Impact of Key Influential Factors on Psychological Empowerment of Employees: A Study of Middle Level Employees in Automobile Industry

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Psychological empowerment has a great influence on the satisfaction, commitment and efficiency of workforce which drives organization towards its success. The feasibility of this strategy depends on the ability of leaders to share control with their teams in order to achieve better company outcomes. The purpose of this study was to explore the impact of identified key possible influential factors on the Psychological Empowerment. Transformational Leadership, Participatory Organizational Culture, Rewards and Incentives, Training Effectiveness were identified as influential factors of psychological empowerment based on the extant literature. Hundred middle level employees who engaged in automobile companies listed under Colombo Stock Exchange were considered as the sample to ascertain a better and reliable conclusion. Primary data was obtained using standard questionnaires for each variable and the data were mainly analyzed using descriptive statistics, correlation analysis and regression analysis. The findings of the study reveal that there is a significant relationship between identified influential factors and employee empowerment. Further the results show that there is significant impact of all the identified influential factors on Psychological empowerment. These findings may lead the organizations' management to make decisions more efficiently and effectively about planning future empowerment processes Moreover, this study will serve as a basis for future researches on how to empower people in the middle level of the organizational hierarchy in the automotive industry without limiting individual productivity.

Keywords: Participatory organizational culture, Psychological Empowerment, Rewards and Incentives, Transformational Leadership, Training effectiveness

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