

ABSTRACT

The main objective of this study was to develop a system of indicators which reflect the level of employee empowerment in an organisation. To be able to do this, a literature study on employee empowerment was conducted. This study considered employee empowerment as a multi-dimensional concept within organisations, with the aim of identifying crucial components needed for an organisation to empower employees. Existing scale development methodology was used to develop a scale to measure employee empowerment. Similarly, existing methodology surrounding the development of indicators was used to construct specific indicators for the organisation in which the research was conducted.

The reason existing methodologies were used was that the focus of the study was not on the development of the methodology itself, but on the development of an employee empowerment scale as well as a set of indicators which demonstrate employee empowerment. Scale development methodology specifies that four phases, nine main moments and twenty four steps are required to develop a scale. Indicator development methodology consists of five stages. Each stage has main moments and operational elements. These processes were explained, and their applicability to this study demonstrated.

In the course of the literature study, seven dimensions of employee empowerment were identified and discussed, namely power, morale, intrinsic motivation, self-efficacy, meaningfulness, self-determination and trust. For an organisation to be empowered, nine dimensions were identified, namely vision, transparency and teamwork, discipline and control, support and security, responsibility, information, rewards, decision-making and training. In considering the assessment of employee empowerment, the implementation as well as possible limitations and pitfalls of employee empowerment were discussed. The role management plays in this regard was also examined.

An overview of the organisation in which the research was conducted was given. This overview explained the history of the factory and how it operates today.

Data analysis consisted of the descriptive characteristics of the sample. A factor and reliability analysis was done. Comparisons were drawn between the empirical factors and variables. Cross tabulations were conducted between different sections of the questionnaire.

Assessing the degree of validation and reliability of this study was the next step. Reliability was measured by means of a split half reliability and coefficient alpha. Validity was assessed in terms of face validity, content validity and factor analysis.

The crucial component of this study was the development of indicators. This was done by examining the index of indicators and identifying significant indicators. Each of the three factors identified in this study were compared statistically to the significant indicators. Through additional linear regression, the final index of qualifying indicator variables were identified. These indicators reflect the level of employee empowerment.

The study concludes by providing recommendations for future research as well as recommendations regarding the empowerment of employees within the factory.

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