



Does Psychological Empowerment Bring About Employee Commitment? Evidence from Telecommunication Sector of Pakistan

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Abstract

The rationale of this current study is to elucidate the role of psychological empowerment in committing employees with organization. Data was collected from employees working in telecom sector of Lahore (Pakistan). Results showed the significant relationship exists between all the four dimensions of psychological empowerment and employee commitment. On behalf of data that was collected from Lahore (Pakistan), it was accredited that employee commitment can be enhanced by involving employees in decision making that will ultimately increase their commitment in the organization.

Keywords: Psychological empowerment, Organizational commitment.

1 Introduction

The modern vibrant business surroundings are coercing organizations to keep on their management techniques synchronized with the present challenges. Accustom yourself with new techniques have therefore become momentous for the organizations to meet up the requirements of customers. The growing development in technology, unstable customers demands and

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globalization have given birth to an extremely competitive environment. The organizations heavily rely on their human resources to retain their competitive edge. The current scenario has “inspired a call for human resources who can take initiative, embrace risk, rouse novelty and deal with uncertainties” (Spreitzer, 1995). Organizations need to have commitment and motivated personnel for achieving current environment targets. Delegating authority towards personnel encourages employee commitment and enhances individual and organizational performance (Daft, 2001; Conger & Kanungo, 1988). High participation work practices are the foundation of competitive gain for organizations (Dessler, 2007). Therefore, it is the need of hour to focus on empowerment construct, as it is accountable for gratifying, committing and retaining personnel by nurturing the vigorous workplace.

Employee empowerment, one of the latest management practice employ by business industries, does not have accurate definition. Most scholastics and researchers have agreement on that it is about delegating autonomy and responsibilities to the human resources. Giving self-government to the human resources gives advantage to the managers to complete the other organizational tasks and responsibilities. Employees being empowered are become more satisfied with their jobs, work beyond their efforts to bring innovative ideas in order to achieve organizational goals. The psychological aspect of empowerment is a shift from the conventional practices as it gazes at awareness, mind-set and experiences of persons regarding empowerment. Psychologically empowered personnel are more committed and satisfied with their job and organization; therefore, researchers have identified its relationship employee commitment. Role clarity, organizational climate, job satisfaction and employee empowerment were found as predictors of organizational commitment (Bhatti and Nawab, 2011). Employee organizational commitment is majorly affected by psychological empowerment, a kind of employee empowerment, as it envisages satisfaction, commitment and performance of the employees (Vacharakiat, 2008; Patrick & Laschinger, 2006; Jha, 2010).

2 Need to study the relationship between psychological empowerment and employee commitment in telecom sector of Pakistan

The constant growth and improved quality are the fundamentals of service industry predominantly, when environment is unbalanced. The telecom sector of Pakistan is determined to become competitive to tackle customer demands and the worldwide pressures. The government has proclaimed a variety of structural modifications for financial sector of Pakistan to tackle and fulfill the upcoming challenges. According to Khattak et al. (2011), the alteration in telecom sector of Pakistan is not only restricted towards the social and economic area rather it has also affected the psychological globe of the human resources and they are suffering exhaustion. These changes have enhanced employees’ turnover rate. Khan et al. (2011) reported that due to privatization telecom sector has facing difficulties in retaining personnel. In the existing arena where employee retention has become an important element for achieving organizational goals it is essential to enhance employee organizational commitment.

3 Literature Review

Literature on the correlation between psychological empowerment and employee commitment usually included the studies carried out in developed countries (Joo & shim, 2010; Dickson & Lorenz, 2009; Hancer, 2001; Thomas & Velthouse, 1990). Emerging and under developed countries have also shown little contributions in the literature concerning the correlation between these research variables (Jha, 2010; Liu & Chiu, 2007; Celik, 2001). However, very few

empirical researches are found on the correlation between psychological empowerment and employee commitment with reference to Pakistan.

4 Employee Commitment

Employee commitment is considered the strength of the organizations and important for the development of any organization because whenever employees of any organization are not faithful and honest to it, it is complicated to meet organizational goals. Research over employee commitment has covered above five decades, but still an interesting area for researchers. Employee commitment is considered as both uni dimensional (Mowday et al., 1979, Wiener, 1982) and multidimensional construct (Allen & Meyer, 1990, O Reilly & Chatman, 1986). Luthans (2007) defines Employee commitment as “a mind-set reflecting employees’ faithfulness to their organization and is a continuing chain by which organization’s members utter their concern regarding organization and its development”. According to Allen and Meyer (1991), there are three components of employee commitment, affective, normative and continuance. Affective commitment refers to the emotional attachment, normative commitment refers to the moral duty of an employee to being the part of the organization and Continuance commitment refers to supposed cost of leaving an organization.

5 Psychological Empowerment

According to Kanter (1977) Structural and psychological are two different types of empowerment. Structural empowerment is considered in the literature as a power delegation concept as it engages entrusting decision-making authority down the organizational hierarchy. Psychological empowerment belongs to motivational approach of empowerment (Menon, 2001) and according to Conger and Kanungo (1988), the motivational facet of the empowerment had better elaborate the concept of empowerment. Psychological Empowerment is defines as a practice of enhancing employees self-efficacy (Conger & Kanungo, 1988; Yagil, 2006) and a condition of increased intrinsic motivation (Thomas & Velthouse, 1990; Konzak et al., 2000). Thomas and Velthouse (1990), described four cognitions of psychological empowerment named as meaningfulness, competence, choice and impact. Spreitzer (1995) described psychological empowerment in four dimensions: meaning, competence, self-determination and impact. Meaning cognition refers to a sense of purpose (Spreitzer, 1995) and the similarity or steadiness of an individual’s beliefs and values of the organization (Thomas & Velthouse, 1990). Impact cognition refers to the degree to which an individual can manipulate work results and make his work different in the organization (Thomas & Velthouse, 1990; Spreitzer, 1995; Spreitzer et al., 1997). Competence cognition refers to self-efficacy (Spreitzer, 1995). Self-determination cognition refers to independence in beginning and continuance of work (Spreitzer, 1995).

6 Research Problem

Literature corroborates a momentous correlation of psychological empowerment with employee commitment. As this study selected the telecom sector of Pakistan, during the preliminary inquiry it collected specifics that employee turnover intention in telecom sector has been at its climax during the recent decade. As literature designates that psychological empowerment play important role in influencing an employee to attain good level of employee commitment, the study-developed concern in investigating do psychological empowerment has the potency to boost up employee commitment among human resources in Pakistan. Based upon literature

review, the study hypothesizes that H1: Psychological empowerment (meaning, competence, self-determination and impact) enhances employee commitment.

7 Research Methodology

The current study selected telecom sector of Pakistan and unit of analysis of this study are employees working in this sector. The study is cross sectional as the data is gathered in one point in time to illustrate the association between the variables at that particular time. Sample size is 300 and sample was selected through simple random sampling. The study has used survey approach for data collection. Response rate was 93% as 280 out of 300 questionnaires were received back. The study has used Spreitzer's (1995) scale to measure psychological empowerment and Meyer and Allen (1991) scale to measure employee commitment. Validity and reliability was tested before examining the data for correlation between variables. The value of Cronbach's alpha was 0.892. 5-point Likert Scale from strongly agree to strongly disagree was used by the current study in order to measure responses.

8 Data Analyses and Results

The study has used SPSS version 19 for data analyses. The study has used descriptive statistics to determine characteristics of sample. To observe the link between variables, the study has used stepwise regression. Descriptive statistics showed that majority of respondents were male (n = 194, that is 62.6%), belonged to age group of 36-45 (n = 94, that is 30.3%), had qualification of Master Degree (n = 177, that is 57.1%), were having job tenure of 10 or more years (n = 151, that is 48.7%). Results of stepwise regression are mentioned below.

Table 1: Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1.0	0.914	0.835	0.832	0.386

Table 2: ANNOVA^b

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	228.623	5	45.725	306.679	.000 ^a
	Residual	43.325	305	0.149		
	Total	273.948	310			

a. Predictors: (Constant), PE

b. Dependent Variable: EC

Table 3: Coefficients

	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.140	0.136		1.026	0.306
Meaning	0.359	0.033	0.388	10.851	0.000
Impact	0.308	0.030	0.334	10.213	0.000
Self determination	0.234	0.039	0.243	5.594	0.000
Competence	0.146	0.036	0.160	4.087	0.000

a. Dependent Variable: EC

9 Coefficients

Table 1 shows that all dimensions of Psychological Empowerment collectively elucidate 83.5% of variance in employee commitment. Table 2 shows that F value is extremely significant (Sig.= 0.00) which makes sure regarding validity of the whole model. Table 3 shows the unstandardized regression coefficients (B) for predicting employee commitment. The highest Unstandardized coefficient for forecasting employee commitment in meaning ($\beta=0.359$) followed by impact ($\beta=0.308$) after that self-determination ($\beta=0.234$), afterward competence ($\beta=0.146$). Table 3 also shows the relative importance of each dimension of psychological empowerment in forecasting employee commitment by its respective t value. It is obvious that importance of meaning in predicting employee commitment is highest among other dimensions of Psychological empowerment. Results of this study substantiate its hypothesis that Psychological empowerment enhances employee commitment.

10 Discussion

Employees of telecom sector displayed a slightly above average response on organizational commitment and above average response on psychological empowerment. However, the regression analyses designated that all dimensions of psychological empowerment significantly and positively influenced employee commitment. Based upon above mentioned findings, this study has drawn some conclusion. Firstly, when employees find their tasks meaningful and feel that their goals are properly aligned with organizational goals, their level of commitment is enhanced. Secondly, when employees feel that they have the right to take decisions, their commitment is enhanced. Thirdly, when employees perceive that they have required talent and competencies to execute their job, their level of organizational commitment may not escalate. Perception of competency in employees may boost up their level of self efficacy and they may think that they are talented enough to get better job opportunities hence their level of commitment is not strongly predictable by competence dimension of psychological empowerment. Fourthly, when employees feel that his contribution is worth able for achieving organizational goals their feeling of organizational commitment enhances.

11 Conclusion

The current study acknowledged an important role of psychological empowerment in committing employees with telecom sector in Pakistan. Findings drawn from this study are not only helpful for telecom sector but can be influential for those organizations that have a desire to enhance

employee commitment. It is an observable fact from the epochs back that if you ought to obtain a bit, you ought to invest a little. For that reason, organizations ought to give such working environment where employees not only feel psychologically empowered but also become contented with their job that will eventually lead to higher level of employee commitment.

12 Limitations of the study

This was a cross sectional study and the results of this study were limited to the period in which data was gathered. Future researchers can investigate the same correlation by carrying out longitudinal study. Data was collected only from Lahore sector, future researches may target other cities. The study takes into account only those forecasters of employee commitment those are in range of study. Future researchers can take in the other forecasters of employee commitment that the current study has not taken into account.

13 References

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