improves the performance of the organization as a whole.

Wall et al., (2005) described that to maintain outstanding performance, all current organizations require knowledgeable and skilled staff. Furthermore, fierce rivalry in a variety of markets necessitates dedicated workers. Employee involvement is a crucial business success component in this situation. Employee empowerment boosts commitment, productivity, and trust. Empowering employees promotes participation in decision-making, the development of novel ideas, and putting them into action. It is believed that empowerment acts as a prescription to improve effectiveness, output, and employee satisfaction. Taking on extra responsibilities may motivate workers to advance their skills and abilities. Employee empowerment aims to promote engagement among a company's workforce while distributing power and duties. Loyal and devoted employees help the company achieve its objectives.

Asoufi and Akhorshaideh (2017) concluded that the more empowered an employee is, the better the organization will function. The results of these initiatives, or the hoped-for return on the sometimes significant financial investments made by organizations in them, are supported by research. if businesses determine whether a business is performing well, it is crucial to assess how well it is fostering employee empowerment and motivation, both of which have a favorable impact on overall performance.

H.M. (2020) revealed that the world is undergoing rapid environmental change right now, which has a significant impact on organizations and creates new challenges for general leadership of staff development and motivation. By examining both the strong motivational practices and how the aspect of empowerment is affecting the IT sector, the current study aims to examine motivation beyond the constrained boundaries of business and economics. The study unequivocally demonstrates that empowerment and motivation are positively correlated in the IT industries. It highlights how a happy employee will give the company more of their devotion.

BERRAIES et al., (2014) said that any organization's potential for growth and development is largely based on its workforce, who must be empowered. Compared to earlier, employees are far more aware of their rights nowadays. Employers must therefore comprehend the true meaning of the independence philosophy and implement it in their workplace to keep up with changing

times. The strategies described here can assist both managers and employees in achieving the genuine objective of employee empowerment. Employee empowerment is the process of fostering an environment at work where staff members can participate in making choices, solving problems, and goal-setting. It entails the delegation of power so that employees can make choices.

Ugboro & Obeng, 2001) described that employee empowerment's impact on development is still up for discussion. A study of the available literature on these subjects reveals that empirical studies that looked at the relationship among these variables are still divisive. According to several academics, empowerment, and innovation are positively correlated. Others discovered a lack of correlation between these variables or a negative association. A study that was conducted concluded that empowerment did not affect the company's capacity for innovation. According to some research, this managerial strategy hinders organizational creativity. Given these contentious findings, it could be useful to isolate the factors that influence how employee empowerment and innovation interact.

Objectives of the study:

To compute the importance of employee empowerment in organisational performance

Research Methodology:

This research is based on collecting data from 223 people to the importance of employee empowerment in organisational performance. The study used an empirical approach to analyze the data, which involved using frequency distribution to examine the patterns and trends in the responses.

Data Analysis and Interpretation:

Table 1 Employee empowerment plays a crucial role in enhancing organizational performance by fostering a sense of ownership and responsibility among employees

Particulars	Agree	Disagree	Can't Say	Total
Participants	189	19	15	223

% Age	84.75	8.52	6.73	100.00

Table 1 presents that with the statement employee empowerment plays a crucial role in enhancing organizational performance by fostering a sense of ownership and responsibility among employees, it is discovered that 84.75% of the participants expressed their agreement with this statement.

Table 2 Empowering employees encourages them to think critically, be innovative, and contribute their unique perspectives and ideas

Particulars	Agree	Disagree	Can't Say	Total
Participants	185	21	17	223
% Age	82.96	9.42	7.62	100.00

Table 2 presents that the statement empowering employees encourages them to think critically, be innovative, and contribute their unique perspectives and ideas, it is discovered that 82.96% of the participants expressed their agreement with this statement.

Table 3 When employees have a voice in decision-making and feel that their contributions matter, they experience a higher level of job satisfaction

Particulars	Agree	Disagree	Can't Say	Total
Participants	181	23	19	223
% Age	81.17	10.31	8.52	100.00

Table 3 presents that with the statement when employees have a voice in decision-making and feel that their contributions matter, they experience a higher level of job satisfaction, it is discovered that 81.17% of the participants expressed their agreement with this statement.

Table 4 When employees are empowered to make decisions aligned with organizational goals and values, they can respond quickly and effectively to challenges and opportunities

Particulars	Agree	Disagree	Can't Say	Total
Participants	177	25	21	223
% Age	79.37	11.21	9.42	100.00

Table 4 presents that with the statement when employees are empowered to make decisions aligned with organizational goals and values, they can respond quickly and effectively to challenges and opportunities, it is discovered that 79.37% of the participants expressed their agreement with this statement.

CONCLUSION

A light pat on the shoulder, however, gives people a psychological lift and gives them power. At the same time, giving them some material advantages also helps them feel somewhat more in control. However, internal characteristics have a greater impact on the empowered sense. People feel empowered when they are given the freedom to accomplish their jobs, have their ideas appreciated, believe that their problems are understood, and are given the room to exhibit their full potential. Additionally, an extra effort to identify the elements that render specific individuals "powerless" might assist firms in achieving the goal of maximum employee empowerment. Up to now, a significant number of studies and research have focused on empowerment due to the significant and significant antecedents of organizational engagement, worker fulfillment, decreased turnover, and other benefits that may be gained when adopting such a strategy. Organizational learning, on the other hand, has demonstrated its significance as an element of competitive edge for businesses to compete in a highly competitive environment.

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