

## **A STUDY ON THE IMPACT OF EMPOWERMENT ON EMPLOYEE PERFORMANCE AT TOYOTA AUTOMOTIVE INDUSTRY IN GCC**

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### **ABSTRACT:**

This study aims to examine the relationship between empowerment and employee performance in the context of the Toyota automotive industry in the Gulf Cooperation Council (GCC). Empowerment refers to the process of granting employees the authority, autonomy, and resources to make decisions and take actions that contribute to their performance and overall organizational success. The study will investigate how empowerment practices implemented by Toyota in the GCC region influence employee performance and explore the potential benefits and challenges associated with empowerment initiatives. The research will utilize a mixed-methods approach, combining quantitative surveys and qualitative interviews, to collect data from employees at various levels within Toyota's automotive industry in the GCC. The surveys will measure the perception of employees regarding the level of empowerment they experience, as well as their perceived performance outcomes. The study's findings are expected to contribute to the existing literature on empowerment and its effects on employee performance, specifically within the GCC's automotive industry. Additionally, the research aims to provide valuable insights and practical implications for Toyota and other organizations in the region, assisting them in enhancing their employee empowerment strategies and ultimately improving overall performance.

**KEY WORDS:** Empowerment, Performance, Kanter's theory, implicit theory, Expectancy theory, Trait, Role perception, SPSS, Toyota.

### **1. INTRODUCTION**

Human resource is the most precious asset of an organization. The employees have the knowledge, skills and abilities that can't be followed by the competitors. But generally, these Human Resources are the fully used resource of an organization. And that's the main cause behind which all organizations like to empower the employees, but workers often are worried to take this responsibility.

Empowerment refers to a process in which a manager shares power with a subordinate. Manager may empower subordinates by sharing resources with them, allowing them to participate in the decision-making process, and by giving them access to relevant and important information. When such sharing of resources, decision making and information or curtailed, this increases powerlessness. The empowerment is any process that provides

greater autonomy through the sharing of relevant information and the provision of control over factors affecting job performance.

Empowerment has a broad context, and it can be viewed through various dimensions and perspectives. It can be viewed as a set of managerial practices aimed at increasing an employee's autonomy and responsibilities thereby enabling them to discharge their job or tasks more effectively and efficiently. Empowerment can also be viewed as an individual's approach to proactive work orientation, thereby increasing the employee's performance and efficiency. Employee empowerment activities like self-managed teams, total quality management, and quality control circles are implemented with the objective of increasing employee productivity and innovation. Globalization puts pressure on companies to fundamentally rethink and redesign their existing organizational processes, to increase production, speed and quality, while reducing costs and eliminating layers. Organizations are finding they should change how they are doing business. These include the developments of global marketplaces, rapid innovation in work technologies, shifting work force and customer demographics, and increasing demand for quality and flexibility in product and services.

Power is the ability to make things happen according to one's perspective by getting someone else to do it for you. It is mainly beneficial in organizations where the managers assign tasks to different employees and make them do those tasks. It is their role to guide on what employees should do to achieve organizational success. Power aids in providing a sense of direction towards the organizational goals.

The impact of Personality traits on the Job performance of employees is absolutely clear and many organizations use this effect on their employees. Personality is one of the major psychological factors affecting the human behavior. It is important in the work place. In psychology, the five personality traits are five broad domains or dimensions of personality. Personality traits have an important role in enhancing the efficiency and effectiveness of employee's job performance. Role Perception eventually transforms into reality. The absence of a distinctly defined role of employees and an amorphous perception of their roles and responsibilities in the organization may have a downturn effect on the employees' morale and self-esteem. Role Perception of the employees acts as one of the most critical components in the workplaces today. It also plays a key role in an individual's performance. A misty perception of the role may also lead to underperformance by and underutilization of the potential of the individual. Consequently, the organization may lose not only some vital man-hours but also some of the most competent employees, in the long run. It is, therefore, in the organization's interest to provide a clearly-defined role to every employee as a step towards combating the ever-increasing competition in the global milieu.

## **OBJECTIVES OF THE STUDY**

This study is undertaken to investigate the correlation between empowerment and employee performance. It will focus on the relationship of one independent variables of

empowerment based on three theories the Kanter's theory, Porter-Lawler Model and Expectancy theory. Traits and Roles Perception, Power, and Reward- with employee performance.

1. To determine the relationship between Traits and Roles Perception and employee performance in the Toyota automobile industry in GCC.
2. To determine the relationship between traits and employee perception.
3. To understand the relationship between role perception and employee performance.

## **RESEARCH HYPOTHESES**

1. Ho: There is no significant correlation between Traits and Role Perception and Employee Performance in Toyota automobile Industry GCC
2. H1: There is significant correlation between Traits and Role Perception and Employee Performance in Toyota automobile Industry GCC

## **2. LITERATURE REVIEW**

This study has employed underlying theories related to empowerment which have been discussed by earlier literature covers the Kanter's theory, Porter-Lawler Model and Expectancy theory. Given below is the short discussion of the three theories. Kanter also believes that, by sharing the power through empowering others will result of this a leader's power will as well grow; leaders will achieve a well-developed organizational performance (Fox, 1998). Theory of expectancy says that employees are motivated when they are provided assignments, they feel confident that they can achieve, and when they value the compensation, you are offering and when they believe you will compensate them as promised. The Porter and Lawler theory of motivation assumes that rewards cause satisfaction and that sometimes performance produces reward.

Rothman & Coetzer, (2003) Employee performance is about employees achieving the results, goals, or standards as per the expectations set by the organization. Employees are rated on how well they do their jobs compared to the performance standards set. In short, it is the accomplishment of a given task measured against pre-set standards of accuracy, completeness, cost, and speed, the initiatives they take, their creativity in solving problems and the resourcefulness in the way they utilize their resources, time, and energy.

Meyerson & Dewettinck (2011) Empowering employees allow organizations to be more responsive and flexible and can lead to improvement in both organizational and individual performance.

Buitendach and Hlalele (2005) said that the empowerment process of giving confidence to employees together with management, to utilize their skills and experience by presenting them with the power to use more judgment and discretion in their work.

Nelson A (2017). Power changes people and those who rise to the tops of companies and other organizations tend to prioritize their own goals and desires above those of others

### 3. RESEARCH METHODOLOGY

The research design constitutes the blueprint for the collection, measurement, and analysis of data. It is the strategy for a study and the plan by which the strategy is to be carried out.

The research design of the project is descriptive as it describes data and characteristics associated with the population using Electric Fans. Descriptive research is used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables in a given situation.

### 4. DATA ANALYSIS AND DISCUSSION

Traits and Roles Perception

1. Ho: There is no significant correlation between Traits and Role Perception an Employee Performance in Toyota automobile Industry GCC
2. H1: There is significant correlation between Traits and Role Perception and Employee Performance in Toyota automobile Industry GCC

#### ANOVA TABLE

Two Way Classifications

Factors	Satisfaction Level					Total
	Very High	High	Moderate	Less	Very Less	
Person's Attitudes	10	5	3	0	0	18
Personality	8	3	9	4	1	25
Motives	2	0	0	1	0	3
Past Experiences	0	1	0	2	1	4
Total	20	9	12	7	2	50

To simplify calculations, let us deduct 3 from each value (3-n)

Factors	Satisfaction Level					Total
	Very High	High	Moderate	Less	Very Less	
Person's Attitudes	-7	-2	0	3	3	-3
Personality	-5	0	-6	-1	2	-10
Motives	-1	3	3	2	2	10
Past Experiences	3	2	3	1	2	11
Total	-10	3	0	5	10	8

$$\begin{aligned} \text{Correction Factor} &= T^2/N \\ &= (8)^2/20 \\ &= 64/20 \\ &= 3.2 \end{aligned}$$

Sum of Square between Satisfaction Levels (Column)

$$\begin{aligned} &= (-10)^2/5 + (3)^2/5 + (0)^2/5 + (5)^2/5 + (10)^2/5 - 3.2 \\ &= 100/5 + 9/5 + 0 + 25/5 + 100/5 - 3.2 \\ &= 20 + 1.8 + 5 + 20 - 3.2 \\ &= 46.8 - 3.2 \\ &= 43.6 \end{aligned}$$

$$V = (c-1) = 5-1=4$$

Sum of Square between Factors (Rows)

$$\begin{aligned} &= (-3)^2/4 + (-10)^2/4 + (10)^2/4 + (11)^2/4 - 3.2 \\ &= 9/4 + 100/4 + 100/4 + 121/4 - 3.2 \\ &= 2.25 + 25 + 25 + 30.25 - 3.2 \\ &= 79.3 \end{aligned}$$

$$V = (r-1) = 4-1=3$$

Total Sum of Squares

$$\begin{aligned} &= (-7)^2 + (-2)^2 + (3)^2 + (3)^2 + (-5)^2 + (-6)^2 + (-1)^2 + (2)^2 + (1)^2 + (3)^2 + (3)^2 + (2)^2 + (3)^2 + (3)^2 \\ &\quad + (2)^2 + (3)^2 + (1)^2 + (2)^2 - 3.2 \\ &= 49 + 4 + 9 + 9 + 25 + 36 + 1 + 4 + 1 + 9 + 9 + 4 + 9 + 9 + 4 + 9 + 1 + 4 - 3.2 \\ &= 196 - 3.2 \\ &= 192.8 \end{aligned}$$

Residual = Total sum of square - Sum of squares between satisfaction level –Sum of squares between Factors

$$= 192.8-43.6-79.3$$

$$=69.9$$

$$V=(c-1)* (r-1)$$

$$V= (5-1) *(4-1)$$

$$= 4*3 =12$$

ANOVA Table				
Source of Variation	SS	d.f	MS	Variation Ratio or F
Between Factors	43.6	4	0.67	0.115
Between Satisfaction level	79.3	3	16.43	2.82
Residual	69.9	12	5.825	
Total	192.8	19		

For V2, 12, F0.05=3.49

Since the calculated value (0.115) is lesser than the table value (3.49), the null hypothesis is accepted. Hence traits and role perception have no impact on employee’s performance.

## 5. FINDING & SUGGESTIONS

The findings of this study have implications for the Toyota automobile industry and similar organizations in the GCC region. While traits and role perception may not directly impact employee performance in this context, other factors not considered in this study could contribute to employee performance. Further research is recommended to explore additional variables that may influence employee performance in the Toyota automobile industry GCC.

This study contributes to the existing body of knowledge on the relationship between traits, role perception, and employee performance. It provides insights specifically relevant to the Toyota automobile industry in the GCC context. However, it is important to note that the findings are specific to the sample and context of this study and may not be generalized to other industries or regions.

Future research can expand on this study by examining other factors that may influence employee performance, such as trait and role perception. Additionally, qualitative research methods can be employed to gain a deeper understanding of the experiences and perceptions of employees in relation to their performance.

Overall, this study adds to the understanding of the factors that impact employee performance in the Toyota automobile industry GCC and provides valuable insights for organizations aiming to enhance employee performance and organization effectiveness.

## **6. CONCLUSION**

The purpose of this study was to investigate the relationship between traits and role perception and employee performance in the Toyota automobile industry in the Gulf Cooperation Council (GCC). The study aimed to determine whether there is a significant correlation between these factors. The research hypothesis (Ho) stated that there is no significant correlation between traits and role perception and employee performance in the Toyota automobile industry GCC.

To test the hypothesis, a quantitative research design was employed, and data was collected through surveys from employees at various levels within the organization. The survey included items related to traits, role perception, and employee performance. The collected data was analyzed using appropriate statistical techniques, such as ANOVA Table- Two-way classification.

Upon conducting the analysis, the results indicated that there is no significant correlation between traits and role perception and employee performance in the Toyota automobile industry GCC. Therefore, the research hypothesis (Ho) was accepted.

## **7. SUGGESTIONS**

### **To further enhance the research:**

1. **Expand the Sample Size:** Consider increasing the sample size to improve the generalizability of the findings. A larger sample can provide more representative data and increase the statistical power of the analysis.
2. **Diversify the Sample:** Ensure that the sample represents a diverse range of employees across different departments, job roles, and hierarchical levels within the Toyota automobile industry in the GCC. This will help capture a broader perspective and minimize potential biases.

3. **Use Multiple Methods for Data Collection:** In addition to surveys and interviews, consider incorporating other data collection methods such as observation or focus groups. This multi-method approach can provide a more comprehensive understanding of the research topic and enhance the validity of the findings.
4. **Include Control Variables:** Consider including control variables in the analysis to account for other potential factors that may influence employee performance. Variables such as job experience, education level, or job satisfaction can be included to isolate the specific impact of traits and role perception.
5. **Consider Longitudinal Study:** Instead of a cross-sectional design, consider conducting a longitudinal study to explore the relationship between traits, role perception, and employee performance over time. This approach can provide insights into the causal relationship and help identify any changes or trends.
6. **Validate Measures:** Ensure that the survey measures used to assess traits, role perception, and employee performance are reliable and valid. Conducting a pilot study or utilizing established scales with proven psychometric properties can enhance the quality of the data collected.
7. **Explore Mediating or Moderating Variables:** Investigate potential mediating or moderating variables that may influence the relationship between traits, role perception, and employee performance. For example, organizational culture or job autonomy could mediate or moderate this relationship and should be considered in the analysis
8. **Comparative Analysis:** Consider comparing the findings from the Toyota automobile industry in the GCC with other industries or regions. This comparative analysis can provide valuable insights into the industry-specific or regional variations in the relationship between traits, role Perception and employee performance.
9. **Practical Implications:** Highlight practical implications for the Toyota automobile industry in the GCC based on the research findings. Provide recommendations on how the organization can utilize these findings to improve employee performance, such as implementing targeted training programs or refining managerial practices.
10. **Ethical Considerations:** Discuss ethical considerations associated with the research, such as ensuring informed consent, maintaining participant confidentiality, and addressing any potential biases or conflicts of interest.
11. **Incorporating these suggestions can strengthen the research design, improve the validity and reliability of the findings, and provide a more comprehensive understanding of the impact of traits and role perception on employee performance in the Toyota automobile industry in the GCC.**

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