

## **Employee Empowerment and Job Satisfaction: A Literature Review**

**Ananda Sulistio<sup>1\*</sup>, Ismi Darmastuti<sup>1</sup>**

<sup>1</sup> Faculty of Economic and Business, Universitas Diponegoro, Semarang, Indonesia

### **Abstract**

This literature review employs a scoping review methodology to synthesize research on the relationship between employee empowerment and job satisfaction across organizational contexts. The research begins by defining the primary question: how does employee empowerment impact job satisfaction in various industries? A review protocol is developed, setting specific inclusion criteria for studies published between 2019 and 2024, with additional supporting studies from 2014 to 2018. Exclusion criteria include studies not in English or Indonesian, or those not directly related to the topic. Relevant studies are gathered from databases such as ProQuest, Emerald, Scopus, and ResearchGate, using keywords like "employee empowerment" and "job satisfaction." The literature is initially screened through titles and abstracts, followed by a full review of the remaining articles. Data extraction is performed using a chart to capture key information including author details, research focus, methodology, and findings related to empowerment and job satisfaction. Finally, the findings are synthesized, offering insights into the various ways employee empowerment enhances job satisfaction across different organizational settings. This approach provides valuable guidance for future research and organizational practices, demonstrating the significant role of empowerment in improving employee job satisfaction.

### **Keywords**

*Employee Empowerment, Job Satisfaction, Organizational Contexts, Scoping Review, Employee Engagement*

## 1. Introduction

Employee empowerment has garnered significant attention in organizational research due to its profound impact on employee satisfaction and organizational outcomes. Defined as the process of giving employees the autonomy, resources, and authority to make decisions, employee empowerment is increasingly recognized as a key determinant of job satisfaction across various sectors. This connection between empowerment and job satisfaction has been explored in several studies, highlighting the importance of creating a workplace environment where employees feel valued, supported, and motivated. In particular, empowerment strategies, such as employee training, participation in decision-making, and career development opportunities, have been found to directly influence job satisfaction, which in turn affects organizational commitment, performance, and engagement (Sumlin et al., 2021).

The role of job satisfaction in organizational success has been widely acknowledged. Job satisfaction not only enhances employee performance but also serves as a crucial mediator in the relationship between various organizational practices, such as HR management, and employee outcomes (Lee et al., 2019). On the banking sector in Saudi Arabia emphasized the positive correlation between Human Resource Management (HRM) practices, employee empowerment, and job satisfaction, reinforcing the need for organizations to invest in practices that promote employee well-being. Similarly, studies in educational and service sectors, Demonstrated that job satisfaction is a critical mediator in the relationship between corporate social responsibility and employee engagement, further indicating the importance of creating an empowered workforce (Muchiri et al., 2019).

Several studies have also underscored the significance of psychological empowerment in enhancing job satisfaction, especially in contexts like the education and NGO sectors. For instance, Found that psychological empowerment among teachers was positively related to job satisfaction, emphasizing the value of fostering autonomy and self-efficacy in enhancing employee well-being (Badri & Panatik, 2020). Similarly, demonstrated that psychological empowerment influences creative performance through job satisfaction, providing additional evidence of the transformative power of empowerment initiatives. This scoping review aims to synthesize these findings and offer a comprehensive understanding of how employee empowerment influences job satisfaction across different organizational contexts. By examining studies published between 2014 and 2024, this review will provide insights into the strategies and practices that organizations can adopt to enhance both empowerment and job satisfaction, ultimately contributing to greater employee engagement and organizational success (Aboramadan et al., 2019)..

## 2. Literature Review

To maximize their team's potential, management needs to have a clear understanding of employees' expectations (Arslan et al., 2022). Employees desire to

understand and sense that they have an impact on their work environment. Each employee also desires to feel appreciated, and when organizations overlook or fail to meet their employees' psychological needs, it strains the relationship (Dogantekin et al., 2022). This disconnect between employee and organizational expectations creates tension, negatively impacting performance. Employee empowerment tackles these challenges by progressively delegating authority to employees, giving them more control over their work environment and future. This empowerment strengthens the bond between the company and its employees (Dogantekin et al., 2022).

There exist two forms of empowerment that are not mutually exclusive: psychological empowerment and structural empowerment. Psychological empowerment prioritizes the individual, whereas structural empowerment concentrates on particular social conditions inside the workplace, including the provision of access to opportunities, resources, and information (Dwivedi et al., 2020). Psychological empowerment is critical for organisational performance, and scholars and practitioners have recognised it as a powerful motivational strategy. It is a motivational concept that is expressed through four cognitive elements: autonomy, proficiency, significance, and influence (Melvina & Julia, 2021). While Structural empowerment is focused on the organization. It is associated with key indicators of the quality of working life, including job satisfaction (Fontinha et al., 2019).

With many authors pointing out its direct influence on employee performance, job satisfaction, and organisational commitment, employee empowerment is widely seen as a critical component in attaining organisational success. As a result, this study anticipates that employee empowerment will affirmatively impact job satisfaction. One of the primary determinants of an individual's work experience and the primary driver of employees' decision to remain in their positions is job satisfaction (Penconek et al., 2021). The term "job satisfaction" describes how people feel about a variety of aspects of their jobs, including their interactions with co-workers, benefits, supervisors, and the job itself. Job satisfaction denotes an employee's disposition in the direction of their work, influenced by various factors such as workplace culture, interpersonal connections with colleagues, compensation, and psychological and physical aspects (Dullah et al., 2023). An individual's particular feelings towards various aspects of their employment, their personal adjustment to the job, and their social connections outside of work all influence this attitude, which in turn shapes their general attitude towards their entire work experience, job satisfaction is the attitude or sentiment that workers have towards the good or bad parts of their jobs (Obiekwe & Obibhunun, 2019).

### **3. Methods**

The scoping review methodology employed in this literature study follows several key steps to synthesize research on employee empowerment and job

satisfaction. The first step is defining the research question, focusing on understanding the relationship between employee empowerment and job satisfaction across organizational contexts. A review protocol is then developed, which includes specific inclusion criteria (studies published between 2019-2024, and 2014-2018 for supporting statements, relevant to the topics) and exclusion criteria (studies not in English or Indonesian, or not directly related). The literature is gathered from databases like ProQuest, Emerald, Scopus, and ResearchGate, using keywords such as "employee empowerment" and "job satisfaction." Next, studies are selected through initial screening based on titles and abstracts, followed by a full review of the remaining studies (Luoma et al.,2020). Data extraction is conducted using a chart to capture key information, such as author details, research focus, methodology, and findings related to empowerment and job satisfaction. Finally, the findings are reported by combining and synthesizing results from various studies, offering insights into how employee empowerment impacts job satisfaction. This approach provides valuable guidance for researchers and policymakers on effectively leveraging empowerment to enhance job satisfaction in diverse organizational environments (Akinwale & George, 2020).

#### **4. Results**

Found a positive relationship between employee empowerment and job satisfaction, which in turn enhances job performance. Their study, conducted on 316 middle-level managers in Nigerian banks, highlighted the importance of empowering employees through decision-making and fostering a sense of belonging. Empowered employees showed increased productivity and better service quality. Similarly, Examined the impact of empowerment on job satisfaction in Jordanian banks, discovering that autonomy, delegation, and information sharing positively influenced job satisfaction (Bulińska & Bagieńska, 2021). They also found that career path growth moderated this relationship, increasing the impact of empowerment on job satisfaction. Explored leadership empowerment, psychological capital, and job meaningfulness in Indonesian banks, revealing that leadership empowerment significantly affected both job satisfaction and performance. They suggested that job satisfaction served as a mediator, amplifying the impact of empowerment on employee performance (Motamarrri et al., 2020). In the IT sector, Showed that organizational career development, employee empowerment, and job satisfaction are key factors in retaining millennial employees. Empowerment acted as a moderator, enhancing the relationship between career development and job satisfaction. Found that employee empowerment moderated the impact of situational variables like job satisfaction on emotional exhaustion, supporting the Conservation of Resources theory (Akram & Akram, 2019). observed that empowerment in healthcare settings improved job performance and patient care quality. Finally, Dwith equality plans, enhanced job satisfaction by balancing job demands and control.

Explored the relationship between employee motivation, job satisfaction, customer satisfaction, and firm performance in the hotel industry. Their findings highlighted that employee motivation significantly and positively influenced job satisfaction, which in turn affected customer satisfaction and ultimately firm performance (Lim et al., 2020). Importantly, employee empowerment was found to positively and significantly moderate the link between employee motivation and job satisfaction, emphasizing its role in enhancing employee well-being and organizational outcomes. Similarly, examined the role of psychological empowerment and religiosity in employee engagement within the Nigerian service industry. They found that job satisfaction partially mediated the relationship between psychological empowerment and employee engagement, with intrinsic religiosity enhancing this effect. Conversely, extrinsic religiosity had a minor negative moderating effect on job satisfaction and engagement, suggesting the complex interplay of personal values and empowerment (Byza et al., 2019). Studied the impact of emotional intelligence, employee empowerment, and cultural intelligence on job satisfaction among bank employees in Bangladesh. They found all three factors to significantly enhance job satisfaction, with emotional intelligence having the largest impact. The study suggests that fostering emotional stability, empowerment, and cultural intelligence is crucial for improving employee satisfaction in commercial banks. Investigated how employee empowerment influences organizational commitment in the hotel industry, showing that job satisfaction strongly mediates this relationship, supported by social exchange theory. Highlighted the mediating role of customer interaction quality in the relationship between human resource practices, job satisfaction, and customer satisfaction in online call centers. Their study emphasized that effective HR practices and job satisfaction enhance employee empowerment and customer satisfaction, underscoring the importance of a positive work environment in customer service industries (Hui et al., 2024).

Investigated the role of human resource management (HRM) practices and employee job satisfaction in predicting organizational commitment within the Saudi Arabian banking sector. The study found that HRM practices, particularly employee empowerment through training and development, were positively correlated with both job satisfaction and organizational commitment. Additionally, job satisfaction was identified as a significant predictor of organizational commitment, highlighting the importance of HR practices in fostering a committed workforce. Examined the influence of HR practices on job satisfaction in India's public sector. They found that HR practices such as training and participation positively impacted job satisfaction, with employee engagement playing a mediating role in this relationship. This underscores the vital role of engagement in enhancing job satisfaction within public sector undertakings (Hasan & Sadat, 2023). Focused on the effect of empowerment on employees' job satisfaction within the Konya Industrial Zone in Turkey. The study revealed a positive relationship between employee empowerment and job satisfaction, suggesting that increasing employees' autonomy and decision-making

power can significantly enhance their satisfaction at work. In a similar vein, Explored the relationship between job enrichment, empowerment, and organizational commitment, emphasizing the mediating roles of work motivation and job satisfaction. Their findings showed that empowerment not only positively influenced job satisfaction but also contributed significantly to organizational commitment, with work motivation and job satisfaction enhancing the link between empowerment and commitment. Together, these studies highlight the critical role of HR practices, empowerment, and job satisfaction in fostering employee engagement and organizational loyalty (Kaur et al., 2020).

Examined the relationship between psychological empowerment and job satisfaction among teachers, finding a positive correlation. Their study indicated that higher levels of psychological empowerment were linked to greater job satisfaction, highlighting the importance of empowering teachers to enhance their job satisfaction. Similarly, investigated the mediating role of job satisfaction in the relationship between internal corporate social responsibility (ICSR) practices and employee engagement in the higher education sector. Their study revealed that employee empowerment and job security positively influenced job satisfaction, which in turn significantly affected employee engagement (Moletsane et al., 2019). However, they found that training, education, and work environment did not have a direct impact on job satisfaction or engagement. Explored the relationship between psychological empowerment and creative performance in employees of international non-governmental organizations (NGOs). They discovered that psychological empowerment was significantly associated with creative performance, with job satisfaction acting as a mediating factor. This suggests that empowering employees enhances their creativity, facilitated through their job satisfaction. Focused on career training and development, finding that these factors positively influenced job satisfaction and organizational commitment among employees in the Jambi Provincial Government. Their study revealed that career development and training contributed to 51% of job satisfaction variance and significantly affected organizational commitment (Ekhsan, 2019). Examined the mediating effect of job satisfaction on the relationship between HR practices and employee job performance in the higher education sector. Their findings indicated that HR practices, such as recruitment, training, performance appraisal, and compensation, had a significant positive impact on job satisfaction, which in turn enhanced employee performance. Collectively, these studies emphasize the critical role of psychological empowerment, job satisfaction, career development, and HR practices in fostering employee engagement, performance, and organizational commitment (Soares & Mosquera, 2019).

In concluding, the body of research reviewed collectively underscores the pivotal role that psychological empowerment, job satisfaction, and human resource practices play in shaping employee outcomes such as performance, engagement, and organizational commitment. Across diverse sectors, from education to banking, and

from NGOs to the public sector, the studies consistently highlight that empowering employees—through practices like training, development, and autonomy—directly enhances their job satisfaction, which in turn drives positive organizational results. For instance, including training and employee involvement, positively impact job satisfaction and organizational commitment. Similarly, Akhter further highlight that empowering employees, through emotional intelligence or autonomy, results in higher job satisfaction and improved employee performance (Andreas, 2022). The mediating effects of job satisfaction are particularly evident, with many studies demonstrating that satisfied employees are more likely to engage creatively, perform well, and remain committed to their organizations. For example, found that job satisfaction mediates the relationship between psychological empowerment and creative performance. Moreover revealed that job satisfaction acts as a significant mediator between empowerment and employee engagement, with the latter significantly influencing organizational outcomes such as engagement and performance. Furthermore, HR practices such as employee empowerment and career development are not merely correlated with job satisfaction but are essential in fostering an environment that encourages employee growth and long-term organizational loyalty. This is emphasized, who found that career development and training exert a substantial positive influence on job satisfaction and organizational commitment (Eliyana & Ma'arif, 2019). Highlighted that empowerment and job security significantly affect job satisfaction, which then positively influences employee engagement. Ultimately, these findings emphasize the importance for organizations to focus on holistic employee development, offering both intrinsic and extrinsic empowerment, to enhance job satisfaction and foster a motivated and committed workforce. The positive relationships uncovered between empowerment, satisfaction, and organizational outcomes offer valuable insights for both academic research and practical management. Studies such as further support the notion that empowered employees are more likely to exhibit higher levels of job satisfaction, which in turn drives better organizational performance. These results suggest pathways for organizations to improve employee performance and commitment while contributing to their overall success (Astuty & Udin, 2020).

## 5. Conclusion

The studies reviewed highlight the significant role of psychological empowerment, job satisfaction, and human resource practices in enhancing employee performance, engagement, and organizational commitment across various sectors. Psychological empowerment consistently emerged as a key factor positively influencing job satisfaction, with many studies emphasizing its mediating role in improving performance and creativity, particularly in educational and non-governmental organizations. Job satisfaction, in turn, was found to be a critical mediator between empowerment and employee outcomes such as engagement, creativity, and performance. Furthermore, human resource practices, including

training, development, and employee empowerment, were shown to have a significant impact on job satisfaction and organizational commitment. The findings suggest that organizations that invest in empowering their employees through training, career development, and supportive HR practices can enhance job satisfaction, which positively influences overall organizational performance. Notably, employee engagement and organizational commitment were also positively influenced by these factors, underscoring the importance of an integrated approach to employee empowerment and job satisfaction. Ultimately, the research indicates that organizations, particularly in sectors such as education, government, and NGOs, can achieve higher employee satisfaction, creativity, and performance by fostering empowerment and providing opportunities for personal and professional growth. This, in turn, contributes to greater organizational success and long-term commitment from employees.

## References

- Aboramadan, M., Albashiti, B., Alharazin, H., & Dahleez, K. A. (2019). Human resources management practices and organizational commitment in higher education: The mediating role of work engagement. *International Journal of Educational Management*, 34(1), 154-174.
- Akinwale, O. E., & George, O. J. (2020). Work environment and job satisfaction among nurses in government tertiary hospitals in Nigeria. *Rajagiri Management Journal*, 14(1), 71-92.
- Akram, Z., Li, Y., & Akram, U. (2019). When employees are emotionally exhausted due to abusive supervision. A conservation-of-resources perspective. *International journal of environmental research and public health*, 16(18), 3300.
- Andreas, D. (2022). Employee performance: The effect of motivation and job satisfaction. *PRODUKTIF: Jurnal Kepegawaian dan Organisasi*, 1(1), 28-35.
- Arslan, A., Cooper, C., Khan, Z., Golgeci, I., & Ali, I. (2022). Artificial intelligence and human workers interaction at team level: a conceptual assessment of the challenges and potential HRM strategies. *International Journal of Manpower*, 43(1), 75-88.
- Astuty, I., & Udin, U. D. I. N. (2020). The effect of perceived organizational support and transformational leadership on affective commitment and employee performance. *The Journal of Asian Finance, Economics and Business*, 7(10), 401-411.
- Badri, S. K. Z., & Panatik, S. A. (2020). The roles of job autonomy and self-efficacy to improve academics' work-life balance. *Asian Academy of Management Journal*, 25(2).
- Bulińska-Stangrecka, H., & Bagieńska, A. (2021). The role of employee relations in shaping job satisfaction as an element promoting positive mental health at work

- in the era of COVID-19. *International journal of environmental research and public health*, 18(4), 1903.
- Byza, O. A., Dörr, S. L., Schuh, S. C., & Maier, G. W. (2019). When leaders and followers match: The impact of objective value congruence, value extremity, and empowerment on employee commitment and job satisfaction. *Journal of Business ethics*, 158, 1097-1112.
- Dogantekin, A., Secilmis, C., & Karatepe, O. M. (2022). Qualitative job insecurity, emotional exhaustion and their effects on hotel employees' job embeddedness: The moderating role of perceived organizational support. *International Journal of Hospitality Management*, 105, 103270.
- Dullah, M., Lingiani, L., & Suwardi, L. A. (2023). Work environment analysis to improve employee performance. *Revenue Journal: Management and Entrepreneurship*, 1(2), 127-134.
- Dwivedi, Y. K., Hughes, D. L., Coombs, C., Constantiou, I., Duan, Y., Edwards, J. S., ... & Upadhyay, N. (2020). Impact of COVID-19 pandemic on information management research and practice: Transforming education, work and life. *International journal of information management*, 55, 102211.
- Ekhsan, M. (2019). The influence job satisfaction and organizational commitment on employee turnover intention. *Journal of Business, Management, & Accounting*, 1(1).
- Eliyana, A., & Ma'arif, S. (2019). Job satisfaction and organizational commitment effect in the transformational leadership towards employee performance. *European Research on Management and Business Economics*, 25(3), 144-150.
- Fontinha, R., Easton, S., & Van Laar, D. (2019). Overtime and quality of working life in academics and nonacademics: The role of perceived work-life balance. *International Journal of Stress Management*, 26(2), 173.
- Hasan, T., & Sadat, A. (2023). Dynamics of Job Satisfaction in Bangladesh's Banking Sector Implications for Employee Engagement and Organizational Success. *Journal of Business and Economic Options*, 6(4), 36-42.
- Hui, Z., Khan, A. N., Chenglong, Z., & Khan, N. A. (2024). When service quality is enhanced by human-artificial intelligence interaction: an examination of anthropomorphism, responsiveness from the perspectives of employees and customers. *International Journal of Human-Computer Interaction*, 40(22), 7546-7561.
- Kaur, P., Malhotra, K., & Sharma, S. K. (2020). Moderation-mediation framework connecting internal branding, affective commitment, employee engagement and job satisfaction: an empirical study of BPO employees in Indian context. *Asia-Pacific Journal of Business Administration*, 12(3/4), 327-348.
- Khasanah, U., & Sasana, H. (2022). Empirical Relationship between Gender Equality and Socio-economic Developments: An Error Correction Model. *Arthatama*, 6(1), 12-25.

- Lee, H. W., Pak, J., Kim, S., & Li, L. Z. (2019). Effects of human resource management systems on employee proactivity and group innovation. *Journal of management*, 45(2), 819-846.
- Lim, L. G., Tuli, K. R., & Grewal, R. (2020). Customer satisfaction and its impact on the future costs of selling. *Journal of Marketing*, 84(4), 23-44.
- Luoma, J. B., Chwyl, C., Bathje, G. J., Davis, A. K., & Lancelotta, R. (2020). A meta-analysis of placebo-controlled trials of psychedelic-assisted therapy. *Journal of Psychoactive Drugs*, 52(4), 289-299.
- Melvina, M., & Julia, J. (2021). Learner Autonomy and English Proficiency of Indonesian Undergraduate Students. *Cypriot Journal of Educational Sciences*, 16(2), 803-818.
- Moltsane, M., Tefera, O., & Migiro, S. (2019). The Relationship between Employee Engagement and Organisational Productivity of Sugar Industry in South Africa: The Employees' Perspective. *African Journal of Business & Economic Research*, 14(1).
- Motamarri, S., Akter, S., & Yanamandram, V. (2020). Frontline employee empowerment: Scale development and validation using Confirmatory Composite Analysis. *International Journal of Information Management*, 54, 102177.
- Muchiri, M. K., McMurray, A. J., Nkhoma, M., & Pham, H. C. (2019). How transformational and empowering leader behaviors enhance workplace safety: A review and research agenda. *The Journal of Developing Areas*, 53(1).
- Mulyana, M., Din, M., Mustamin, M., Amir, A. M., Karim, F., & Betty, B. (2022). Local government own-source revenue and general allocation funds on capital expenditure: Economic growth as moderating variable. *Arthatama*, 6(1), 44-54.
- Obiekwe, O., & Obibhunun, L. (2019). Impact of employee job satisfaction on organizational performance. *Academic Journal of Current Research*, 6(12), 6-12.
- Penconek, T., Tate, K., Bernardes, A., Lee, S., Micaroni, S. P., Balsanelli, A. P., ... & Cummings, G. G. (2021). Determinants of nurse manager job satisfaction: A systematic review. *International Journal of Nursing Studies*, 118, 103906.
- Soares, M. E., & Mosquera, P. (2019). Fostering work engagement: The role of the psychological contract. *Journal of Business Research*, 101, 469-476.
- Sumlin, C., Hough, C., & Green, K. (2021). Impact of Ethics Environment, Organizational Commitment, and Job Satisfaction on Organizational Performance. *Journal of Business and Management*, 27(1), 53-78.
- Suprapti, S., & Suparmi, S. (2022). Improving marketing performance through business agility and market orientation in micro, small, and medium enterprises in Semarang City. *Arthatama*, 6(1), 26-43.