

# EMPLOYEE EMPOWERMENT AND EMPLOYEE SATISFACTION IN THE WORKPLACE

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*Organizations adapt different strategies or methods for managing their labor forces. Every discussion of management of labor compels analysis within the framework of schools of thought in the field of Organizational Sociology, Industrial Organizational Psychology, and Organizational Management. This study evaluates a healthcare organization's efforts derived from Humanistic Management and coordinated through its Human Resources department to improve workforce morale. The study's hypothesis contends that employee empowerment positively affects employee satisfaction levels. The empirical findings support this hypothesis. In addition, the findings reflect that employee empowerment has a stronger effect over employee satisfaction than other variables including employees' salaries. This study's findings have major significance for corporations given the steadfast globalization of the economy. Employee empowerment may offer organizations an invaluable tool in their quest for organizational competitiveness.*

## INTRODUCTION<sup>1</sup>

Effective management is the foundation for creating high morale, high productivity, and a sense of meaning for the organization and its employees. An organization's success depends on its ability to continuously

nourish the satisfaction of its employees. There are job characteristics considered crucial to employee satisfaction and all these variables are relevant since they all influence the way employees' feel about their jobs.

A workplace phenomenon, employee empowerment, that is employees' actual involvement and influence over organizational processes and decision-making, continues to cultivate the attention of organizational sociologists, industrial psychologists, and business administrators particularly human resources professionals. Since the early 1990s, the concept of employee empowerment gained notoriety in both academic and management groups. At

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<sup>1</sup> Victor Voisard is a graduate student at the Department of Sociology. He is currently working on his Master's Thesis under the supervision of Professors Elaine Draper (Chair), Gretchen Peterson, and Hyojoung Kim. The paper was originally submitted to SOC410 (Advanced Statistics) taught by Professor Hyojoung Kim.

that time, business leaders such as General Electric's CEO, Jack Welch, laid out GE's Workout program to empower employees to identify and solve problems as they encounter them rather than shifting responsibility to others or management (Ulrich, 1998).

The workplace literature mainly includes studies on the effects of employee satisfaction, and its effects on labor force efficiency and overall productivity. Many studies focus on the particular effects of salaries and indirect forms of compensation, such as employer sponsored benefits, on employee satisfaction. However, literature focusing on the relationship or effects of employee empowerment on employee satisfaction primarily involves a limited number of qualitative studies. The goal of this study is to remedy the literature's shortcomings by systematically analyzing the relationship, if any, between employee empowerment and employee satisfaction in the workplace. Specifically, this study evaluates a Southern California healthcare organization's efforts derived from Humanistic Management and coordinated through its Human Resources department to improve workforce morale and overall employee satisfaction. Before discussing such evaluation, I offer a brief literature review on employee empowerment to lay the foundation for this empirical study.

## LITERATURE REVIEW

From the late 1800s until World War II, Frederick Taylor's *scientific management* greatly influenced entrepreneurs' and managers' strategies for managing workers. Managers believed that workers possessed a natural tendency to perform the minimum labor to remain employed.

Harry Braverman's (1974) *Labor and Monopoly Capital* comprehensively ex-

amined scientific management. He argued that scientific management encouraged the fragmentation of work processes in repetitive and simple tasks, thus discouraging workers' problem solving capabilities. Scientific management fostered an authoritarian management style while annulling and disappointing workers' demands for self-esteem and self-actualizing in the workplace. The effects of scientific management encouraged workers to unionize and to demand higher compensation, the main vehicles available to workers to express their frustration with workplace alienation. This situation negatively affected both organizations' decision-makers and workers.

After World War II, the United States economy became world dominant. American workers enjoyed relative high salaries and fringe benefits such as medical coverage vis-à-vis workers in the rest of the world. Abraham Maslow's (1943) "A Theory of Human Motivation" offered a different model from scientific management. Maslow contended that as humans meet "basic needs" they seek to satisfy successively "higher needs" on a set hierarchy. Maslow's hierarchy of needs is frequently represented as a pyramid consisting of five levels: the four lower levels are grouped together as *deficiency needs* associated with physiological needs, while the top level is termed *growth needs* associated with psychological needs. According to Maslow, *deficiency needs* must be met before the *growth needs* can be met. The basic concept is that the higher needs in the hierarchy only come into focus once all the needs that are lower down in the pyramid are mainly or entirely satisfied.

Douglas McGregor's (1957) *The Human Side of Enterprise* applied Maslow's ideas to the workplace. Michael Handel (2003: 81-82) articulated McGregor's major

conceptualizations. McGregor contended that organizations could tap into invaluable workers' resources through the application of Maslow's theory of motivation. McGregor argued that the scientific management system of labor control needed to be replaced by a philosophy recognizing that workers seek stimulating work. Similarly, the new philosophy would need to encourage workers' inventiveness, enhance workers' self-esteem, and ultimately make them share responsibility for organizational success or failure. Employee's self-actualization demands entail that individuals seek a job inherently worthwhile in addition to workers simply seeking extrinsic rewards such as compensation. In contrast to scientific management, McGregor stated that all jobs, especially those at the bottom of the organizational hierarchy, need to be composed of diverse, meaningful tasks and entrusted with greater responsibility. In addition, decentralization of decision-making needs to take place through considerable and material delegation of tasks and responsibilities from management to workers. Workers' participation in decision-making must be real; McGregor warned management that problems would arise when worker participation in decision-making was not authentic. The actual shift of decision-making power from management to employees entails less reliance on external control of workers but more on worker's internal motivation (Handel 2003: 108-113).

Sherman, Bohlander, and Snell (1998) in *Managing Human Resources* articulated the case for implementing McGregor's earlier contributions (pp. 107-111). They argued that organizational leaders could increase employee contributions through *employee empowerment*. They defined employee empowerment as a "method of involving employees in their

work through a process of inclusion" (p. 107). In addition, Sherman, Bohlander, and Snell operationalized what employee empowerment entails for it to succeed.

Also in 1998, David Ulrich in *Delivering Results* articulated the need for employee empowerment in today's American organizations (p. 223). Ulrich highlighted Acme Corporation's failure at successfully implementing an employee empowerment program. Ulrich points out that some organizations struggled with and failed to change from a "command-and-control hierarchy to employee empowerment" because they failed to change their organizational culture. Ulrich's analysis exemplifies what McGregor argued fifty years earlier as crucial aspects required for employee empowerment initiatives to succeed.

In October 1999, Goldfarb, a Canadian consulting group, sponsored by the Canadian Federation of Independent Business, conducted a systemic *Study on Workplace Satisfaction in Private and Public Sectors*. The study correlated many work aspects to overall workplace satisfaction, including quality of decision-makers, work ethic, communication between manager and employees, flexibility for personal needs, training opportunities, salary, job security, work hours, and benefits. Goldfarb used Spearman's correlation coefficient for the included independent variables and employee satisfaction. However, the Goldfarb study omitted employee empowerment or similar variables from the analysis. Consequently, this research proposal's main goal is to address such omissions.

Other quantitative studies have examined the effects of different independent variables, particularly salary, on employee satisfaction but none to date have

examined the effects of employee empowerment on employee satisfaction. Even though no quantitative research on the effects of employee empowerment on employee satisfaction has been identified in the literature, Matt Vidal from the Department of Sociology, University of Wisconsin at Madison, published a valuable qualitative article on employee empowerment (Vidal 2007: 247–278). Vidal's article "Lean Production, Worker Empowerment, and Job Satisfaction: A Qualitative Analysis and Critique" states that even though many studies have analyzed employee empowerment since the 1980s, "little qualitative research directly addressing the relationship between participatory work arrangements and job satisfaction [exists], and the quantitative evidence is much less clear than often presented." Vidal qualitatively researches the effects of participatory work arrangements on job satisfaction.

In summary, the literature reviewed to date reflects no systemic quantitative research on employee empowerment's effects on employee satisfaction. The goal of this thesis will be to remedy the literature's short-comings.

## RESEARCH HYPOTHESIS

In line with McGregor's notions on worker motivation, our organization introduced a series of *employee empowerment* initiatives. This survey research will focus on a specific aspect of *employee satisfaction*. It will examine the effect of *employee empowerment* on *employee satisfaction*. I hypothesize that *employee empowerment* has a positive effect/relationship with the degree of *employee satisfaction*.

*How* – As the degree of an employee's sense of empowerment

increases, his/her level of satisfaction increases.

*Why* - Employees given additional responsibility for the execution and management of their job duties and given participation in decision making are more "emotionally" invested than those with simple/repetitive jobs and not given participation in the decision making process.

### *Other Research Hypotheses:*

"Age" would have a positive effect on employee satisfaction (i.e. older employees would display higher employee satisfaction). Employees of older generations tend to be more loyal and committed to the organization one belongs to. For instance, baby boomers (i.e. those born from 1946 to 1965) would be expected to be more loyal to the employer than generation Ys (i.e. those born after 1981).

"Tenure" would have a positive effect on employee satisfaction (i.e. higher tenure would lead to higher employee satisfaction). Employees that have invested significant time with an employer and had remained with such over time would be expected to display higher degree of employment satisfaction.

"Commuting Time" to the workplace would have a negative effect on employee satisfaction (i.e. shorter commutes would lead to higher employee satisfaction). Employees with shorter commutes resulting in lower "unproductive time" and lower commuting costs would be expected to display higher degree of employee satisfaction than those with longer commutes.

"Flexible Schedule" would have a positive effect on employee satisfaction (i.e. flexibility would lead to higher employee satisfaction). Employees with flexible schedules are in a better position to find an

optimum balance between work and their non-work life.

“*Job Rank*” would have a positive effect on employee job satisfaction (i.e. the higher an employee’s rank in the organizational hierarchy would lead to higher employee satisfaction). Employees higher in the organizational hierarchy such as super-visors, managers and directors, would be expected to be more committed and invested in the organization than rank-and-file employees.

“*Salary*” would have a positive effect on employee satisfaction (i.e. higher salaries would lead to higher employee satisfaction). Employees earning higher salaries would be expected to feel more appreciated and recognized for their work.

## **SURVEY PROCEDURES AND SAMPLING**

The subjects selected for study were employees of a medical management service corporation located in Southern California. The workforce selected was an appropriate population for study because the organization had introduced employee empowerment initiatives and its management supported the study. Physician groups and administrators created the healthcare organization selected for study in their attempt to cope with various types of healthcare plans. This corporation is typical of California healthcare organizations that employ many primary-care physicians servicing diverse patient populations. The development of Health Maintenance Organizations (HMO), Preferred Provider Organizations (PPO), and other “managed care” plans resulted in the need for management healthcare organizations to offer their services to physician groups. This type of health-care management organization

evolved into a full-service Management Services Organization (MSO) in affiliation with medical physician groups to provide high quality patient care to the community.

The selected organization’s workforce entailed 330 employees, of whom roughly 65% are clinical employees, including Medical Assistants, Licensed Vocational Nurses, and Registered Nurses. The other 35% of the workforce are administrative per-sonnel, including Claims Examiners, Medical Records Clerks, Customer Services Rep-resentatives, Accountants, and Admin-istrative Assistants. Since physicians were not employees of the MSO organization, they were excluded from the study.

The *Simple Random Sampling Method* was used. A table of random numbers and employees’ four-digit payroll identification numbers was used for selecting the population sample. The selection probability of a case was equal to 110 employees (target sample) divided by 330 employees (sampling frame). The population equals 330 employees. Consequently, every element in the sampling frame had a 33.3% selection probability. Every employee in the organization had an equal chance of being selected to avoid any bias. This characteristic of probability sampling makes it much more desirable given our goal of generalizing to the larger workforce population.

The survey was administered via interoffice mail. Due to our organizations’ widely scattered geo-graphical locations and because of the high costs of sending someone from Human Resources to administer the survey in person to employees, the mail survey was the only current feasible option. The surveys were interoffice mailed to employees’ to their physical work locations on Monday, October

29, 2007, with a return date of Thursday, November 1, 2007. Thus, the advantages of mailing the survey was lower costs including but not limited to, wage saving and avoided travel expenses. However, there were potential trade-offs for these cost savings such as possible lower response rates and lack of immediate availability to answer any questions that may come up. The decision to conduct a mail-out survey should not be constructed as an implicit settlement for a lower response rate. Attention to specific efforts had been taken to ensure the success of this research.

A total of 110 surveys were mailed-out of which 104 were completed and returned by the due date for a response rate of 94.6%. The resulting sample is 31.6% of the workforce. Due to the confidentiality nature of the survey and the mail-out survey design utilized, no comment can be made on the 6-six employees not responding.

The final sample is representative of our workforce population since the *probability sampling method* was utilized, the sampling frame used is an unbiased list of the population.

Given the mailed survey design used for disseminating the survey questionnaires, it seems that the survey is least vulnerable to social desirability effect.

A focus group totaling 5-five employees was utilized to pre-test and improve the survey. The employees chosen were from the following departments: Human Resources, Accounting, Finance and Payroll. These respondents were chosen because of their availability. It took them an average of 15-20 minutes to complete the survey. I briefly interviewed all five respondents to get meaningful feedback to revise and improve the survey. Overall they felt comfortable with the survey. They communicated understanding of the survey

instructions, questions' wording and response categories. They helped me by pointing out that a few questions were redundant, asking basically the same thing. Their feedback helped me to eliminate unnecessary questions and fine tune the wording on a few others.

## MEASUREMENT OF VARIABLES

*"Employee Satisfaction"* (dependent variable) is here defined as the employee's feelings or state-of-mind regarding the nature of their work and conditions of employment with a particular employer. Specifically I focus on the following three dimensions: sense of perceived job worth, sense of perceived growth opportunities, and sense of perceived fairness in the workplace. *Job Worth* is further defined as the employee's state of mind of steady employment and perceived balance between job and their non-work life. *Growth Opportunities* is the employee's state of mind of present and future "growth" opportunities with the employer including promotions/ advancement and training and/or job experience. *Fairness in the Workplace* includes a set of separate dimensions including fairness of pay and benefits, fairness of recognition, and fairness of management.

To measure this variable, respondents are asked to indicate their level of satisfaction using a 6-point Lickert scale of "very satisfied," "satisfied," "somewhat satisfied," "somewhat dissatisfied," "dissatisfied," and "very dissatisfied," for each of the following eight statements:

- 1 I feel my job provides steady employment.
2. I feel my job and the other parts of my life are balanced.

3. I am satisfied with the promotional growth opportunities within the company.
4. I am satisfied with the frequency and quality of training I received.
5. I am satisfied with the compensation I receive for my work.
6. I am satisfied with the current benefits package offered to me.
7. I am satisfied with the amount of recognition I receive for my job performance.
8. I am satisfied with the management style of my supervisor.

An *employee satisfaction* index was created by computing the responses' scores to the eight statements. This index was utilized for data analysis.

"*Employee Empowerment*" (key independent variable) is here defined in terms of the employee's perception or believes of enhanced involvement in organizational processes and decision making. Specifically I focus on the following sub-dimensions: allowance to make decisions on assigned routine work duties, allowance to make decisions to resolve non-routine issues, level of encouragement given for creativity and implementation of work improvement ideas, opportunity to influence departmental goals setting, and invitation to participate in process improvement teams.

To measure this variable, respondents are asked to indicate their level of agreement using a 6-point Lickert scale of "strongly agree," "agree," "somewhat agree," "somewhat disagree," "disagree," and "strongly disagree," for each of the following five statements:

1. I am allowed to make decisions necessary for effectively accom-

- plishing my *routine* day-to-day duties and responsibilities.
2. I am allowed to make decisions when resolving *non-routine* situations or issues.
3. I receive encouragement to come up with and implement new and better ways for improving the organization.
4. I have the opportunity to influence the way my department's goals are established.
5. I have been invited to participate in teams/committees that influence decisions for my department or the company as a whole.

An *employee empowerment* index was created by computing the responses' scores to the five statements. This index was utilized for data analysis.

#### *Other Control Variables*

The *Age* variable is defined as the chronological age of the employee. Due to confidentiality concerns, respondents will not be asked for their precise age. Respondents are asked the following question: Which of the following describes your age group? Respondent responses are classified in an ascending order, with category A indicating 18 - 26 years of age, category B indicating 27- 42 years of age, category C indicating 43 - 62 years of age, and category D indicating 63+ years of age. The four age-group categories above identified approximate four different and distinct generations of workers: Silent Generation (those born from 1925 and 1945), Baby Boomers (those born from 1946 and 1964), Generation X (those born from 1965 and 1980), and Generation Y (those born on after 1981).

The *Tenure* variable is defined as the length of employment (time measurement).

Respondents are asked the following question: How long have you worked for the company? Respondent responses are classified in an ascending order, with category A indicating less than 1-one year of employment, category B indicating at least 1-one but less but less than 5-five years of employment, and category C indicating at least 5-five or more years of employment.

The *Commuting Time* variable is defined as the actual time it takes the employee to get to the workplace. Respondents are asked the following question: Which of the following de-scribes your commuting time to work? Respondent responses are classified in an ascending order, with category A indicating less than 15 minutes, category B indicating at least 15 but less than 45 minutes, and category C indicating more than 45 minutes.

The *Flexible Schedule* variable is defined as the employee having or not having flexible work hours. Respondents are asked the following question: Which of the following best describes your scheduled work hours? Respondent responses are classified into two groups, with category A indicating the employee has fixed work-hours (for example 8:00 AM until 5:00 PM), and category B indicating the employee does not have flexible work-hours.

The *Job Rank* variable is defined as the employee's position within the organizational hierarchy. Respondents are asked the following question: Which category best describes your job? Respondent responses are classified in an ascending order, with category A indicating Rank-and-file employee, category indicating B Lead/Supervisor, and category indicating C Manager/Director.

The *Salary* variable is defined as the employee's direct compensation for their work. Respondents are asked the following

question: Which of the following describes your salary/wages? Respondent responses are classified in an ascending order, with category A indicating less than \$15.00 hour, category B indicating more than \$15.00 hour but less than \$25.00 hour, and category C indicating more than \$25.00 hour.

## FINDINGS

### *Univariate Summary Statistics*

An index was created from respondents' answers to the 5-statements measuring *employee empowerment*. Table 1 shows a mean of 4.92 and a standard deviation of .76 for this variable. As Figure 1 illustrates, the majority of respondents (45) expressed "agreement" and 38 respondents expressed "somewhat agreement". These two groups represent 79.9% of all respondents. Only 9 respondents expressed any type of disagreement (8.7%). These findings reflect a relatively overall high degree of *employee empowerment* in the workplace.

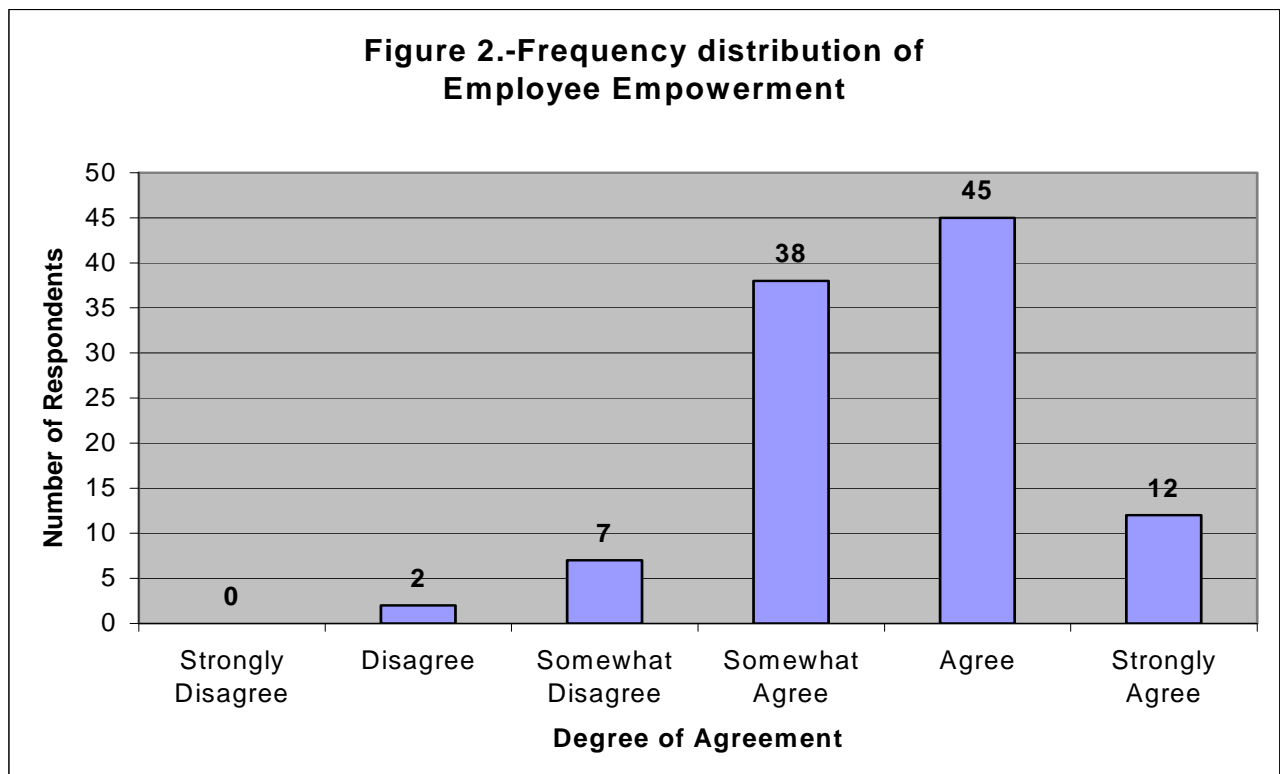
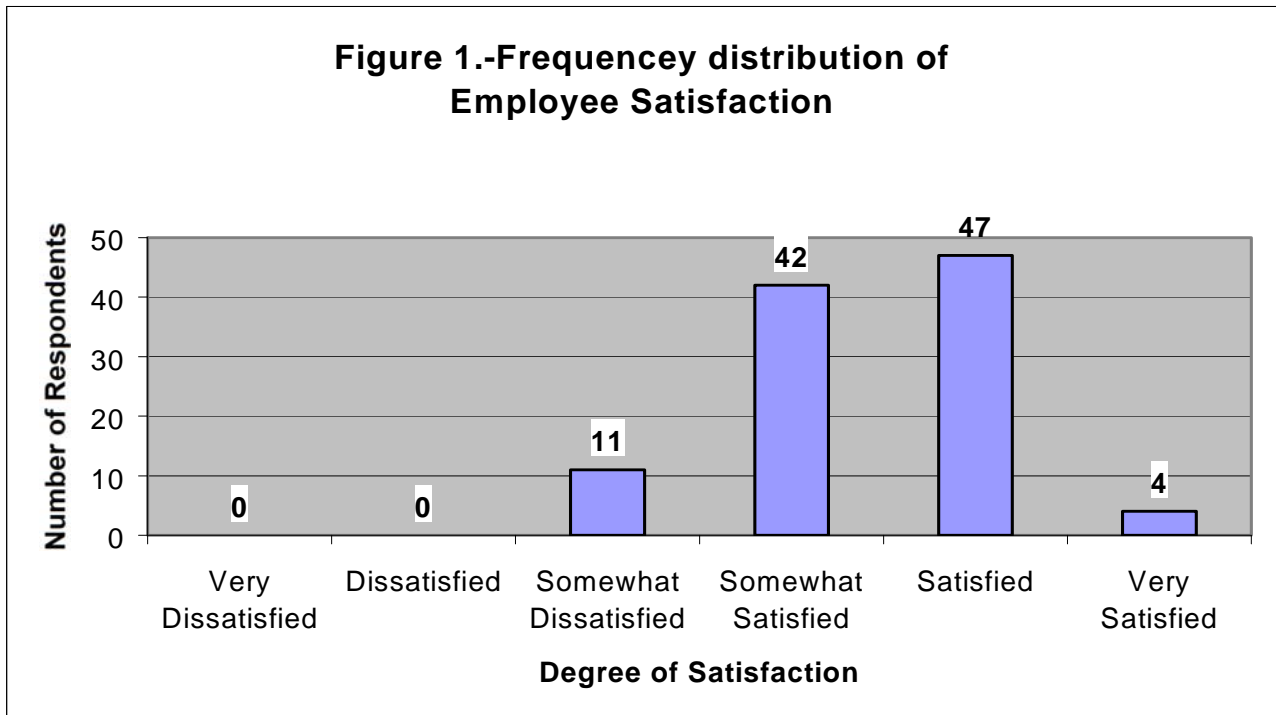
An index was created from respondents' answers to the 8-statements measuring *employee satisfaction*. Table 1 shows a mean of 4.86 and a standard deviation of .68 for this variable. As Figure 1 illustrates, the majority of respondents (47) expressed to be "satisfied" and 42 respondents expressed to be "somewhat satisfied". These two groups represent 85.6% of all respondents. Only 11 respondents expressed any type of dissatisfaction (10.6%). These findings reflect a relatively overall high degree of *employee satisfaction* in the workplace.

### *Bivariate Pearson's Correlation Analysis*

Table 1 reports Pearson's correlation coefficients among the variables. As



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**Table 1. Univariate Statistics and Pearson’s Correlation Coefficients of the Variables in the Analysis**

Variables	Mean	Standard Devia- tion	correlation coefficients with variable						
			(8)	(7)	(6)	(5)	(4)	(3)	(2)
(1) Age	2.12	.75	.12	.12	.25*	.29**	.18	.15	.30**
(2) Tenure	2.31	.70	.12	.11	.37**	.28**	.24*	.03	
(3) Commuting Time	1.83	.67	.03	.010	.20*	.12	.17*		
(4) Flexible Schedule	.37	.48	.27**	.37**	.31**	.31**			
(5) Job Rank	1.15	.46	.24*	.44**	.56**				
(6) Salary	1.75	.68	.01	.20*					
(7) Employee Empowerment	4.92	.76	.71**						
(8) Employee Satisfaction	4.86	.68							

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed).

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predicted, significant positive correlations were found between *flexible schedule* and *employee satisfaction* ( $r = .27$  at the 0.01 level, 2-tailed), and *job rank* and *employee satisfaction* ( $r = .24$  at the 0.05 level, 2-tailed). Similarly expected, positive correlations, even though not significant at the 0.01 or 0.05 level (2-tailed), were found between *age* and *employee satisfaction* ( $r = .12$ ), and *tenure* and *employee satisfaction* ( $r = .12$ ). Contrary to predictions, *commuting time* and *salary* were found not to show association with *employee satisfaction* ( $r = .01$ ).

The most relevant finding and as predicted was the significant positive correlation found between *employee empowerment* and *employee satisfaction* ( $r = .71$  at the 0.01 level, 2-tailed). The analyzed coefficients support the hypothesis that *employee empowerment* has a positive relationship with the degree of *employee satisfaction*. This bivariate finding is a very encouraging first step in the analysis.

### *Multivariate Regression Analysis*

The outcomes of bivariate associations may be spurious due to the effects of other variables that may affect both the dependent variable and the key independent variable simultaneously. Better evidence can be found if the effects of these other variables are controlled for. In order to control the effects of other variables on employee satisfaction, the data is analyzed using multivariate regression techniques. The normality assumption was checked by examining the distribution of residuals. The resulting probability plot showed a reasonably good fit to the normal distribution.

Since employee satisfaction is a continuous dependent variable, the OLS regression analysis estimates the effect of

independent variables on the dependent variable. As shown in Table 2, the Adjusted R Square shows that the model fits the data well, providing empirical support that the model successfully explains 50 % of the variance present in the dependent variable. In addition, the resulting F test is statistically significant at .05 level. These results indicate the explanatory power of the model in explaining employee satisfaction levels.

Table 2 also shows the relationship of independent variables and dependent variable. The regression coefficients of *age*, *tenure*, *commuting time*, *flexible schedule*, and *job rank* are all statistically insignificant at 0.05 net of other variables in the model. These findings show that the employees' age, length of employment, travel time to work, having or not a flexible schedule, and their job rank have no significant effects on *employee satisfaction*.

*Salary's* regression coefficient is negative and statistically significant at 0.05 level net of other variables in the model, such counterintuitive finding compels a deeper analysis. A Partial Regression Plot for *salary* was examined to identify any outliers (Figure 3). The most obvious outlier (identified as ID=24 located in the lower right part of Figure 3), exhibits a pattern different from the rest of the sample. When this outlier case is removed, the new regression outcome reflects that the coefficient for *salary* becomes in-significant at the 0.05 level net of other variables in the model. The coefficients for all other variables remain insignificant except *employee empowerment*, which continues to be significant. Outlier case ID=24 is a lead/supervisor dissatisfied with his/her supervisor and level of recognition. This lead/supervisor belongs to the group of employees describing their salary to be \$25

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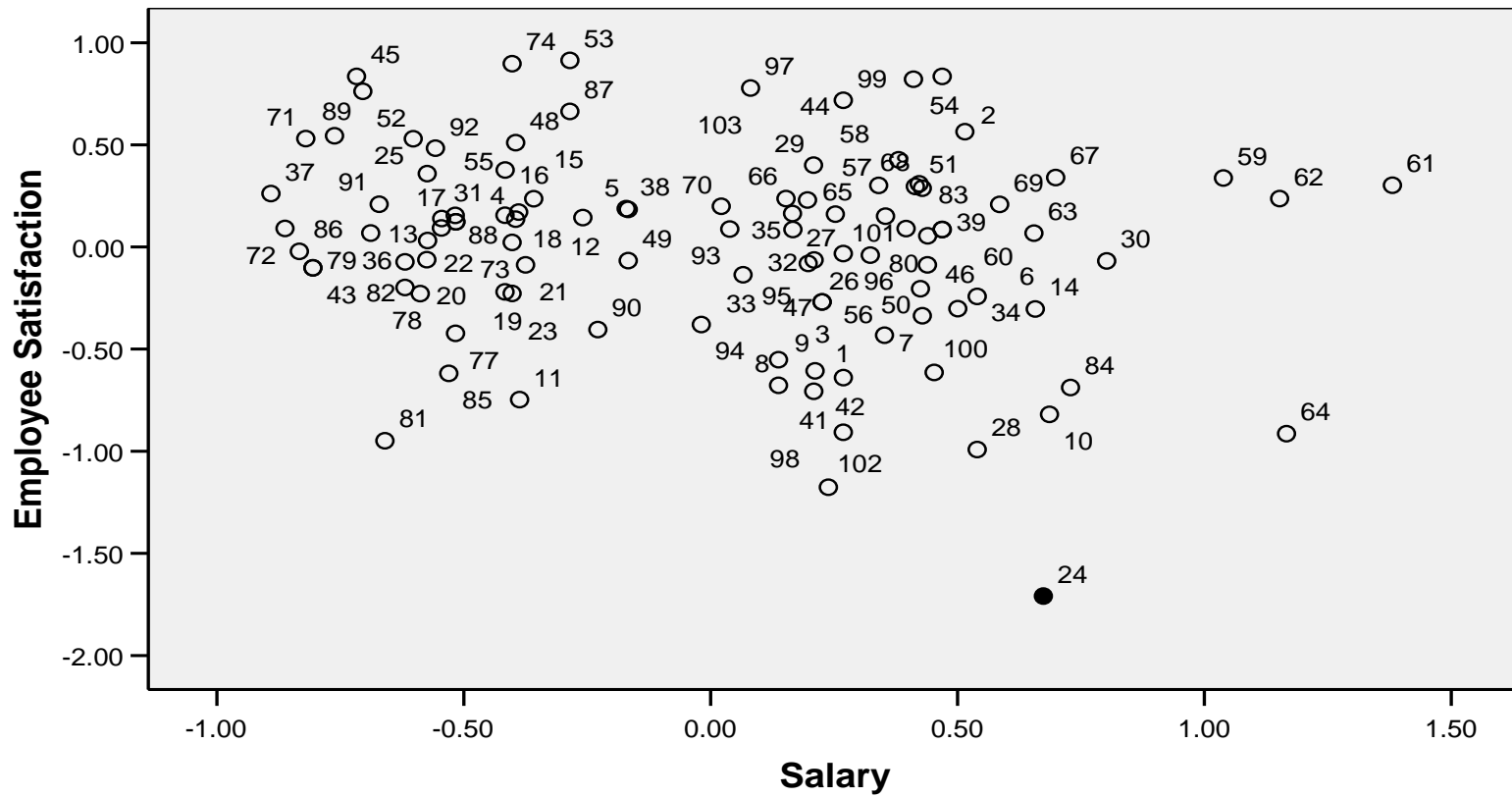
**Table 2. Regression Coefficients of Employee Satisfaction on Selected Independent Variables**

Independent Variables	Full Sample		Without ID=24	
	Coef.	(Std. Error)	Coef.	(Std. Error)
(Constant)	1.62	(.39)	1.36	(.38)
Employee Empowerment	.65	(.07)**	.68	(.07)**
Age	.04	(.07)	.06	(.07)
Tenure	.10	(.08)	.06	(.07)
Commuting Time	.05	(.07)	.09	(.07)
Flexible Schedule	.05	(.11)	-.03	(.11)
Job Rank	-.04	(.14)	0.0	(.13)
Salary	-.19	(.09)*	-.15	(.09)
N	104		103	
Adjusted R Square	0.50		0.55	
F Test	15.75**		18.81**	

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed)

Figure 3 - Partial Regression Plot



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hour or higher, which is the highest category for this variable. The uniqueness of this outlier as shown in Figure 3 makes a compelling case for removal from the analysis.

The most important finding is the regression coefficient of *employee empowerment* been positive and statistically significant at .01 net of other variables in the model. I hypothesized that *employee empowerment* has a positive effect/relationship with the degree of *employee satisfaction*. The findings support the notion that as the workforce's degree of empowerment increases, its level of satisfaction increases. The findings validate Mc Gregor's and Argyris' notions on worker motivation.

In addition, the survey's findings have multiple ramifications to Human Resources professionals and operational executives and managers. The incorporation of employee empowerment concepts including but not limited to, *job-design*, *employee reward systems*, and *service delivery systems* will be beneficial to employees and employer alike. The survey findings may also indicate how organizations could increase their competitiveness in today's global and highly competitive economy. Workers given increasing "powers" for the execution and management of their job duties combined with genuine participation in decision making are more satisfied.

### DISCUSSION AND CONCLUSION

This study draws on survey data from a sample of 104 respondents employed at a Southern California healthcare organization to primarily investigate the impact of *employee empowerment* on *employee satisfaction*. Using a model that combines

the employee's age, tenure, community time to work, having or not a flexible work schedule, job-rank, and perceived degree of employee empowerment, the model successfully accounts for 50% of the variance in *employee satisfaction*.

The survey procedures, sampling, and data analysis support the paper's key research hypothesis that *employee empowerment* has a positive effect on *employee satisfaction*. It may also indicate that *employee empowerment* has a more relevant effect on *employee satisfaction* over other employment variables such as *salary*. It is important to note that the studied organization competitively compensates employees and offers comprehensive and very affordable benefits based on healthcare industry standards. In addition, annual employee satisfaction surveys' results conducted at the company for the last few years consistently show employees having high levels of satisfaction with their wages. This organizational context may explain why *salary* was found to have a statistically insignificant effect on *employee satisfaction*.

The reported evidence may have two limitations. First, the scope of this research was limited to the analyzed variables. As a result, extraneous variables omitted from this analysis could have produced different outcomes. For instance, the research omitted employees' disciplinary records and performance reviews results. These variables could have added additional insights including but not limited to, evaluating their statistical significance or insignificance with *employee satisfaction*, their effects on *employee empowerment*, and explaining outliers such as ID=24. Second, the sample utilized on this project was representative of the employee population studied. However, it cannot be said to be representative of other employers in healthcare or across industries.

The first above-mentioned limitation could be breached by conducting a comprehensive review of the current literature on *employee satisfaction* and other employment variables including but not limited to *employee empowerment*. The second above-mentioned limitation could be addressed by conducting similar research at other organizations in healthcare and other industries. Such research will provide the needed depth of analysis for generalizing findings across employers in the United States.

Even though limited in its scope, this research project presented compelling and valuable insights on the positive and statistically significant effect of *employee empowerment* initiatives on *employee satisfaction*. Employee empowerment initiatives may include but not be limited to: (1) allowing staff to make decisions necessary for effectively accomplishing routine and non-routine day-to-day duties and responsibilities, (2) encouraging staff to come up with and implement new and better ways for improving the organization, (3) providing staff the opportunity to influence the way department's goals are established, (4) and inviting staff to participate in teams/committees that influence decisions. This study's findings have significant value to employers when prioritizing strategies and allocating resources to their respective workforces. They aid decision-makers when trying to promote the "workforce-will" to accomplish organizational goals and objectives such as increase profits and improve customer satisfaction.

#### ENDNOTES

<sup>1</sup>The terms "employee satisfaction" and "job satisfaction" denote the same concept

according to the literature and may be used interchangeably.

<sup>2</sup> This is an introductory and brief definition of employee empowerment to provide the reader a general understanding on the concept. A more comprehensive definition and analysis is forthcoming.

<sup>3</sup> "Personnel" was the term commonly used until the 1980s; "Human Resources" has been the term commonly used since the 1990s.

<sup>4</sup> Literature Review: For the purpose of this report, the brief literature presented provides a basic background to the study.

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**Appendix 1 - Complete Survey Questionnaire**

Dear employee,

Human Resources is conducting this survey to give you an opportunity to express your views on the company's latest *employee empowerment* initiatives. The value of this survey depends on your being thoughtful and frank. All of your responses are confidential. Your identity will not be linked to your responses in any way. This survey will only take about 20 minutes for you to complete. If you have any questions about this survey or need assistance, please contact Human Resources at XXX-XXX-XXXX. Thank you.

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- 1) Which of the following describes your age group?
  - A) 18 - 26 years of age;
  - B) 27- 42 years of age;
  - C) 43- 62 years of age;
  - D) 63+ years of age
  
- 2) How long have you worked for the company?
  - A) less than 1-one year of employment;
  - B) at least 1-one but less but less than 5-five years of employment;
  - C) at least 5-five or more years of employment
  
- 3) Which of the following describes your commuting time to work?
  - A) less than 15 minutes;
  - B) at least 15 but less than 45 minutes;
  - C) more than 45 minutes.
  
- 4) Which of the following best describes your scheduled work hours?
  - A) I have a fixed work-hours schedule (for example 8:00 AM until 5:00 PM)
  - B) I have a flexible work-hours schedule that I have agreed upon with my supervisor
  
- 5) What category best describes your job?
  - A) Rank-and-file employee;
  - B) Lead/Supervisor;
  - C) Manager/Director
  
- 6) Which of the following describes your salary/wages?
  - A) less than \$15.00 hour;
  - B) more than \$15.00 hour but less than \$25.00 hour;
  - C) more than \$25.00 hour



Please indicate your **level of agreement** with each of the following statements:

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree
1. I am allowed to make decisions necessary for effectively accomplishing my <u>routine</u> day-to-day duties and responsibilities.						
2. I am allowed to make decisions when resolving <u>non-routine</u> situations or issues.						
3. I receive encouragement to come up with and implement new and better ways for improving the organization.						
4. I have the opportunity to influence the way my department's goals are established.						
5. I have been invited to participate in teams/committees that influence decisions for my department or the company as a whole.						

Please indicate your **level of satisfaction** with each of the following statements:

	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied
6. I feel my job provides steady employment.						
7. I feel my job and the other parts of my life are balanced.						
8. I am satisfied with the promotional growth opportunities within the company.						
9. I am satisfied with the frequency and quality of training I received.						
10. I am satisfied with the compensation I receive for my work.						
11. I am satisfied with the current benefits package offered to me.						
12. I am satisfied with the amount of recognition I receive for my job performance.						
13. I am satisfied with the management style of my supervisor.						