FINDINGS AND DISCUSSION

This study examined the empowerment of employees in the banking sector. It also analysed the relationship between psychological empowerment, job satisfaction and job related stress among employees working in banks. The relationship between all the dimensions of psychological empowerment and job satisfaction were also investigated in the study. The findings of the study are reported below.

1) There exists a positive relationship between Psychological Empowerment and Job Satisfaction among bank employees and hence Job Satisfaction increases with increase in psychological empowerment. (Hypothesis: 1 accepted).

2) There exists a negative relationship between Psychological Empowerment and Job Related Stress among bank employees and hence when Psychological Empowerment increases, Job Related Stress decreases (Hypothesis: 2 accepted).

3) There exists a negative relationship between Job Satisfaction and Job Related Stress among bank employees and hence Job Related Stress decreases with increase in Job Satisfaction (Hypothesis: 3 accepted).

4) All the dimensions of Psychological Empowerment, Meaning, Competence, Impact and Self determination have a significant and positive correlation with Job Satisfaction (Hypothesis: 4 accepted).

5) Job Satisfaction partially mediates the relation between Psychological Empowerment and Job Related Stress (Hypothesis: 5 accepted).
6) Psychological Empowerment does not differ among employees belonging to different sectors of bank (Hypothesis: 6 rejected).

7) There exist significant differences in Meaning and Impact dimension of Psychological Empowerment as far as employees in different groups of the bank are concerned. (Hypothesis: 7 partially accepted). Further the result shows that there is significant difference in meaning dimension in employees of new generation bank with private and public sector bank. For the Impact dimension the difference is only among the employees of private and public sector banks.

8) Psychological Empowerment differs among employees belonging to different banks. Further the result shows that the difference is among State Bank of India and IDBI Bank (Hypothesis: 8 accepted).

9) The age of bank employees has a significant relationship with psychological empowerment (Hypothesis: 9 accepted).

10) There is no significant relationship between education and Psychological Empowerment (Hypothesis: 10 rejected).

11) The level of employees has a significant relationship with psychological empowerment (Hypothesis: 11 accepted).

12) There is no gender difference as far as Psychological Empowerment is concerned among the bank employees (Hypothesis: 12 rejected).

13) Self Determination dimension and Impact dimension are the major contributors in Psychological empowerment followed by Competence dimension and Meaning dimension.

14) There is a positive correlation between Psychological Empowerment and Job Satisfaction in private as well as public sector banks, there is only a moderate correlation between Psychological Empowerment and Job Satisfaction in new generation banks.
15) Public sector banks and private sector banks show a negative relation between Psychological Empowerment and Job Related Stress; and Job Related Stress and Job Satisfaction and there is a moderate negative relation between Psychological Empowerment and Job Related Stress; and Job Satisfaction and Job Related Stress in new generation banks.

6.1 Discussion of the Findings

6.1.1 Psychological Empowerment and Job Satisfaction

The present study shows that there exist a relation between psychological empowerment and job satisfaction. This means that higher the level of Psychological Empowerment higher will be the level of Job satisfaction. These results are in consensus with the findings of previous research relating to psychological empowerment and job satisfaction with different groups of employees (Spreitzer, 1995a; Spreitzer, Kizilos and Nason, 1997).

The impact of privatization has affected the work culture of public sector and private sector banks in India. There has been a fundamental shift in the working attitude and work style due to open economy and increased competition. High involvement work practices are the source of competitive advantage for business organizations (Dessler, 2007). Therefore, business organizations have taken up the challenge of providing better-quality services to their employees by promoting different practices including employee empowerment. Empowerment perceptions can augment the value of work for individuals, increase job satisfaction and contribute to work productivity and effectiveness (Spreitzer, 1995a). Conger and Kanungo (1988) defined psychological empowerment as a process of increasing employee feelings of self-efficacy among employees whereas Thomas and Velthouse (1990) explained psychological empowerment as an increased intrinsic motivation.
There are many researchers who linked job satisfaction with psychological empowerment (Fuller et al., 1999; Carless, 2004; Dehkordi et al. 2011; Seibert et al. 2004). The job characteristic model of Hackman and Oldham, 1980 had proposed that psychological states like meaningfulness, feelings of responsibility, knowledge of results etc. influence job satisfaction. Fulford and Enz (1995) stated that perceiving oneself as empowered is positively linked to the emotional states of workers and their overall attachment to the work environment and thus according to their findings perceived empowerment did have an influence on the level of job satisfaction of employees in the hospitality industry.

Spreitzer et al. (1997) also pointed out that one of the earliest anticipated outcomes of psychological empowerment was job satisfaction. In another study on the nurses, Laschinger, Finegan and Shamian (2001) agreed that the feelings of psychological empowerment strongly influenced nurses work satisfaction. The results of these studies were congruent with the result of the present study. Hechanova et al. (2006) studied five different service sectors to determine the relationship of empowerment with job satisfaction and found that psychological empowerment positively correlated with job satisfaction. Their study to understand the relationships between organizational empowerment and job satisfaction among nursing assistants in Taiwan indicated that, where there was a moderate level of organizational empowerment, a higher level of job satisfaction was found. Organizational empowerment was significantly associated with total job satisfaction (Kuo, Yin and Li (2007).

The relationship between Leader-Member Exchange (LMX), psychological empowerment, job satisfaction and turnover intention was studied within the context of a service restaurant environment and the findings revealed that the quality of the LMX relationship and the level of psychological empowerment have direct linear relationships with job satisfaction (Collins, 2007).
Bordin, Bartram and Casimir G. (2007) conducted a study to examine some of the antecedents and consequences of psychological empowerment among Singaporean IT employees and found out that along with other antecedents like access to information, employee participation, supervisory social support, job security, organizational commitment, job satisfaction also correlated positively to psychological empowerment.

Thus from the above discussion it can be summarized that there is a positive relationship between psychological empowerment and job satisfaction.

6.1.2 Four dimensions of Psychological Empowerment and Job Satisfaction

The results revealed that there were positive and significant influences between the four dimensions of employee psychological empowerment and overall job satisfaction. This means that the employees of commercial banks whose job has a high level of meaningfulness, who have enough skills to perform the job, who have confidence and those who were influential in the workplace would be most likely to experience a higher level of job satisfaction. The results are in consonance with earlier research studies. Spreitzer et al. (1997) found that one dimension of empowerment alone was not associated with organizational outcome such as effectiveness, satisfaction, and low job-related strain. They concluded that if an organization has to achieve its outcome such as effectiveness, satisfaction, and low job-related strain the employee must experience all four of the empowerment dimensions. The present study also agrees to the above result.

Other empirical research also shows that though the dimensions of psychological empowerment significantly affect job satisfaction, the result of the relationship between the four individual dimensions of psychological empowerment and job satisfaction varies (Dickson and Lorenz, 2009; Carless,
Many of the studies revealed that meaning is the strongest predictor of psychological empowerment. Spreitzer (1996) found that the dimension of meaning was the strongest contributor to overall job satisfaction. Spreitzer, et al. (1997) examined the relationship between empowerment and job satisfaction in two different samples: One consisted of middle-level managers and the other consisted of lower-level employees. In both samples, Spreitzer and her colleagues found that meaning was the strongest predictor of general job satisfaction, while impact was unrelated to job satisfaction. There was ambiguity in the results of self-determination and competence.

Carless (2004) also examined the facets of empowerment and indicated that meaning and competence were the significant predictors of job satisfaction where as the findings on impact were ambiguous, it was found to be a significant predictor of present job satisfaction, but not general job satisfaction. She opined that if the employees’ found that the works they perform were consistent with their beliefs, attitudes and behaviours, this would result in higher job satisfaction and they would be happy to perform their work (Carless, 2004). In another study by Liden, Wayne and Sparrowe (2000) meaning is an important predictor of job satisfaction. This means that when employees’ who perceive that their job assigned by their superior to be significant, they will feel a higher level of job satisfaction as compared to those who perceive their jobs as having little value. But they indicated that competence cognition has a significant negative relationship with job satisfaction.

Dickson and Lorenz (2009) also agreed to the relationship between meaning and job satisfaction. They agreed that both meaning and impact cognition had a positive relation with job satisfaction. In the present study also
meaning and impact dimensions were the strongest contributors to job satisfaction. But according to Dickson and Lorenz (2009) competence cognition did not have any relation and self-determination cognition had a negative relation with job satisfaction, which is in contradiction with the present study.

Several studies show that self-determination also has a great effect on job satisfaction. Thomas and Tymon (1994) with a sample of employees from a hospital, electronics firm and computer services reported that meaning, self-determination and impact were the three factors which forecast the job satisfaction of an employee. Competence was unrelated to general job satisfaction. Fock et al. (2011) in their study in two countries indicated that influences of psychological empowerment dimensions on job satisfaction were not uniform. Self-determination had the strongest effect on job satisfaction but no significant results were found with respect to meaning and competence. Dehkordi et al. (2011) also in their study found psychological empowerment in general and its dimensions—meaning, impact and self-determination seem to have a positive and significant relation to job satisfaction. But dimension of competence was not positively linked to job satisfaction and organizational commitment.

According to Fulford and Enz (1995) the dimensions of meaningful and influence had strongest influences on job satisfaction. Holdsworth and Cartwright (2003) through their research found that three elements of psychological empowerment, i.e. meaningfulness, self-determination, and impact are in positive and meaningful relation to the work satisfaction of the personnel among employees of call centre. Patah et al. (2009)’s study on receptionists in five-star hotels and found that psychological empowerment (meaningfulness, competence and influence) have significant influences over overall job satisfaction of the receptionists.
Thus from the above discussion it is clear that various dimensions of empowerment is related to job satisfaction. The finding of this study that the dimensions psychological empowerment of the employees of banks (meaning, competence, self-determination and impact) and their job satisfaction are related is in lieu with previous studies. Thus the bank employees like their jobs more when they find their work meaningful, when they feel capable of performing their work well, when they have freedom to make decisions about their work, and when they feel that they can have an impact on organizational outcomes.

6.1.3 Psychological Empowerment and Job Related Stress

Spreitzer (1996) stated that role ambiguity had a strong negative relationship with empowerment. She explained that employees who perceive lack of clarity in their job as disempowering. The research has shown that role ambiguity creates stress (Sutton and Kahn, 1987). This study also supports the above finding and reveals that there exist a significant negative relationship between psychological empowerment and job related stress. Previous researchers have also highlighted the significant relationship between psychological empowerment and job related stress (e.g. Fulford and Enz, 1995). The study of Laschinger, Finegan and Shamian (2001) also showed similar result. They reported that feelings of psychological empowerment strongly influenced nurses’ job strain. Effort to empower nurses with a sense of control over decision making significantly reduces their level of job strain.

Li, Chen and Kuo (2008) stated that both psychological empowerment and structural empowerment were found to be significantly associated with total work stress. They suggested that the managers should provide available resources for nurses to accomplish work and to involve nurses in the development goals to increase their influence in making important changes in the organisation so that their work stress can be reduced.
Findings and Discussion

Job stress has very negative physical and behavioural effects on the employees like increase in blood pressure, burnout etc. (Karasek and Theorell, 1990). So it is essential that some effort should be taken to reduce the stress among employee of banking sector so that they can perform their job in a better way. It is clear from the study that there exist a negative relation between psychological empowerment and job related stress. When the employees feel that they are empowered their job related stress will be reduced.

Martin (2007) highlighted that studies have found that workplace stressors that result in psychological strain in critical care nursing environments are significant and associated with a negative impact on performance. The result revealed a significant difference between nurses that had high levels of empowerment and those with low levels empowerment with regard to strain. Hence from the above discussion it can be concluded that there exist a significant negative relationship between psychological empowerment and job related stress.

6.1.4 Job Satisfaction and Job Related Stress

Majority of studies showed that there is a relationship between stress and satisfaction. Several studies indicated that job stress was found to have negative influence on job satisfaction and job stress was a significant predictor of job satisfaction (Fairbrother et. al., 2003; Flanagan, 2003; Anton, 2009; Aghdasi et al., 2011) Job stress, especially role conflict and ambiguity, put forth a direct influence on job satisfaction (Kemery et al., 1987; Calisir et al., 2011).

But in this study a reverse relationship between job related stress and job satisfaction has been presumed. This study shows that job satisfaction is the reason to reduce the stress among the employees. When the job satisfaction increases the job related stress is reduced. In a research by Heslop et al. (2002) that studied the association between job satisfaction and self-reported stress, job
satisfaction at baseline was strongly associated with low or moderate perceived stress at second screening. The results of the analyses suggested that there was an association between job satisfaction and perceived stress. In another study Rahman and Sen (1987) investigated the effect of job satisfaction on stress, performance and health in self-paced repetitive work and found that low satisfaction leads to high stress. There were two groups of subjects. One group consisted of 41 subjects with a high score on job satisfaction and the second group consisted of an equal number of subjects with a low score on job satisfaction. The results of the study indicated that the low satisfied workers experience more stress and describe their job more unfavourably than the highly satisfied workers. Richardsen and Burke (1991) found that high job satisfaction was related to fewer specific work stressors and more positive attitudes about health care among physicians in Canada.

Hardiness also could be a reason for such a relationship. Rasouli et al. (2012) found that there is a meaningful relation between hardiness, job satisfaction and stress among faculty members. Those who have high degrees of hardiness, have high degrees of job satisfaction and lower levels of stress. There are other studies also which reported this relationship (Judkins et al., 2005). Thus from the above discussion it can be concluded that when the job satisfaction increases the job related stress is reduced.

6.1.5 Mediating Effect of Job Satisfaction in the relationship between Psychological Empowerment and Job Related Stress

One of the main objectives of the study was to find out how job satisfaction affected the relationship between psychological empowerment and job related stress i.e. whether there is a mediating effect of job satisfaction between psychological empowerment and job related stress. The result of the study revealed that job satisfaction partially mediated the relation between psychological empowerment and job related stress. This means that when the
employees of the banking sector are psychologically empowered they feel that their work contributions are meaningful and feel powerful in their abilities to shape the organization, thus leading to more job satisfaction and resulting in reduced stress of the employees.

There are several studies which show the mediating role of job satisfaction. Aghdasi et al. (2011) in their study claimed that job satisfaction has a mediating role in the effect of occupational stress on organizational commitment. In another study Chan (2003) also found that job satisfaction partially mediated the relationship between psychological empowerment and organizational citizenship behaviour.

Even though there are studies linking each of the variables separately, there are no studies which show such a relationship where the job satisfaction mediates the relation between psychological empowerment and job related stress.

### 6.1.6 Employees of Different Sectors of Banks and Psychological Empowerment

Empirical research found that there is difference in psychological empowerment with regard to different industries and sectors. Even though empowerment is practiced in different organizations, Bowen and Lawler (1992, 1995) suggested that the nature of operations would determine the degree to which service organizations empower their employees. Hechanova et al. (2006), in a cross-industry analyses indicated differences in empowerment across different types of service sectors with employees in call centers reporting less empowerment compared to employees in hotel, airlines, food establishments, and banks.

The result of this study was also consistent with the above studies. Though overall psychological empowerment do not differ among various sectors of banks, there exist significant differences among the three sectors of
the bank as far as dimensions of psychological empowerment--meaning, and impact is considered. So to identify which sectors have significant difference further analysis was conducted and the result showed that only the new generation bank has significant difference with private and public sector bank as far as meaning dimension is considered whereas there is significant difference both in the private and public sector banks with regard to the impact dimension.

Further the findings of some other studies also showed different levels of psychological empowerment in managers of different industry sectors (Morrell and Wilkinson, 2002). Bhatnagar (2005) in her study on Indian managers in different sectors like power sector, banking sector, IT sector, pharmacy sector, telecom sector etc. also concurs that the level of psychological empowerment of power-sector managers was the highest than other sectors. Banking sector also had high level of psychological empowerment whereas IT sector had the lowest level of psychological empowerment. Though there are studies revealing the differences in the level of psychological empowerment among different industries, no studies were found in the literature explaining differences in psychological empowerment among various sectors of same industry. The findings of the present study explains the possibilities for having differences in levels of psychological empowerment among different sectors of same industry as it was found that there is differences between psychological empowerment of employees of different sectors of the banking industry.

6.1.7 Age and Psychological Empowerment

The result revealed that there exist significant differences in psychological empowerment among different age group. Thus the age of bank employees have a significant relationship with psychological empowerment. The result further revealed that only 50-60 age groups have significant difference among all other age
Findings and Discussion

Findings of the study are in contradiction to the findings of Lockwood et al. (2012). Their study showed that there is no relationship between age and psychological empowerment. Koberg et al. (1999) also stated that age has no significant influence on psychological empowerment. One possible explanation for this discrepancy may lie in the nature of the samples studied.

A study on the differences in nurses’ generational psychological empowerment and job satisfaction with the assumption that generations differ in work styles, leadership views, innovation, quality of performance and service, it was revealed that the Baby Boomer nurses reported higher mean total psychological empowerment scores than Generation X nurses which means that there were significant differences among the generations’ psychological empowerment scores (Sparks, 2012).

Taking into consideration the above finding it can be concluded that the age of the employees are related to psychological empowerment which means that employees of different age have difference in the level of psychological empowerment.

6.1.8 Educational level and Psychological Empowerment

The result of this study showed that there is no significant relationship between education and psychological empowerment. But it is in contrast with the work of Lockwood et al. (2012) who revealed that employees’ job mode and educational level significantly influenced employees’ perceptions of the psychological empowerment overall and on the three extracted dimensions.
The result of this study is similar to the work of Ergeneli et.al. (2007) which states that educational level do not have any influence on psychological empowerment.

Thus it can be concluded that when the educational level increases the overall psychological empowerment need not necessarily be increased.

6.1.9 Level of Employees and Psychological Empowerment

The result of this study shows that there is a significant relationship between level of employees and psychological empowerment. The study of Joo and Shim (2010) contradicts this study. According to them hierarchical level did not have any effect on psychological empowerment. Honneger and Appelbaum (1998) also did not find any relationship between empowerment and position level.

The result of this study is in congruent with the study of Ergeneli et.al. (2007) in whose study, position was the only variable to yield a significant effect on overall psychological empowerment. But higher position does not necessarily provide more power or create an awareness of power, for bank managers, in particular, this is position-strengthening.

Thus from the above empirical research and the result of this study it is clear that level of employees are related to psychological empowerment which means that employees in different level have significant difference in the level of psychological empowerment.

6.1.10 Gender and Psychological Empowerment

The findings of Koberg et al. (1999) on technically skilled, professional and managerial hospital employees revealed that men and women reported no significant differences in the feeling of empowerment. This study also, indicated that there is no gender difference as far as psychological empowerment is
concerned among the bank employees. Lockwood et al. (2012) also indicated that gender do not have any relationship with psychological empowerment.

Conversely, some studies showed that women tend to feel less empowered than men. Wang and Zhang (2012) in their study among teachers found a statistically significant difference in the level of psychological empowerment based on gender. In Lim and Hechanova’s study (2005), they found that women managers report that they are being excluded from informal networks. Male managers also reported that they were given more responsibilities than women in the same position.

Spreitzer (1996) in their study could not find any relationship between gender and psychological empowerment. The studies of Patah et al. (2009) and Joo and Shim (2010) also found out that there were no significant differences in the scores of both genders-males and females when compared, with the employee psychological empowerment. In a study on 191 male and 200 female nurses to verify if the factor structure of Spreitzer’s psychological empowerment questionnaire was invariant between groups of 191 male and 200 female nurses, the results indicated that the structure of the psychological empowerment questionnaire could be assumed invariant across genders (Boudrias, Gaudreau and Laschinger, 2004).

From these above discussions it may be concluded that if we compare men and women working at different level or if they are discriminated on job responsibilities on the same job their perception about empowerment may not vary.