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Employee Empowerment and Job Satisfaction: A Systematic Literature Review

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Abstract

In the face of a rapidly evolving business landscape, companies need to invest more effort in strengthening their capabilities. It's essential to remember that the success and competitive edge of an organization rely on a workforce that is dedicated, highly motivated, satisfied, and innovative. Employee empowerment is regarded as a crucial practice in human resource management due to its perceived connection with job satisfaction. This literature review synthesizes findings from research, reports, magazines, and books that relate to the investigation of the correlation between employee empowerment and job happiness. This literature demonstrates a positive association between employee empowerment and job satisfaction across many industries, including hospitality, banking, and education, at the individual, work unit, and organizational levels. In conclusion, employee empowerment can serve as a powerful tool for enhancing job satisfaction. This paper assists practitioners and other researchers in deepening their understanding of empowerment and its impact on job satisfaction.

Keywords

Employee Empowerment, Human Resource Management, Job Satisfaction, Workforce Motivation

1. Introduction

Currently, many companies are focused on gaining a competitive edge in the market. Various factors, such as advanced equipment, cutting-edge technology, effective marketing strategies, superior customer service, and others, can contribute to achieving that advantage (Izzati et al., 2022; Pudjianto et al., 2023). Nonetheless, human resources constitute the paramount asset for a firm, with its efficacy or ineffectiveness hinging regarding their credentials and efficacy. Employees possess unique competencies, expertise, and capabilities that competition cannot imitate. Although technology, goods, and processes may be readily replicated by competitors, workers remain the greatest crucial asset for a corporation. To achieve a competitive advantage and enhance employee happiness, organisations must adopt contemporary management practices (Ferdyan & Hartawan, 2024). Job satisfaction constitutes a key factor in work-related achievement and plays a crucial role in boosting employee productivity within an organization (Badawy et al., 2024). Job satisfaction is seen as a significant issue for management across all sectors (AbuHazeem & Albloush, 2024). A potent strategy for enhancing job happiness is employee empowerment. Empowerment was initially examined in the context of participate management, incentive, job autonomy, and employee enhancement. In the last twenty years, Employee Empowerment has arisen as a unique domain of inquiry. It denotes the process of empowering employees with decision-making authority, enabling them to assume responsibility for their outcomes (Kohli & Sharma, 2022).

Previous research has demonstrated that empowerment methods and employee participation affect job satisfaction by improving job control elements intrinsic to these activities (Ibukun & Pérotin, 2023). A positive mental state can improve job satisfaction and performance, enabling employees to manage workplace demands more effectively and contribute significantly to the organization's goals (Zaeni et al., 2024). Employee Empowerment is both a mindset and a technique in which employees are allocated a specific level of autonomy to initiate and make decisions for resolution work-relevant difficulties (Mohapatra & Mishra, 2018; Keong, 2020). Employee empowerment does not imply that management abdicates its responsibilities for organisational performance or leadership. In organisations that empower people, management's role is to establish and sustain an atmosphere that anticipates and fosters employee contributions. Management must cultivate trust and maintain communication with staff (Elnaga & Imran, 2014; Shifa & Harto, 2024). Furthermore, empowerment strengthens the relationship between supervisors and subordinates, so facilitating the enhancement and development of organisational performance, which finally results in the achievement of organisational objectives (Tyofyan et al., 2022). So, focusing on empowering employees is essential to achieving job satisfaction (Abdallah et al., 2016; Asif, 2021)

Empowered personnel experience an enhancement in confidence and autonomy. This increased trust is beneficial since it fosters job satisfaction and enhances production levels. Nonetheless, in certain instances, this degree of faith may become excessive and result in hubristic behaviours. Arrogant personnel are challenging to manage, less amenable to guidance, and may exhibit non-compliance. Operating in such an environment might adversely affect other employees, leading to job dissatisfaction and diminished productivity levels. This article examines diverse definitions, methodologies, aspects of employee empowerment and job satisfaction. This research investigates the correlation between Employee Empowerment and Job Satisfaction. This article aims to examine the impact of Employee Empowerment on job satisfaction.

2. Literature Review

Empowerment refers to the process of enhancing the ability of employees and management to work independently by developing their attitudes, skills, and knowledge. It also serves as a method to ensure that employees reach their full potential, contributing to the company's achievement of its goals (Jocelyne & Kariuki, 2020; Riyadi, 2022). Employee empowerment involves equipping employees with the necessary information and control mechanisms to enable them to make independent decisions regarding their job performance within a company (Dahou & Hacini, 2018). Employee empowerment results in a more streamlined and flexible organization, which can improve both individual and corporate performance outcomes (Dabo & Ndan, 2018). Jacqueline (2014) elucidated that empowered personnel are more inclined to experience motivation, which facilitates their acquisition of authority and control, as well as the application of critical knowledge and abilities to meet client needs. The objective of an empowerment program is to confer power and authority upon employees through management by distributing responsibilities, so enabling empowered people to elevate their recognition and position. These personnel are inclined to cultivate a positive mindset and endeavour to excel in their work performance (Singh Wadhwa & Verghese, 2015; Shah, 2022). Organisational culture improves employee performance, which promotes the organization's overall performance. This improvement is only possible if the environment evolves from a directive and authoritative approach style to one that is more encouraging and empowering (Ghalavi & Nastiezaie, 2020).

Job satisfaction refers to the positive emotions associated with a job, which result from assessing its characteristics. Individuals who are satisfied with their work tend to have a positive outlook, while those who feel dissatisfied with their employer's experience negative emotions (Setyaningrum & Ekhsan, 2021). Also, Robbins (2017) defines job satisfaction as a general attitude toward one's work, reflecting the difference between the recognition a worker receives and the recognition they feel they deserve. Job satisfaction relates to an individual's attitude toward their work. While satisfaction is not a physical entity, it can be reflected in the outcomes of one's work. Job satisfaction is subjective, with every individual experiencing distinct levels of contentment based on their own value system (Zaeni et al., 2024). In general, job satisfaction refers to a person's feelings or attitude towards their job. In other words, job satisfaction is an employee's attitude towards their job, which has a big impact on their performance and overall productivity. As a result, job happiness is an important component that human resource management should priorities. Ensuring high levels of job satisfaction is critical for keeping a motivated and engaged workforce, hence it is a fundamental emphasis of good human resource management techniques.

Several studies have been carried out to determine the connection between employee empowerment and job satisfaction. Research conducted by Ahmed & Idris (2021) on Sudanese oil businesses, the most important elements influencing employee job satisfaction are Total Management Commitment, empowerment of employees, collaboration, training and education, and engagement of employees. Similarly, Adawiyah et al. (2020) discovered that top management in Islamic banks in Indonesia plays an important role in improving employee work satisfaction through quality management techniques such as training, empowerment, and reward systems. The recent study by Al Darwishi & Yeşiltaş (2024) offers a thorough examination of the intricate connections between top management's dedication to HRM practices—like empowerment, training, and rewards—and their effects on job satisfaction and workforce sustainability. Likewise, practices of employee empowerment encourage staff members to enjoy their jobs and view them as more fulfilling due to the autonomy and other intangible benefits that come with the process (Ladden, 2014; Anwari, 2022). Root (2014) adds that employee

empowerment increases their sense of responsibility toward their work and its productivity. When employees are held accountable for their own results, it positively impacts their morale. Additionally, Ladden (2014) notes that high levels of employee empowerment in an organization lead to greater internal motivation, which enhances job satisfaction. This results in improved employment engagement, organisational citizenship behaviour, and reduced job stress. Both behavioural and psychological aspects of empowerment have had been demonstrated to possess a favourable effect on employee work satisfaction. Research undertaken across numerous industries has indicated a beneficial relationship between employee empowerment and job satisfaction. (Abdissa & Fitwi, 2016; Rahman et al., 2024). Moreover, other factors, including as work contentment, guidance behaviour, organizational citizenship behaviour, and organizational success, exhibit a positive correlation with employee empowerment (Ukil, 2016).

3. Methods

The scoping review methodology used in this literature study is carried out using several crucial steps. This method seeks to provide a thorough summary of the body of research on employee empowerment and job satisfaction by methodically combining the results of previous studies. The first step in this method is to define the focus and scope of the research question. By formulating a clear research question, this review is centered on understanding the relationship between employee empowerment and the improvement of job satisfaction across various organizational settings. This study employs clear inclusion and exclusion criteria to ensure the relevance and quality of the sources used. The inclusion criteria cover primary studies published between 2019 and 2024 as main sources, as well as studies published between 2014 and 2018 to support specific statements. Selected articles must be relevant to the topics of employee empowerment and job satisfaction. Conversely, the exclusion criteria include studies not written in English or Indonesian and studies not directly related to employee empowerment and job satisfaction. The sources were retrieved from several prominent databases, including ProQuest, Emerald, Scopus, and ResearchGate. The keywords used for the search are “Employee Empowerment” and “Job Satisfaction” to maintain focus on the relevant topics.

The literature selection process is carried out in stages to ensure the quality and relevance of the studies used. The initial stage involves screening based on the titles and abstracts of the articles found during the literature search. Articles deemed relevant in this initial stage then undergo a full review, where the entire content of the articles is thoroughly examined to ensure their alignment with the research topic. This step-by-step approach helps filter out irrelevant studies and ensures that only articles meeting the criteria are included in the analysis. To organize the information from each analyzed literature, a data chart serves as a tool to extract important details from each study. This data chart includes key elements such as basic information (author, publication year, source, and theme of the study), the main research focus of each study, and the research method used. Additionally, the data chart captures findings related to employee empowerment and job satisfaction obtained from the studies. By using a data chart, information can be systematically organized and easily compared, facilitating further analysis and synthesis of the main findings from the literature. The results were combined to create a full picture of how employee empowerment influences job satisfaction. The findings of these studies are provided in full narratives, with the objective of providing guidance and important insights for researchers and policymakers on how employee empowerment can be effectively used to improve job satisfaction in a variety of organisational settings.

4. Results

The following section summarises the findings of a Systematic Literature Review (SLR), which reviews multiple papers connected to the topic under consideration. The table below summarises the methodologies employed and major findings from the examined literature, giving a complete picture of the present state of research in this field. Ukil (2016) investigated the relationship between employee empowerment and job satisfaction across various contexts. A consistent trend in these studies is that employee empowerment, which includes psychological empowerment, job control, and engagement, generally enhances job happiness. Empowerment efforts boost employees' confidence in their responsibilities, promote trust, and increase motivation. These factors, in turn, lead to higher levels of job satisfaction, as employees perceive their contributions as more meaningful and valued within the organization. However, in specific contexts, the relationship is influenced by additional factors such as job demands, organizational innovation, and religious values, indicating that the environment in which empowerment is implemented can alter satisfaction.

The correlation between employee empowerment and job satisfaction has been extensively examined in numerous studies, as demonstrated in the tables above. Empowerment, which includes providing staff possessing control, autonomy, and participation in decision-making, has been shown to enhance job satisfaction across diverse industries and environments. Empowered employees tend to possess an enhanced sense of self-efficacy and purpose in their roles, thereby improving morale and satisfaction. Multiple studies establish that psychological empowerment, job control, and employee participation directly influence job satisfaction. Employee engagement and satisfaction significantly increase when individuals perceive their contributions as essential and valued by the organization.

Furthermore, consistent with prior research, the correlation between empowerment and job satisfaction might be influenced by additional factors such as employment demands and organizational innovation. In certain cases, job satisfaction serves as a mediator, with empowerment indirectly leading to better outcomes, such as employee engagement or creative performance, through its effect on satisfaction. These findings demonstrate that while empowerment is a key driver of job satisfaction, its full impact often depends on the broader organizational environment and support structures, such as fair employment policies, ethical standards, and opportunities for growth and development. This highlights the importance of organizations designing empowerment initiatives that enable autonomy while aligning with other aspects of job satisfaction.

Additionally, the positive connection between empowerment and job satisfaction is critical to organizational success. Empowered employees are more motivated, creative, and committed, leading to improved overall performance. As a result, organizations should prioritize establishing a conducive workplace that appreciates employee contributions and offers chances for advancement, as these strategies not only improve job satisfaction but also contribute to long-term organizational productivity and innovation.

5. Conclusion

In conclusion, this research highlights the strong association between employee empowerment and job satisfaction, reinforcing the positive impact of empowerment strategies across various industries, including banking, education, hospitality, and non-governmental organizations. The literature consistently suggests that employee empowerment, characterized by autonomy, involvement in decision-making, and job control, leads to higher levels of job satisfaction, motivation, and performance. The studies also indicate that organizations seeking innovation and

competitiveness should prioritize employee empowerment as part of their human resource strategy to cultivate a more satisfied and engaged workforce. However, there are significant limitations in the studies reviewed. Many relied on cross-sectional data, which limits their ability to demonstrate long-term trends or establish causality between Employee empowerment and occupational satisfaction. Additionally, while the overall relationship between empowerment and job satisfaction is positive, mediating factors for example, employment stress, commitment to the organization, and cultural differences were not consistently addressed, potentially leaving gaps in our understanding of the relationship's complexities.

Furthermore, many studies focused on only one type of empowerment—either psychological or structural—and this article also included some studies that are not from the last five years. Future research should prioritize longitudinal studies to better capture the evolving relationship between employee empowerment and job satisfaction over time. Other mediating factors, such as leadership styles, organizational culture, and external socioeconomic conditions, should also be explored to assess the true effectiveness of empowerment initiatives. By rectifying these deficiencies, subsequent research can offer a more comprehensive comprehension of the empowerment-job satisfaction dynamic and provide better guidance for entities aiming to improve employee satisfaction and comprehensive performance.

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