

EMPLOYEE EMPOWERMENT AND EMPLOYEE TURNOVER INTENTION – AN EMPIRICAL ANALYSIS IN LIFE INSURANCE SECTOR

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Abstract: *The article analyzes the part and effect of Employee Empowerment in Employee Turnover intention. The study investigating different parts of the central zone attempted utilizing quantitative measures. Self administrated survey was undertaken to gather the response rate from the respondents. Cranach's Alpha Reliability score 0.852, sample size is n = 1541 and Ancova, Correlation and Regression analysis was connected to check the relationship and quality of the variables by means of very much outlined examination programming Statistical Package for Social Sciences (SPSS). The employees of Private Life insurance sector has been taken for the study.*

Key Words: *Empowerment, Turnover intention, Life insurance sector.*

INTRODUCTION

The organizations that have abused and disregarded the empathetic part of their business have endured substantial misfortunes fine samples are numerous in the corporate world, since it didn't take after the business morals and misused its kin to take after mal practices of business. For over 10 years the Organization motion are the center of HR specialists henceforth giving the solid genesis to re research on the significance of preparing and advancement, individuals strengthening and administration. Albeit much has been said and done on the aforementioned concentrate yet the outcomes registered add crisp examination flavor to the past study.

People continue adding to their capacities with regular presentation to assortment of circumstances and included experience. This upgrade in the expert capacities drives individual to secure all the more difficult employments conveying higher expert and money related qualities organizations then again apply every one of their assets and vitality to secure elite worker inside of their

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range. This makes the requirement for incorporating singular expert needs with organizations need through T&D systems. By masters' T&D ought to bring some prominent positive changes for occurrence polished methodology found in laborers conduct or new ability learnt like PC and IT information. Preparing and work turn moving employee starting with one occupation then onto the next improves innovativeness and workers feel assortment in their work. It enhances worker execution prompting organization benefit. The Whole Job Concept or Job Enlargement permits employees to give proposal in formulating testing occupations, build inspiration and association duty. Such a designation helps in employees' development and nature of work (Kossen, 1994).

Employee tying projects is a solid activity for smooth business operation. Worker strengthening is employee cooperation in the organization matters, all the more vitally in choice making process.

Chiefs must share the data on association execution, remuneration administration hones with their subordinates on the work done by them (Bowen and Lawler, 1992). Another way to deal with employee strengthening is to permit the specialists to take activities for inventive practices all alone (Zemke and Schaff, 1989).

Advancement is a employee improvement technique which is likewise considered as a prize of good execution and acknowledgment of worker's capacities. It conveys a high esteem in employee maintenance, as an unmistakable progression arrangement keeps the worker roused for good execution and long haul duty with the association. This procedure likewise makes the feeling that all is well with the world among the current workers.

Employee Retention is the most imperative viewpoint for the administration. It is the trust and confidence supervisors ought to have in the workers to construct the quality of agreement and peace for smooth business operations. The studies uncover that workers who are submitted and devoted to the association are liable to perform as per the principles and requests of the occupation. They are more grounded in managing the high points and low points of the business have cleaned stress taking care of abilities (Hartline and Witt, 2004).

REVIEW OF LITERATURE

Employee empowerment, which came up in 1990s, is known as one of the new administration ideas (Hanold, 1997; 2002). Nonetheless, when the pertinent writing is investigated, this idea is comprehended to have a more drawn out history than already suspected (Nykodym et.al., 1994: 45; Wilkinson, 1998: 42). With its roots Human Rights Movement of 1950 and 1960s, empowerment has rather firmly

identified with the different ideas and strategies intended to democratize the work-place (Elmuti, 1997: 233).

Truly empowerment was given spot in the productions of Pre-1990 that talked about points, for example, work enhancement, participative administration, employee inspiration, absolute quality - control, singular improvement, quality circles and key arranging. With no uncertainty, detectable expansion in the quantity of articles identified with employee empowerment was seen after 1990s (Honold, 1997: 202).

Empowerment is a standout amongst the best methods for empowering employees at all levels to utilize their innovative capacities to enhance the execution of the association they work for, and the nature of their own working life. Employee empowerment is a sort of the danger administration process whereby a society of empowerment is created data—as a common vision, clear objectives, limits for choice making, and the aftereffects of endeavors and their effect all in all is shared competency through preparing and experience is produced; assets, or the competency to acquire them when should have been be compelling in their occupations, are given; and bolster through coaching, social backing, and support of danger taking is given (Chaturvedi, 2008).

Definition

Crucial motivation to trouble in making a definition is a multi-dimensional idea that empowerment includes a dynamic procedure in a dynamic domain and numerous components that have parts in various periods of this procedure (Robbins et. al., 2002: 420). At the point when author's observation is added to this from various edges and when diverse dialects are included for various measurements, various definitions underlining distinctive measurements of idea have come up (Ugboro and Obeng, 2000: 249). The cases of definition that underscore the reason, process and distinctive measurements of employee empowerment are as per the following: The cases of definition that underline the purpose: • According to Kanter (1977), empowerment is to offer energy to individuals who are frail in associations (Ugboro and Obeng, 2004: 249)

Empowerment is spreading the regulatory obligation to every one of the spots in the association (Cunningham and Hyman 1999; 193). Empowerment is to give more power to employees in association in administration of work (Pearson and Chatterjee, 1996 : 17). It is to convey employees to the position of proprietors of work (Koçel, 2003: 414). By, Fishman and Keys (1995), it is a procedure of conveying an individual or a gathering to a position that he/she can influence occasions and the outcomes (Hanold, 1997: 202).

The samples of definition that underline the procedure and measurements of empowerment According to Rothstein (1995), Empowerment is “a demonstration of building, and expanding power through coordinating, sharing and working together” (Honold, 1997:202).

By and Miller, employee empowerment is the idea of empowering subordinates to have the power and ability to settle on choices and to represent the association keeping in mind the end goal to enhance both individual inspiration and authoritative profitability (Elmuti, 1997:233).

By and Schaaf (1989), employee empowerment implies turning the “cutting edge” free, and urging and compensating employees to practice activity and creative energy. A more operational-level and prepare arranged meaning of empowerment was offered by Bowen and Lawler. They characterize empowerment “as offering to forefront employees the data around an organization’s execution, data about prizes taking into account the organization’s execution, learning that empowers employees to comprehend and add to hierarchical execution, and giving employees the ability to settle on choices that impact authoritative course and performance” (Ugbaro and Obeng, 2000:249).

By, empowerment is a demonstration of building, creating and expanding power by working with others, which he terms as “intelligent empowerment” and being able to impact one’s own conduct, which he calls as “self empowerment” (Honold, 1997:202). By and Kanungo (1988), empowerment is a procedure of upgrading sentiments of self-adequacy among authoritative individuals through the determination of conditions that encourage frailty and through their evacuation by hierarchical alterations (Simit and Mouly, 1998:70).

Another meaning of the same creator is that „It is a social build taking into account unrivaled subordinate power sharing and a motivational develop that fulfills an individual’s want for self-determination and self-adequacy. (Elmes et.al., 2005 : 5). Spreitzer, after a broad audit of writing, has been resolved of having characterized two alternate points of view of empowerment inside of a business connection, as the social and mental viewpoint. Social empowerment has been alluded to as top-down handling and in addition unthinking. The conviction empowerment happens when more elevated amounts inside of a chain of importance offer force with lower levels inside of the same progressive system. Then again, as per the mental viewpoint empowerment concentrates on the employee’s point of view of empowerment. Mental empowerment, otherwise called natural or base up handling, keeps up that empowerment is accomplished just when mental states deliver a view of empowerment inside of the employee (Mattews, 2003 : 297). In the event that there is a need to make definition in the system of this study, the employee empowerment is a procedure to fulfill the

inside and outer clients which builds the employees' power in the work and their insight, ability, opportunities, self-assurance and want identified with their power; additionally it is a procedure of giving discernment identified with this expansion.

The Purpose, Content and Meaning of Empowerment

The reason for empowerment is to build the power, learning, inspiration identified with the work of employees; accordingly to improve the commitment of employees to organization and customers' fulfillment (Jhul et al., 1997: 103), in the meantime to expand the sense of pride, certainty and devotion towards organization (Wilkinson, 1998: 40). To put it plainly, the point is to build the fulfillment of the interior and outside clients (ugboro and obeng, 2000 : 249) The Contents of empowerment: As the empowerment should be possible at individual level, it should be possible at a group level which in size contains all employees in a procedure, in a unit or in an organization (Honold, 1997: 203). The people to be engaged in the association are employees found at the least. However employees get (power) from their bosses in progressive system fundamentally (Elmes et.al., 2005 : 5), as indicated by the communication, they get it from different laborers and as per the expertise and will of getting force, they get it from themselves. (Honold, 1997: 203) Hence we can discuss three sorts of force sources.

Empowerment Dimensions

An empowerment start to finish or from chiefs to employees implies offering energy to employee at four measurements that comprises of "power", "specialization", "asset" and "identity". Power is the force measurement which makes up the pith of empowerment or the body. The other force measurements are the trademark which utilizes definitive power successfully, obligingly, effortlessly and corresponding. The power measurement of empowerment, the privilege to take choice identified with the significance, the earth and substance of the work done by employees; the specialization measurement, the information and aptitude of choice making/application; the asset measurement, being the most imperative sharing of learning, the likelihood of achieving and utilizing assets identified with their work; the identity measurement, be that as it may, are the self-assurance to utilize the power and inspiration (Koçel, 2003: 417). At the point when the empowerment in the association is seen from down to up or when seen from the employee's perspective, it is seen as something saw by them or the mental measurement can be seen. A percentage of the primary elements that decide the empowerment observation are as per the following: (which means) finding the work done by the employee as meaningful(important); (skill) to feel oneself as adequate, (self-determination) the likelihood of settling on decision and (effect) the level of viability saw over specific results in the work process (Robins et al., 2002 : 442, Ugboro & Obeng, 2000 : 249).

RESEARCH GAP

Though various studies have been already undertaken to find out the importance of employee empowerment, this study has been done with the view to find out the impact of employee empowerment on employee turnover in the Private Life insurance companies in Chennai.

RESEARCH OBJECTIVE

The Primary objective of the study is to find out the relationship between employee empowerment and the employee turnover intention. The study aims to find out the association of demographic variables with regard to employee empowerment variables.

RESEARCH METHODOLOGY

The study was conducted using structured self-administrated questionnaire with the accessible population of 4500 junior level, middle level, and senior level employees in the private life insurance companies. A sample size of 1541 was taken for the study but only 1247 filled in questionnaire were received, Out of which 933 valid responses were taken. Sample units were met personally outside of their office to avoid unnecessary intentional feedbacks.

The Questionnaire was designed with demographic details and three sections such as Relational factors, Psychological factors and Technological support factors and questions on retention level.

DATA ANALYSIS AND DISCUSSION

Effects of Age, Total Experience, Marital Status, No of Dependents, Marital Status with no of Dependents in Empowerment Factors

<i>Variables</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
Age	1	23.772	.573	0.449
Total experience	1	411.329	9.922	0.002
Marital status	1	92.648	2.235	0.135
No of dependents	2	104.894	2.530	0.080
Marital status and no of dependents	2	361.341	8.716	0.000

Table depicts the result of the ANCOVA test between Empowerment Factors and Age, Total Experience, Marital Status, No of Dependents, Marital Status and No of Dependents together. Empowerment Factors being the dependent variable, Age, Total Experience, Marital Status, No of Dependents, Marital Status and No of Dependents together are being independent variable.

The figures in the above table illustrates that there is no significance in Empowerment Factors with regard to Age, Marital Status, No of Dependents at 5 % level where p values are more than 0.05. It is also observed that Total Experience, Marital Status and No of Dependents together significance at 1% level where p values are less than 0.01(p=0.002 and 0.000 respectively).

Effects of Gender, Total Experience, Gender and Total Experience Together in Employee Empowerment Factors

<i>Variables</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
Gender	1	476.138	11.455	0.001
Total experience	3	90.905	2.187	0.088
Gender & total experience	2	44.022	1.059	0.347

Table depicts the result of the ANCOVA test between Employee Empowerment Factors and Gender, Total Experience and Gender and Total Experience together. Employee Empowerment being the dependent variable, Gender, Total Experience, Gender and Total Experience together are being independent variable.

The figures arrived in the above table shows that there is no significance in Employee Empowerment with regard to Total Experience and Gender with Total Experience together at 5 % level. Whereas Empowerment Factors and Gender aspects signifies at p<0.01 (where p= 0.001 and the Mean square is 476.138, F value 11.455).

Effects of Total Experience, Education Level, Income Level, Education and Income Levels Together in Empowerment Factors Total

<i>Variables</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
Total experience	1	11.706	0.284	0.594
Education level	2	121.267	2.939	0.053
Income level	3	329.009	7.973	0.000
Education and income	4	69.540	1.685	0.151

Table depicts the result of the ANCOVA test between Empowerment Factors Total and Total Experience, Education Level, Income Level and Education and Income levels together. Empowerment Factors Total being the dependent variable, Total Experience, Education Level, Income Level, Education and Income Levels together are being independent variable.

The figures in the above table illustrates that there is significance in Empowerment Factors Total with regard to Income Level at 1% level where p value is less than 0.01. It is also observed that Total Experience, Education Level and Education with income levels are not significance with Extrinsic Motivation Factors at 5% level.

Effects of Total Experience, Experience in the Present Company, Current Position, Gender and Gender With Current Position in Empowerment Factors Total

<i>Source</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
Total experience	1	0.040	0.001	0.975
Experience in the present company	1	140.117	3.517	0.061
Current position	1	85.395	2.144	0.144
Gender	4	252.480	6.338	0.000
Gender with current position	4	169.287	4.249	0.002

Table depicts the result of the ANCOVA test between Empowerment Factors Total and Total Experience, Experience in the present company, Current Position, Gender and Gender with Current Position together. Empowerment Factors Total being the dependent variable, Total Experience, Experience in the present company, Current Position, Gender and Gender with Current Position together are being independent variable.

The figures in the above table illustrates that there is significance in Empowerment Factors Total with regard to Gender and Gender with Current Position at 1 % level where p values are less than 0.01 (p=0.000 and 0.002 respectively). It is also observed that Total Experience, Experience in Present Company and Current Position are not significance at 5% level where p values are more than 0.05.

MULTIPLE REGRESSION ANALYSIS

Regression is the determination of statistical relationship between two or more variables. In simple regression two variables are used. One variable (independent)

is the cause of the behaviour of another one (dependent). When there are more than two independent variables the analysis concerning relationship is known as multiple correlations and the equation describing such relationship is called as the multiple regression equation.

Regression analysis is concerned with the derivation of an appropriate mathematical expression is derived for finding values of a dependent variable on the basis of independent variable. It is thus designed to examine the relationship of a variable Y to a set of other variables $X_1, X_2, X_3, \dots, X_n$. the most commonly used linear equation in $Y = b_1 X_1 + b_2 X_2 + \dots + b_n X_n + b_0$

Here Y is the dependent variable, which is to be found. X_1, X_2, \dots and X_n are the known variables with which predictions are to be made and b_1, b_2, \dots, b_n are coefficient of the variables.

In this study, the dependent variable is the overall job involvement, Independent variables are organizational commitment, overall Organizational climate and job satisfaction are discussed as follows:

- Dependent variable : Employee Turnover intention (Y)
- Independent variables :
 1. Age (X_1)
 2. Educational Qualification (X_2)
 3. No of Dependent (X_3)
 4. Total Experience (X_4)
 5. Current Position (X_5)
 6. Employee Empowerment (X_6)
- Multiple R value : 0.795
- R Square value : 0.632
- F value : 104.898
- P value : <0.001**

Variables in the multiple regression analysis

Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	2.139	.985		2.170	0.030
Age(X_1)	0.704	.274	.076	2.571	0.010
Educational Qualification(X_2)	0.631	.245	.056	2.577	0.010

No Of Dependent(X_3)	0.568	.223	.058	2.547	0.011
Total Experience(X_4)	0.549	.190	.080	2.894	0.004
Current Position (X_5)	0.302	.166	.051	1.819	0.069
Employee Empowerment (X_6)	0.229	.037	.252	6.141	<0.001**

Note: 1. ** Denotes 1% level of significance

2. * Denotes 5% level of significance

Table above reveals that the multiple correlation co-efficient is 0.795 measures the degree of relationship between the actual values and the predicted values of the Employee Turnover intention. Because the predicted values are obtained as a linear combination of Age (X_1), Educational Qualification (X_2), No. of Dependents (X_3), Total Experience (X_4), current Position (X_5) and Employee Empowerment (X_6) coefficient value of 0.795 indicates that the relationship between adjustment and the six independent variables is positive.

The Coefficient of Determination R-square measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the fitted sample regression equation. Therefore the **R-square value is 0.64**, which means about 64% of the variation in adjustment is explained by the estimated Sample Regression Plane (SRP) that uses the Independent Variables such as Age (X_1), Educational Qualification (X_2), No. of Dependents (X_3), Total Experience (X_4), current Position (X_5) and Employee Empowerment (X_6). The R-squared value is significant at 1 % level.

The Multiple Regression Equation is:

$$Y = 2.139 + 0.704X_1 + 0.631 X_2 + 0.568 X_3 + 0.549 X_4 + 0.302 X_5 + 0.229 X_6$$

Here the coefficient of X_1 0.704 represents the partial effect of Age on Employee turnover intention holding the other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover intention would increase by 0.704 for every unit of increase in Age and this coefficient value is not significant at 5% level. The coefficient of X_2 is 0.631, which represents the partial effect of Educational Qualification on Employee Turnover intention by holding other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover intention would increase by 0.631 for every

unit of increase in Educational Qualification and this coefficient value is significant at 5% level. The coefficient of X_3 is 0.568, which represents the partial effect of No. of Dependent on Employee turnover intention by holding the other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover would increase by 0.568 for every unit of increase in No of dependent and this coefficient value is significant at 1% level.

Here the coefficient of X_4 0.549 represents the partial effect of Total Experience on Employee turnover intention holding the other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover intention would increase by 0.549 for every unit of increase in Total Experience and this coefficient value is not significant at 5% level. The coefficient of X_5 is 0.302, which represents the partial effect of Current Position on Employee Turnover intention by holding other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover intention would increase by 0.631 for every unit of increase in current position and this coefficient value is significant at 5% level. The coefficient of X_6 is 0.229, which represents the partial effect of Employee Empowerment on Employee turnover intention by holding the other variables as constant. The estimated positive sign implies that such effect is positive that Employee turnover would increase by 0.229 for every unit of increase in No of dependent and this coefficient value is significant at 1% level.

PEARSON'S CORRELATION COEFFICIENT

<i>Dimensions of Employee Empowerment</i>	<i>Retention</i>
Relational Factors	0.620**
Psychological Factors	0.649**
Technical support Factors	0.584**
Employee Empowerment	0.685**

Table above shows that Pearson's correlation coefficient was calculated to relate employee Empowerment and employee Turnover intention in the organization. The r values denote significant and positive correlation between the dimensions of the employee empowerment and employee turnover intention at $p < 0.001$ level.

CONCLUSION

Globalization, changing rivalry conditions and expanding of comparable items cause narrowing of piece of the pie of the organizations and compels them to make new markets by item separation. Since it can make organizations pick

up separation abilities, human asset has changed into the deliberately focused component of an organization. Employee empowerment reasons to profit by various learning, aptitudes and capacities of human asset at most extreme degree. Therefore it assumes an essential part in client and employee fulfillment.

In this study, the part and significance of employee empowerment on execution of separation procedure in organizations have been examined. The likely commitments of employee empowerment on employee turnover intentions have been resolved.

For the employees to make commitment, they ought not be lacking regarding power. The administrators ought to act with the thought that by empowerment at power measurement to their subordinates doesn't imply that there would be any decline in their forces yet rather their forces will be expanded further. This is on the grounds that the directors will dependably have more power/power over their subordinates and if/when they utilize them all the more adequately, they will dependably have more power and additional time.

This study can be a methodical beginning stage; a wellspring of motivation and inspiration for new examines in comprehension the condition in use of the plausible commitment of employee empowerment to separation process.

The article is accepted as introductory work to this future work. We expect to contribute the human asset administration by means of employee empowerment by this article and our future work.

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