



AN EMPIRICAL STUDY OF EMPLOYEE EMPOWERMENT IN PUBLIC SECTOR BANKS WITH REFERENCE TO KOLHAPUR CITY

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Article Received on 22/11/2022

Article Revised on 12/12/2022

Article Accepted on 02/01/2023

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ABSTRACT

The present research is an empirical study to explore the empowerment systems in public sector banks in Kolhapur city. In the present research work and attempt is made to study various strategies used to empower managerial cadre employees. The parameters used for evaluating empowerment level are, Information, Communication, Feedback,

Knowledge, Self Esteem, Power and Autonomy. In the present study it is found that, banks have taken very good steps towards empowering their managers through the organization of induction program, providing required information time to time, deputing the employees for trainings. However, in some areas, it is found that public sector banks still have a scope to improve the empowerment. These banks should allow employees for higher studies in the related areas. This will help them to enhance the work system and employees will be empowered. Banks should also provide more autonomy so that they can work efficiently.

KEYWORDS: Employee empowerment, employee performance, power, autonomy, self esteem.

INTRODUCTION

Employee empowerment plays an important role in achieving the goals of the organization. Empowerment means to empower people. It helps to realise their power and enable people to get suitable conditions for decision making and self-development. It is a process to make individual to think, to behave or take action or control work by decision making. It is the

stage of feeling confident for responsibilities and accountability. (Dictionary.com) In other terms 'A person who is hired for wages, salary, fees or payment to perform work for employer. Employee Empowerment: Employee empowerment is the process to empower employees in their work area by providing information, training, and work-autonomy, providing compensation on their extraordinary work or achievements. It helps employees to work confidently. Employees become capable to accountability of their decisions and work.

This helps the organizations in general and particularly to the top management to get good amount of time to plan for future strategies and skilful implementation thereof aiming towards the achievement of organisational goals.

Commercial banks may be explained as, any banking organization that deals with the procurements of deposits and advancing of different types of loans to individual and organizations. Commercial banks issue bank cheque, drafts, as well as accept money for various types of deposits; Commercial banks also act as moneylenders, by way of instalment loans overdrafts. Commercial banks accept variety of deposits from the customers on the accounts, such as savings, and time deposit. These institutions are run to make a profit. In case of Private Banks, the major portion of owned capital is held by private individuals. Public Sector Banks are banks where majority (more than 50% shares) of shares is invested by Government. E.g., State Bank of India, Bank of India, and the HDFC Bank, ICICI Bank are the examples of Private Banks.

Statement of the Problem

There are three industrial estates Viz. Shirol MIDC, Gokul Shirgaon MIDC, Kagal Five Star MIDC, Shivaji Udyamnagar. The major industries such as foundry business, textile, electronic, agro processing industries are located in around Kolhapur city. As a result there is wide scope for the rapid development. Industry requires capital and banking services for which the bank is the most reliable source for the same. Fortunately, there is scope for the development of banking business. Employees from banking sector enjoying fascinating opportunities for the potential development of banking sector. On the other hand the employees of banks have to face the challenges too. To face these challenges they need to be empowered and capable enough to take decisions and accountability. Employee empowerment is an idea associated with factual benefits for any organization. Implementation of employee empowerment strategies provides employees freedom, flexibility, and power to make decisions and solve problems make an employee feeling

energized, capable, and determined to make the achieve their goals. The research is clearly motivated to study empowerment strategies used by the public and private sector banks to empower employees at Kolhapur city. So as the title of the present study is ‘A Study of Employee Empowerment in Public Sector Banks with reference to Kolhapur City.

Objective of the study: To study the employee empowerment system exists in public sector banks with Reference to Kolhapur city.

RESEARCH METHODOLOGY

Random sampling method has been used. Thereseachers have identified total number of public and sector banks in each tehsil from Kolhapur Lead Bank Report. The survey of 33 Managers of Public Sector Banks in Kolhapur has been undertaken.

Questionnaire, Scaling technique and Scale

The questionnaire consists of some statements and some questions. Respondents have to respond and to each statements. Thus responses collected based on five point Likert Scale as- 1-Strongly Disagree 2- Disagree 3-Neutral 4-Agree 5- Strongly Agree and tabulated and percentage were drawn to arrive at conclusion.

Data Analysis

Answers of employees on question related to Existing system for employee empowerment in their bank. (Please tick mark (✓) on your prefer able answer).

Q. No.	Statement	1.Strongly Disagree %	2.Disagree %	3.Neutral %	4.Agree %	5.Strongly Agree %	Total %	Average
Information/communication/Feedback								
1	Bank organize Induction Session for Employees.	3	0	0	31	66	100	4.3
2	Bank updates me time to time regarding Goals of Bank, upcoming market trends, changes in RBI Rules, Performance of Competitor etc.	3	0	0	51	46	100	4.3
3	Bank provides information about Feedback of customers, Employees and other stakeholders.	3	3	19	39	36	100	3.9
4	Bank gives the target to be achieved Every year.	6	0	0	36	58	100	4.3
5	My superior gives tangible Recommendations on how I can improve.	3	3	9	37	48	100	3.9
KNOWLEDGE								
6	Bank deputed me to various Training Programs.	3	3	9	52	33	100	3.9
7	If applied, Bank deputed employees for	3	21	30	33	13	100	3.3

	HigherStudies/ExternalCoursesrelatedtotheir work area.							
8	Bankoffers megoodopportunityforacquiring sufficient skill during Operational work.	3	3	21	54	19	100	3.7
9	Bankuset technical tools and technology for sharing knowledge.	3	0	12	54	31	100	4.09
10	My higher authority is knowledgeable person.	3	3	15	45	34	100	4.01
SELFESTEEM							100	
11	Employees allowed to get involved in Decision making process concerning to their work area.	3	3	6	54	34	100	3.9
12	Bank arrange meeting to discussion on Projected work and ask for suggestions.	3	3	6	66	22	100	3.7
13	Bank provides me opportunity for Individual Development	3	0	21	54	21	100	3.6
14	I have good working conditions and I am Satisfied with it.	3	18	12	48	18	100	3.6
15	I am treated with respect by my higher Authority and by people I work with.	3	0	15	70	18	100	3.9
POWER								
16	Bank allow me to take sudden decisions On my own risk to complete the task.	0	15	21	48	16	100	3.6
17	I have freedom to implement own strategies to complete the task.	6	12	12	58	12	100	3.5
18	Bank allows me to handle whole project on my own responsibility.	3	12	42	36	7	100	3.4
19	I have access to the resources needed for My work	3	3	18	64	12	100	3.8

FINDINGS

In this study data analyzed with four parameters of empowerment i.e. Information, Knowledge, Self-Esteem and Power. In the above table, as per mean value, it is found that majority of the employees responded positive about information parameter i.e. out of 33 managers, 66% managers agreed strongly agree that there is facility of organizing induction programs. As well as 46 managers agree and 51 are strongly agreed that banks updates them time to time regarding Goals of Bank, upcoming market trends, changes in RBI Rules, Performance of Competitor setc. 39% employees are agree and 36% employees are strongly agree that Bank provides information about feedback of customers, Employees and Bank provides information about feedbacks of customers, Employees and other stakeholders and other stake holders. Likewise 92% employees replied affirmatively on the statement Bank gives the target to be achieved every year. Out of 33 managers 85% are positively agree about their superior gives tangible recommendations for improvement.

With the knowledge parameter perspective, Majority of the employees i.e. 52% employees are

positive, that their banks depute employees for various training programs. Whereas it is to be highlighted that majority of the employees are disagreeing or neutral about deputation for higher studies. Most of the employees are agree that Bank offers good opportunity for Bank offers me good opportunity for acquiring sufficient skill during Operational work. Acquiring sufficient skill during operational work. 54% employee is positively replied that their banks use technical and technological tools for sharing knowledge. 45% employees mentioned that they are agree about their higher authority is knowledgeable person.

About self-esteem parameter component, it is observed that 88% employees positively responded that Employees allow getting involved in decision making process concern to their work area. 66% employees agreed that Bank arrange meetings to discuss on projected work and ask for suggestions. 54% employees are agreeing that Bank provides the opportunity for Individual Development. 70% employees out of 33 are satisfied with respect by higher Authority and by coworkers.

In respect to Power, Autonomy, perspective it is found that higher number of the employees are agree that Bank allow them to take sudden decisions on the other hand major part of employees' response is not positive to this statement. There are 58% employees positively responded that they have freedom to implement own strategies to complete the task. There are 42% employees responded negatively and neutrally on the statement. There are 64% employees agree that they can have an access to other resources needed for work.

CONCLUSION

Empowering employees means make them capable to manage things very efficiently. Therefore, to empower them, it is necessary to provide right information on right time, enable them accessing required material, educate them, communicate and train them, giving feedback, providing autonomy at work these are some important techniques. In the present study it is found that, banks have taken very good steps towards empowering their managers like arranging induction programs, providing required information within time, conducting trainings. However, in areas public sector banks have to focus on the improvement in the areas- such as allowing employees undertake higher education especially concerned with their job, it will help them to enhance the efficiency and productivity. Banks should also provide more autonomy to the managers.

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