Empowered employees believe that their task are significant, they have considerable freedom in deciding how to command and control organization and they each handle a whole identifies piece of work. The empowerment comes from individual's perception by influencing the desired effects of working environment. It represents the degree to which an individual feels that his input into their organization's administrative or strategic decisions is up to the level. Jobs that provide discretion and that are central to be organizational purpose increase access to these empowering structures.

The hypothesis can be stated as “Impact of Employee Empowerment on Job Satisfaction in Banking Sector with reference to Chennai city”.

Both primary and secondary data were used for this research. Primary data was collected to assess the level of empowerment and the level of job satisfaction of the respondents. Secondary data was collected from various sources. On the beginning, to gain knowledge about the banking industry secondary data was used. The secondary sources of data include reports, books, manuals, newspapers, journals and published and unpublished sources and bank employees associations etc. The method used for primary data collection is through questionnaires. To assess the level of employee empowerment questions have chosen from different authors. Similarly to assess the level of job satisfaction a standardized instrument namely the MSQ - Minnesota Satisfaction Questionnaire developed by Weiss et al in 1967 was used.

The population of the study was more than 7825 in number and with this population; a pilot study was conducted on a sample of 50 respondents in order to arrive at the appropriate sample size for the research. Hence sample size was derived using the formula as 513.

Findings from the Experimentation:

1. The Correlation Coefficient between the overall employee empowerment and employee satisfaction is 0.795 which indicate 79 percentage positive relationships between
overall empowerment and employee satisfaction and is significant at 1 percent level. This implies that employee empowerment has very strong influence on employee job satisfaction.

2. The Multiple Regression Analysis on job satisfaction implies that the impact of employee self-esteem is the most important variable to improve employee job satisfaction. The next important variable to induce satisfaction is employee leadership. The next variable to induce satisfaction is employee power, next follows the employee reward, employee information and finally the variable employee knowledge is the last to improve satisfaction.

3. The Structural Equation Model on employee empowerment and employee job satisfaction reveals that the impact of “employee knowledge” which is a dimension of employee empowerment is the most important dimension to induce satisfaction. This is followed by next important dimension “employee self esteem”. This is followed by dimensions “employee leadership” and “employee power” and finally the dimension “employee information”.

Conclusion:

The study relates the relationship between employees’ satisfaction and various dimensions of Empowerment practices. Also findings indicate that employee empowerment in an employee has very strong relationship to trigger employee satisfaction in them. Taken together these findings confirm the strong impact of the dimensions of employee empowerment on employee job satisfaction.