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## Association of employee empowerment and employee inter: Personal relations

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### Abstract

Employee can make or mar an organization. As this fact proved time and again, it ratified the significance of human resources for the organization. Therefore HR strategies have been net under the shadow of employee empowerment. There are various effects of employee empowerment over human resources and the organization. Every department, every activity and every person at every level is essential for integrating the organizational efforts in TQM. The crucial deterrent in successful implementation of TQM is employee focus. MSMEs play critical role in the economic development of a country. Quality management of these MSMEs is would be critical for their stability. The aim of the paper is to examine the level of employee empowerment in terms of employee interpersonal relations at MSMEs of Ballari, Karnataka. The universe comprised executive and non executive workforce of the firm. Sampling was carried out using convenient sampling technique with sample size of 50 in line with the Cochran formula. Data was collected using observation and informal interview methods. Descriptive statistics and Chi-square test was used to analyse the data. The research envisaged that all the factors of employee empowerment are associated with customer loyalty of the firms. As per the findings, formal communication, employee satisfaction and cross functionality at the MSMEs has significant influence on employee interpersonal relations.

**Keywords:** Employee empowerment, Factors of Employee empowerment, employee interpersonal relations, etc.

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### 1. Introduction

Every department, every activity and every person at every level is essential for integrating the organizational efforts in TQM (Su Chen et al, 2001). The crucial deterrent in successful implementation of TQM is employee focus (Arawati, 2001). TQM approach expounds the importance of sharing the internal and external information equally among all personnel in order to presume the prime responsibility for quality improvement (Vouzaz, 2007). In this regard organization can use certain methods like employee suggestion scheme, cross-functional teams, quality circles, voluntary teams and suggestion activities for involving employees on individual basis for quality improvement. The very purpose of involving employees is to make decisions in quality improvement as they maintained intimate nearness with the actual job and problem (Sun Hui et al, 2000).

Based on the emphasised significance of employee empowerment in incepting TQM in the previous studies, the following practices were considered in the design of the questionnaire in order to examine its level in the firms under study.

The study on quality management system of the firm would help the MSMEs of the region to know the findings and adopt necessary changes or practices in their quality management system.

Based on the emphasised significance of employee empowerment in incepting TQM in the previous studies, the following practices were considered in the design of the questionnaire in order to examine the level of employee empowerment in the MSMEs under study.

**Table 1:** Showing Employee empowerment (EE) items used in the study

A	<b>Employee Satisfaction:</b> Employee satisfaction is formally and regularly measured
B	<b>Cross Functional Teams:</b> Encourage cross-functional teams
C	<b>Formal Communication:</b> Provide necessary and sufficient information to employees by means of regular meetings, posters and newsletters. (for meeting professional, social and career needs)
D	<b>Job Enrichment:</b> Regularly enrich and enlarge the jobs
E	<b>Career Support:</b> Provide care for employees in job- and career-related development.

### Employee interpersonal relations

Organizational excellence is determined by measuring the holistic performance of an entity. But, when it comes to its measurement, performance has gradually gained more objectivity sense. Therefore new methods of reporting performance is gaining significance these days. Employee related Performance is one such performance measure targeting organizational objectives in any processing systems of the organization. Therefore, major employee performance factor employee interpersonal relations is used in the study.

### Problem Statement

Quality and quality management are quite necessary elements any organization shall have to practice. As per the current and previous studies on quality management, among quality management practices, employee empowerment has been playing crucial role in influencing quality and other practices quality management in the organization. What would be in case of MSMEs? And how it would be in MSMEs? Especially at non metros, are the inquisitive corners need to be pondered. Therefore, the current study tries to explore and describe the nature of employee empowerment and its influence in terms of employee interpersonal relations at the firms under the study.

### Hypotheses

H0: There is no association of employee empowerment on employee interpersonal relations.

H1: There is an association of employee empowerment on employee interpersonal relations.

### 2. Methodology

**Type of the Study:** Descriptive-Survey research

**Population:** MSMEs of Ballari

**Sample Size:** 50 as per Cochran formula

**Sampling Technique:** Convenient Sampling

**Data Collection Instrument:** Visit observation, interaction, informal interview, etc.

**Data analysis and Hypothesis Testing:** Descriptive and Inferential statistics, Chi-square Test and Freedman test

### 3. Results

As per central limit theorem, distribution of data is normal. In order to test research hypothesis, Chi-square - test was used.

**Table 2:** Chi-square Test for association of employee empowerment with employee interpersonal relations

Association	P-Value	Accept/Reject Ho
Employee empowerment and employee interpersonal relations	0.000	Reject
<b>Sub Components of Employee empowerment</b>		
Employee Satisfaction	0.000	Reject
Cross Functionality	0.04	Reject
Formal Communication	0.000	Reject
Job Enrichment	0.05	Reject
Career Support	0.05	Reject

The table indicates that, p value is less than 0.05. Therefore we reject null hypothesis that is it is found that there is an association of employee empowerment with employee

interpersonal relations at the firms.

The following table ranks the factors of employee empowerment as per Friedman's Test.

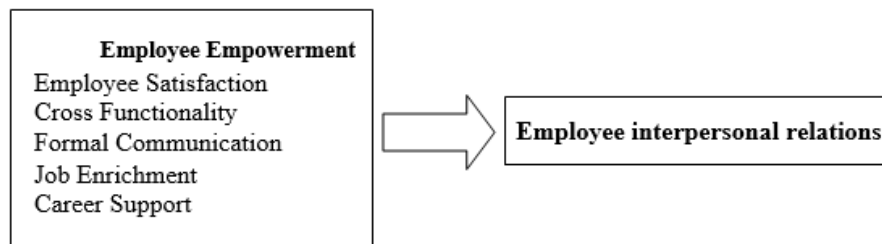
**Table 3:** Ranking of factors of Employee empowerment

Factors of Employee Empowerment	Priorities
Employee Satisfaction	2 <sup>nd</sup>
Cross Functionality	3 <sup>rd</sup>
Formal Communication	1 <sup>st</sup>
Job Enrichment	4 <sup>th</sup>
Career Support	5 <sup>th</sup>

Table indicates that formal communication, employee satisfaction and cross functionality have more influence on

employee interpersonal relations at the firms.

#### 4. Discussion



**Fig 1:** Model representing the association of Employee empowerment and Employee interpersonal relations

##### **Association of Employee empowerment with Employee Inter-personal relations**

The study expounded that the employee empowerment has a significant relationship with employee interpersonal relations of the firms. All the factors identified under employee empowerment are associated with customer loyalty. However, formal communication, employee satisfaction and cross functionality have more influence on employee interpersonal relations at the firms.

##### **Association of Formal Communication with Employee interpersonal relations**

The current study revealed that establishing formal communication has significant influence on the employee interpersonal relations at the firms.

##### **Association of Employee Satisfaction with Employee interpersonal relations**

The current study found that regular and formal measurement of employee satisfaction has significant influence on the employee interpersonal relations at the firms.

##### **Association of Cross Functionality with Employee interpersonal relations**

The study determined that cross functionality approach followed has significant influence on the employee interpersonal relations at the firms.

#### 5. Conclusion

Customer satisfaction and building customer loyalty has a crucial link with human resources of the organization. Emphasizing the internal customer would be the game changer for an organization. TQM approach expounds the importance of sharing the internal and external information equally among all personnel in order to presume the prime responsibility for quality improvement. Employee empowerment towards quality has a significant relationship with employee interpersonal relations at firms. Majority of the factors identified under employee empowerment are associated with employee interpersonal relations at the firms. However, formal communication, employee satisfaction and cross functionality have more influence on employee interpersonal relations at the firms. All in all, firms need to consider all the factors of employee empowerment for realizing customer loyalty of the MSMEs.

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