

"Transformational Leadership and Employee Empowerment: An Empirical Study of the Attitudes of the Employees of Indian Automobile Sector"

Dr Vinita Agrawal and Dr Savita Yadav

Professor, Amity University, Jaipur

Assistant Professor, Lingaya's Vidyapeeth, Faridabad

Article Info

Volume 82

Page Number: 9459 - 9473

Publication Issue:

January-February 2020

Abstract:

The concepts of transformational leadership (TL) and employee empowerment (EE) occupy a prominent place in business world. Past researches signify a positive relationship between these two concepts, as has been studied by various researchers in various sectors. But the current study is only focusing upon relationship between TL&EE in the automobile sector. The population for the study covers middle level employees of automobile sector in Delhi-NCR region. Data were collected from 500 sampled respondents with the help of administering pre-developed structured questionnaires on transformational leadership (MLQ-5X) and employee empowerment (Psychological Empowerment). Non- Parametric tests like one sample sign test, chi-square test and Kruskal-Wallis tests and parametric test like Z test and t-test were applied for analysis. The findings indicate that all the dimensions of TL and all the dimensions of EE are vital and also prominent. However, the prominence in the case of technical cadre of employees occupies first rank while the management-cadre of employees has third rank, out of the three categories of cross sections. As such the scores differ significantly. There is very positive & significant relationship between EE and TL and EE is the effective function of TL..

Article History

Article Received: 18 May 2019

Revised: 14 July 2019

Accepted: 22 December 2019

Publication: 10 February 2020

Keywords: Transformational leadership, Employee empowerment, Dimensions, Competence, Idealized influence.

I. INTRODUCTION

Leaders are visionary, altruistic and have influencing power, who help organization in developing high performance of teams and thereby lead to develop learning organizations and improves job satisfaction playing very vital role in improving an organizations performance. Today's organizations are facing changing environment and, therefore, organizations require transform themselves as per the changing environment. Transformation of organizations is not possible without employee involvement. Employees are vital source for the organizations and if the employees are empowered, organizations can survive in the corporate world and improve their

existence. Employee empowerment is the main issue which is gaining attention due to increasing competition and, therefore, growth of organizations largely depends on how organizations treat their employees. The studies related to leadership indicate that TL has relation with the employee job performance and also their satisfaction (Bass & Avolio, 1993; Özaralli, 2015). Since past few decades, competition is globally increasing due to advancement in technology and socio-economic changes; it influences the organizations to change their structure from centralized to decentralized nature. Organization structure could be changed by the dominated role of leadership, which modifies the management practices complementary to the

aim of employee empowerment (Conger & Kanungo, 1998; Forrester, 2000, Dewettinck & Ameijde, 2011).

Past researchers indicate that leadership and employee empowerment has positive relationship (Dust *et al.*, 2014; Ismail *et al.*, 2011; Judge & Piccolo, 2004). This paper mainly concentrates on the relationship of TL& EE in automobile sector for middle level employees. Every organization has its own leadership style and employee empowerment strategies. In the past, various areas of corporate world have covered in the research of transformational leadership and employee empowerment. This study, mainly focuses on automobile manufacturing sector, which is the most growing sector in Indian economy. Automobile sector is facing challenges due to complex changing environment as also due to the requirements of customers and society. To deal with the issue of continuous technical up-gradation in production process and requirement of customers, it is the need of manufacturing sector to build transformational leadership and empowered employees. For this purpose, the attitudes of the employees have been studied in connection with TL& EE.

II. REVIEW OF LITERATURE

Transformational Leadership (TL)

It has been defined by Downton (1973), as "when one or more person engages with others in a way that leaders and followers raise one another to a higher level of motivation and morality". Burns (1978) defined TL as "the truly transformational leader who is seeking the greater good for the greatest number and is concerned about doing what is right and honest and is likely to avoid stretching the truth or going beyond the evidence, because he/she wants to set an example to followers about the value of valid and accurate communication in maintaining the mutual trust of the leader and his or her follower". Because of its nature to motivate and relate TL is gaining attention (Gardner *et al.*, 2005).

Transformational leaders inspire followers to work in a team for long hours and achieve

performance beyond the expectations (Bass, 1985). Podsakoff *et al.*, (1982) states that contingent rewards affect the performance of subordinates. Contingent rewards motivate the followers which lead to job satisfaction. Transformational leaders raise the morale of the followers, build up awareness among employees, provide them guidance to work according to their own method and encourage participative management (Yukl, 2009). Avolio & Bass (1995), classified transformational leadership in four dimensions as explained below:

- **Idealized influence:** Leaders influence their followers, create culture and value between the followers. Transformational leaders inspire and motivate the employees to build confidence among them as also contribute in building trust and creating an environment of loyalty. They perform their role as ideal to their followers (Avolio, 1999; Bass & Avolio, 1992; Goh, 2002).
- **Inspirational Motivation:** Leaders play a role of motivator who encourages the followers to perform according to the organization's norms. They clearly communicate objectives and vision to the employees and provide guidance to them, so that they can achieve targets within the time frame (Bass & Avolio, 1992; Sarv & Santra, 2001). Transformational leader increases the quality of work and inspires the followers towards positive thinking (Avolio & Bass, 1988).
- **Individualized Consideration:** Transformational leaders treat followers individually. They do not focus on the present needs of the followers but try to exploit their needs and develop potential among the followers to achieve those needs. They give preference to one to one relationship. Leaders establish a connection line between the needs of employees and mission of organization (Bass, 1985). Here, leaders act as coach and mentor to their

followers (Bass & Avolio, 1992; Skosik, 1997).

- **Intellectual Stimulation:** Innovative leadership and leadership for innovation is again an important aspect of leadership encouraging employees to be innovative, creative and problem solver. They offer challenging work to the followers and encourage them to work according to norms, values and traditions. They also influence the followers to perform a task with new ideas and techniques (Bass, 1990). Transformational leader connects the ideas with value.

Employee Empowerment (EE)

Empowerment term came into existence in 1981. It was introduced by Julian Rappaport. "It is a state of mind as well as result of position, policies, and practices, Block (1987). As managers, we become powerful as we nurture the power of those below us. One way we nurture those below us is by becoming a role model for how we want them to function". According to Clutterbuck & Kernaghan (1994), "empowerment is, in essence, the transfer of power within organizations from top management to middle management and so on, all the way to the front line employees". The term empowerment focuses on enhanced participation of employees in organizational processes and decision making (Mitra & Sinha, 2005).

Empowerment has the positive relationship with commitment and increases the job accountability among the employees (Sarkar, 2009). Kauffman (2010), states that empowerment is a continuous process of encouraging employees to generate new ideas, make plan and strategy for actions and take initiatives which ultimately aids organization. The primary aim of employee empowerment is redefining the power between employee and management, which increases the employee authority, commitment and responsibility (Handy, 1993; Spreitzer, 1996; Greasley et al., 2008, Sahoo et al., 2010). To be the highly effective

empowerment, an organization must adopt practices which increase the "power, knowledge, information and rewards" and share it with the employees on lower and organizational level (Bowen & Lawler, 1995). The employee empowerment has been classified into the following eight dimensions:

- **Meaning:** It is "the value of the task goal or purpose, judged in relation to the individuals intrinsic caring about a given task" (Thomas & Velthouse, 1990, p.672). Meaning acts as engine to the empowerment; it inspires and encourages employees to work effectively and actively (Spreitzer, Kizilos & Nason, 1997; Spreitzer, 1995).
- **Competence:** It is "the degree to which person can perform task activities skillfully when he or she tries" (Thomas & Velthouse, 1990, p. 672). Competence stands for self-efficacy and personal mastery.
- **Self-determination:** It is related to freedom of employees to take decisions related to their own job. It deals with choice of performing the task according to employees (Deci, Connell & Ryan, 1989). Locus of control is important in self-determination. Individual behaviour and attitude are to recognize as self-determination.
- **Impact:** It is the extent to which one can create a difference through their behavior which leads to accomplishing the task in a purposeful manner as also producing intended effects in one's work environment (Thomas & Velthouse, 1990, p.672). It is influenced by the personality characteristics and locus of control. Impact is to deal with how much employee activities have impact on department and on organization.
- **Clarity to expectations:** Organizations need to communicate the vision and mission to the employees. Supervisors should clearly communicate the job expectation to the employees; and also the organization expectations from them and employees

having authority to job (Fishmen& Keys, 1997).

- Value and rewarding: Employees are rewarded and praised for their efforts. Organization should value their employees who take participation in the management activities. It increases the empowerment and helps organizations in achieving the targets more easily.
- Access to resources: Supervisor should have clear idea about the resources available to the employees. Task is incomplete with improper resources, so the supervision should ensure that employees have proper and adequate resources to perform their jobs and activities.
- Voice: Voice deals with the encouragement from the supervisors to the employees for future growth. Supervisors should encourage decisions-making from the employees as it creates responsibility among employees which raises the employee-empowerment. Employee involvement and participation culture supported by the organization provide authority to employees to perform their job

Theoretical Framework between TL& EE

Employee empowerment has positive relation with transformational leadership as also with organizational commitment Ismail et al., (2011). Past researches investigate the relationship between TL & EE based on varied samples and industries. Özaralli (2003) & Meyerson & Kline (2008), assures that if a leader implements transformational leadership style properly it will lead to the increase in the empowerment of the followers and have the impact on functions of the organization. LMX (Leader-Member Exchange) is positively related with the creativity of employees (Scott & Bruce, 1994; Tierney et al., 1999). Ahearne et al., (2005), exhibits various aspects of empowering leadership which includes “enhancing meaningfulness of work, fostering participation in decision-making

expressing confidence in high performance, and providing autonomy from bureaucratic constraints”. Empowerment is affected by forthrightness (Appelbaum et al., 2015), innovation and creativity (Behroozi et al., 2012), and organization assistance (Huanget al., 2005).

Erkutlu & Chafra (2015), states that servant leadership has an influence on the innovation behavior of employees mediated by the empowerment. Empowerment plays an intermediary role between TL and the performance of the employees (Judge & Piccolo, 2004). Transformational leadership style raises the empowerment which has a positive impact on organizational commitment. Dust et al., (2014), states that there is positive influence of psychological empowerment on the relationship between employee task performance and TL. Lang & Chang (2015), study assures that transformational leadership improves the perception of the employees about empowerment, and it directly affects the team effectiveness in a positive manner. Gill et al., (2011), said that employee retention depends upon the degree of freedom to do the job; empowering employees and exhibiting transformational leadership help reduce the turnover and increase employee retention and performance. The theoretical relationship propounded by the past researchers denotes that Employee Empowerment is the function of Transformational leadership. This implies that EE and TL are highly positively related. For, the effective TL improves EE and thereby results into higher levels of employee performance.

In this backdrop, the researchers are curious to study empirically the relationship between EE and TL in the automobile industry. For this purpose, the attitudes/perceptions of the employees have been studied with 5-point Likert scale

Hypotheses

On the basis of the survey of literature, the researchers could develop the following broader hypotheses:

1. All the dimensions and parameters of EE and TL are very prominent and vital.
2. All the dimensions and parameters of EE and TL do not differ substantially in general as also in terms of cross sections of the employees.
3. There is positive relationship between EE and TL for all the employees.

Objectives

In the context of the hypotheses mentioned, the objectives of the study are as under:

1. To calculate the average scores of the aspects/parameters of EE and TL and to pinpoint their prominence. In other words, whether their prominence is different or is equally prominent for all the employees as also for the cross sections of the employees.
2. To measure the average nature and degree of co-relationship between TL and EE for all the employees as a whole

Research Methodology

The title of the problem is “Transformational Leadership and Employee Empowerment: An Empirical Study of the Attitudes of the Employees of Indian Automobile Sector”. The nature of the study is sample based on descriptive research. The population covers employees working at middle level in automobile sector of Delhi-NCR region.

Primary data are collected from the sampled middle-level managers of automobile sector in Delhi NCR by administering a well and a pre-tested structured questionnaire on 5-point Likert scale. The instruments of transformational leadership developed by Bass (1985), namely MLQ-5X contains 20 items and employee empowerment instrument developed by Spritzer (1995) and Fishmen & Keys, (1997), it contains 23 items

divided in eight dimensions. The size of the sample is 500 middle-level employees. The sample size was determined on the basis of the flowing formula:

$$n = Z^2 \cdot \sigma^2 / e^2,$$

Where the researchers have accepted the error term 0.058 and the S.D of the population (σ) as the proxy figure is 0.66.

$$n = (1.96)^2 \times (0.66)^2 / (.058)^2$$

$$n = 496$$

By rounding the figure, the sample size is of 500 employees (the cross sections of 256, 41 and 203 employees of management cadre, non-management cadre and technical cadre). The sampled middle-level managers have been identified by using a stratified random sampling technique so that sample represents the whole population.

To check the significance and to test the hypotheses, Non- Parametric tests like one sample sign test, chi-square test and Kruskal-Wallis tests and parametric test like Z test and t-test were applied at 5% level of significance. For studying the relationship between EE and TL, Karl Pearson's Correlation Coefficient and Linear Regression Analysis are used. Moreover, the average scores of all the aspects/parameters in the form of percentage of total spectrum represents as follows

Criteria Percentage	Remarks
Up to 60	Normal
>60 <75	Highly Satisfactory
>75	Vital or prominent

Result & Discussion

The data collected for this study relate to 500 middle-level employees which have been processes as depicted in Table 1.

Measurement of the overall aspects of Transformational Leadership

Table: 1

Average Score of Attitude Measurement on a 5-point scale for the aspects and Dimensions/Parameters of Transformational Leadership of the Sampled Respondents

Dimension	Aspects of Transformational leadership Pertaining to each Dimension	Aspects Average Score & Average Score of the Dimension	
Idealized Influence	Instills pride in me for being associated with him/her	(20) 3.518	3.936 (86)
	Acts in way that builds my respect	(17) 3.862	
	Talks about their most important values and beliefs	(16) 3.896	
	Specifies the importance of having a strong sense of purpose	(2) 4.114	
	Emphasizes the importance of having a collective sense of Mission	(3) 4.072	
	Goes beyond self-interest for the good of the group	(18) 3.856	
	Considers the moral and ethical consequences of decisions	(9) 4.034	
	Displays a sense of power and confidence	(1) 4.136	
Inspirational Motivation	Talks optimistically about the future	(14) 3.934	3.9855 (42.5)
	Talks enthusiastically about what needs to be accomplished	(6) 4.046	
	Articulates a compelling vision of the future	(15) 3.92	
	Expresses confidence that goals will be achieved	(7.5) 4.042	
Individualized Consideration	Spends time teaching and coaching	(7.5) 4.042	4.041 (26.5)
	Helps me to develop my strengths	(5) 4.048	
	Considers me as having different needs, abilities, and aspirations form others.	(4) 4.062	
	Treats me as an individual rather than just a member of a group	(10) 4.012	
Intellectual Stimulation	Suggests new ways of looking at how to complete assignments	(13) 3.962	3.8755 (55)
	Gets me to look at problems from many different angles	(11) 4.006	
	Seeks differing perspectives when solving problems	(12) 3.998	
	Re-examines critical assumptions to question whether they are appropriate	(19) 3.536	
Total average		3.9548	3.9595

Source: Authors(Based on MLQ Multifactor Leadership Questionnaire, Bass, B., & Avolio, B., 1995)

(Note: figures in brackets denote rank values among all the scores in descending order covering all the 20 statements and total of ranks for all the statements covered in each of the parameters).

The table contains the average scores of attitude measurement on 5 point scale for the aspects and

dimensions of the transformational leadership of 500 samples.

As per the table, the overall average score of all the aspects and dimensions of transformational leadership comes to 3.954 which indicates, in term of percentage, 79% of the total spectrum and as per

the criteria pointed out earlier, it has the vital importance of all the aspects of transformational leadership. Moreover, the average scores of all the dimensions in term of percentage came to Idealized Influence 77%, Inspirational Motivation 80%, Individualized Consideration 81% and Intellectual stimulation 77% of the total spectrum and this indicates the vital importance of all the dimensions of transformation leadership.

In order to examine the significance of the overall average score, the researcher has adopted one-sample sign test as follows

Null Hypothesis $H_0: \mu = 3.9548$, Alternate Hypothesis $H_a \neq 3.9548$,

Total Number of Signs (n) = 20, 13 plus sign and 7 minus sign,

Number of less frequent signs (s) = 7

The critical value for the two-tailed test at 5% level of significance (k)

$K = (n-1)/2 - 0.98 \sqrt{n}$, $= 19/2 - 0.98 \sqrt{20}$, $= 9.5 - 4.38 = 5.12$

Since $S(7) > K(5.12)$, Null hypothesis is accepted

Hence, the average score of the dimensions is not different and whatever difference comes, it is just because of sampling fluctuations. To authentic this result, another test of hypothesis testing, chi-square test was applied.

Null Hypothesis (H_0): the observed average scores are equal to the overall theoretical scores

Alternate Hypothesis (H_a): the observed average scores are different from the overall theoretical scores.

If the calculated value of chi-square is less than the table value of chi-square ($X^2_C = \sum (O-E)^2/E$, when $X^2_C \leq X^2_t$), then null hypothesis is accepted. Since, the calculated value of chi-square 0.1313 is less than the table value of chi-square at 5% level of significance for 19 degrees of freedom 30.144, the null hypothesis is accepted. It indicates that all the average scores of transformational leadership aspects individually are not significantly different from the theoretical value of all the aspects taken together. Though, the percentage values of the parameters denote that these parameters are all very vital, as their value exceeds 75% of the totalspectrum of the scale. These percentage values are apparently not equal. But as per the Kruskal Wallies Test (H-test) at 5% level of significance, these values do not differ significantly; as the calculated value of H_c is 0.08 while X_t at 5% level of significance for 3 degrees of freedom is 7.8%. Hence, they are all equally prominent and vital. The mean scores of aspects of TL for the cross sections of employees (management, Non-Management and Technical) are shown in Table 2. The score values in percentage of 5-point spectrum indicate vital prominence. But, as per Kruskal-Wallis Test, the score values show substantial differences. This is obvious from the fact that calculated H-statistics is 15.49 which is far more than chi square value of 5.991 for 2 degrees of freedom at 5% level of significance. Hence, first rank goes to technical employees while the last to managerial cadre employees

Table: 2

Average Scores of Attitudes Measurement on a 5-point Scale for the Aspects of Transformational Leadership of Sampled Respondents

Aspects of Transformational leadership Pertaining to each Dimension	Mean Scores of Cross Sections			Overall Mean Score
	Management	Non-Management	Technical	
1. Instills pride in me for being associated with him/her	3.425 (59)	3.609 (57.5)	3.615 (56)	3.549
2. Acts in a way that builds my respect	3.832 (47)	3.804 (51)	3.911 (41)	3.849
3. Talks about their most important values and beliefs	3.832 (47)	3.756 (53)	4.004 (26)	3.864
4. Specifies the importance of having a strong sense of purpose	4.015 (25)	3.975 (32)	4.266 (2)	4.085
5. Emphasizes the importance of having a collective sense of mission	3.941 (40)	4.073 (15)	4.236 (3.5)	4.083
6. Goes beyond self-interest for the good of the group	3.695 (55)	4.024 (22)	4.024 (22)	3.914
7. Considers the moral and ethical consequences of decisions	3.882 (45)	3.975 (32)	4.236 (3.5)	4.031
8. Displays a sense of power and confidence	4.031 (21)	4.048 (18)	4.285 (1)	4.121
9. Talks optimistically about the future	3.816 (50)	3.951 (36)	4.078 (13)	3.948
10. Talks enthusiastically about what needs to be accomplished	4 (27.5)	3.78 (52)	4.157 (9)	3.979
11. Articulates a compelling vision of the future	3.832 (47)	3.902 (43.5)	4.034 (20)	3.922
12. Expresses confidence that goals will be achieved	3.945 (38.5)	4.17 (8)	4.137 (10)	4.084
13. Spends time in teaching and coaching	3.91 (42)	4 (27.5)	4.216 (5)	4.042
14. Helps me to develop my strengths	4.023 (24)	4.073 (15)	4.073 (15)	4.056
15. Considers me as having different needs, abilities, and aspirations from others.	3.949 (37)	4.195 (6)	4.177 (7)	4.107
16. Treats me as an individual rather than just a member of a group	3.976 (29.5)	3.829 (49)	4.093 (12)	3.966
17. Suggests new ways of looking at how to complete assignments	3.957 (35)	3.975 (32)	3.965 (34)	3.965
18. Gets me to look at problems from many different angles	3.945 (38.5)	4.097 (11)	4.064 (17)	4.035
19. Seeks differing perspectives when solving problems	3.976 (29.5)	3.902 (43.5)	4.044 (19)	3.974
20. Re-examines critical assumptions to question whether they are appropriate	3.394 (60)	3.609 (57.5)	3.699 (54)	3.567
Overall Mean Score	3.869	3.937	4.066	3.957

Source: Authors(Based on MLQ Multifactor Leadership Questionnaire, Bass, B., & Avolio, B., 1995).

Measurement of Overall Aspects of Employee Empowerment:-For quantifying the overall aspects of employee empowerment of the sampled 500 respondents, the collected data of various dimensions of employee empowerment on 5-point Likert scale and their equivalent average scores have been shown in table 3

Table: 3

Average Score of Attitude Measurement on the 5-point Scale for the Aspects and Parameters of Employee Empowerment for the Sampled Respondents

Dimensions	Aspects of Employee Empowerment Pertaining to each Dimension	Average Score for Aspects & Dimensions	
Meaning	The work I do is very important to me	3.794	3.967
	The work I do is meaningful to me	4.094	
	My job activities are personally meaningful to me	4.014	
Competence	I am self-assured about my capabilities to perform my work Activities	4.158	4.160
	I have mastered the skills necessary for my job	4.142	
	I am confident about my ability to do my job	4.182	
Self-determination	I have significant autonomy in determining how I do my job	4.018	4.02
	I have considerable opportunity for independence and freedom in how I do my job	3.98	
	I can decide on my own how to go about doing my work	4.062	
Impact	My impact on what happens in my department is large	4.094	4.021
	I have a great deal of control over what happens in my Department	3.982	
	I have significant influence over what happens in my department	3.988	
Clarity of expectations	I feel certain about how much authority I have	3.99	4.030
	My supervisors communicates clear expectations about my job performance	4.072	
	The company clearly communicates its vision and direction to Me	4.03	
Valuing and rewarding	In this organization, people are encouraged to learn from their mistakes	3.736	3.921
	In this organization, people are rewarded for taking personal responsibility to meet customer and customer needs	4.106	
Access to resources	My supervisors ensures that adequate resources are available to achieve objectives	3.996	3.996
Voice	My supervisor encourages decisions to be made at the lowest appropriate level in the organization	4.172	4.083
	This organization supports employee involvement in decision-making	4.104	
	This organization provides me with the authority to effectively do my job	4.024	
	Meaningful opportunities to participate in decision-making at work are given to me	4	
	I am given the responsibility for managing and prioritizing the competing requests of others	4.118	
Total Average		4.037	4.025

Source: Authors(Based on Employee Empowerment Instrument developed by Spritzer, 1995 and Fishmen & Keys, 1997).

As per table 3, the overall average score of all the aspects and parameters of employee empowerment comes to 4.037 which shows in term of percentage 81% of total spectrum and as per the criteria pointed out earlier; it has the vital importance of the aspects of employee empowerment. Moreover, the average scores of the parameters of employee empowerment in term of percentage are as, meaning 79%, competence 83%, self-determination 80%, impact 80%, clarity of expectations 81%, valuing and rewarding 78%, access to resources 80%, voice 82%. All these parameters possess vital prominence.

To find out the significance of all the aspects of employee empowerment, one sample sign and chi-square test were applied.

Null Hypothesis $H_0: \mu = 4.037$, Alternate Hypothesis $H_a \neq 4.037$,

Total Number of Signs (n) = 23: 11 plus sign and 13 minus sign

Number of less frequent signs (s) = 11

The critical value for the two-tailed test at 5% level of significance (k)

$K = (n-1)/2 - 0.98 \sqrt{n} = 22/2 - 0.98 \sqrt{23} = 11 - 4.699 = 6.33$

Since $S(11) > K(6.33)$, Null hypothesis is accepted. It indicates that all the aspects of employee empowerment are equally important. To authentic/ cross-examine the result, another hypothesis testing through chi-square was applied.

Null Hypothesis (H_0): the observed average scores are equal to the overall average scores

Alternate Hypothesis (H_a): the observed average scores are different from the overall theoretical scores.

If the calculated value of chi-square is less than the table value of chi-square ($X^2_C = \sum (O-E)^2/E$, when $X^2_C \leq X^2_t$), Null hypothesis is accepted.

$X^2_C = 0.06286 < X^2_t$ at 5% level of significance for 22 degrees of freedom = 33.924

Hence, the null hypothesis is accepted. It indicates that all the average scores of the aspects are not different from the expected value of the aspects of employee empowerment. It means, all the eight parameters of employee empowerment, i.e., meaning, competence, self-determination, impact, clarity of expectations, valuing and rewarding, access to resources, voice are equally important for the aspects of employee empowerment.

The mean scores of all the aspects of EE for the cross sections of employees are shown in Table 4. The score values in percentage of 5-point spectrum indicate vital prominence. But, as per Kruskal-Wallis Test (H), the score values show substantial differences. This is obvious from the fact that the calculated H-statistic is 22.9 which is far more than Chi-square value of 5.99 for 2 degrees of freedom at 5% level of significance. Hence, first rank goes to technical employees while the last to management employees

Table: 4

Mean Score Values of all the 23 Statements (Row-Wise) and Cross Sections of Respondents (Column-Wise) on a 5-Point Scale for Employee Empowerment.

Aspects of Learning Employee Empowerment Pertaining to each Dimension	Mean Scores of Cross Sections			Overall Mean Score
	Managem ent	Non- Managem ent	Technical	
The work I do is very important to me	3.683 (68)	3.902 (59.5)	3.911 (57)	3.832
The work I do is meaningful to me	4.05 (32)	4.024 (40)	4.162 (13)	4.078
My job activities are personally meaningful to me	3.957 (50)	3.878 (62)	4.113 (23)	3.982
I am self-assured about my capabilities to perform my work activities	4.078 (30)	4.121 (21)	4.266 (6)	4.155
I have mastered the skills necessary for my job	4 (43.5)	4.292 (3)	4.29 (4)	4.194
I am confident about my ability to do my job	4.082 (29)	4.317 (2)	4.28 (5)	4.226
I have significant autonomy in determining how I do my job	3.976 (45)	3.951 (51.5)	4.083 (27)	4.003
I have considerable opportunity for independence and freedom in how I do my job	3.898 (61)	3.975 (47.5)	4.083 (27)	3.985
I can decide on my own how to go about doing my work	3.933 (54.5)	4.195 (10)	4.197 (9)	4.108
My impact on what happens in my department is large	4.046 (34)	4.121 (21)	4.147 (15)	4.104
I have a great deal of control over what happens in my Department	3.843 (65)	4.121 (21)	4.128 (18.5)	4.030
I have significant influence over what happens in my department	3.91 (58)	4 (43.5)	4.083 (27)	3.997
I feel certain about how much authority I have	3.875 (63)	3.975 (47.5)	4.137 (16.5)	3.995
My supervisors communicates clear expectations about my job performance	4.035 (37.5)	4.024 (40)	4.128 (18.5)	4.062
The company clearly communicates its vision and direction to me	4.019 (42)	4.048 (33)	4.039 (36)	4.035
In this organization, people are encouraged to learn from their mistakes	3.66 (69)	3.804 (67)	3.817 (66)	3.760
In this organization, people are rewarded for taking personal responsibility to meet customer and customer needs	4.105 (24)	3.951 (51.5)	4.137 (16.5)	4.064
My supervisors ensures that adequate resources are available to achieve objectives	3.933 (54.5)	3.902 (59.5)	4.093 (25)	3.976
My supervisor encourages decisions to be made at the lowest appropriate level in the organization	4.042 (35)	4.17 (12)	4.334 (1)	4.182
This organization supports employee involvement in decision-making	4.035 (37.5)	3.975 (47.5)	4.216 (8)	4.075

Source: Authors(Based on Employee Empowerment Instrument developed by Spritzer, 1995 and Fishmen & Keys,1997).

(Note: Figures in brackets denote rank values among all the scores of cross sections in descending order)
Relationship between Transformational Leadership and Employee Empowerment studied through Karl Pearson's Coefficient of Correlation as per the following results.As such the Coefficient of Correlation between EE and TL is +0.757.
The relationship between TL and EE has been

TL EE

TL	Pearson Correlation	1	.757**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	104.755	77.948
	Covariance	.210	.156

The Coefficient of Correlation was calculated between transformational leadership and employee empowerment on the basis of their paired average scores of 500 sampled respondents. As per the results, the calculated value of correlation coefficient between them is $r = 0.757$. To test the significance of the results and to test the hypothesis z test was applied with the following null and alternate hypothesis

H0: There is no relationship between transformational leadership and employee empowerment.

Ha: There is a significant positive relationship between transformational leadership and employee empowerment.

$$Z = r \sqrt{n/1-r^2} \quad S.E = 1-r^2/\sqrt{n}$$

The calculated value of Z 39.736 is much greater than the table value of Z at 5% level of significance 1.96. Hence the null hypothesis is rejected while the alternate hypothesis is accepted. This implies that the transformational leadership and employee empowerment have significant positive co-relationship. In order to study the functional relationship between EE and TL, the Linear Ordinary Regression model was used as under

$$EE = f(TL)$$

Where EE is the dependent variable and TL is the independent variable. For this purpose, the average scores of all the statements in EE as also in TL for all the 500 respondents were regressed with the latter variables. The Linear Regression equation developed on the basis of the analysis was as given below:

$$(EE - \bar{EE}) = r_{(EE/TL)} \sigma_{EE/\sigma_{TL}} (TL - \bar{TL}),$$

$$((EE)^{\wedge}) = \beta_0 + \beta_1(TL), ((EE)^{\wedge}) = 1.11 + 0.743(TL)$$

$(EE - 4.04) = .757(.449)/(.458) \times (TL - 3.95)$, where $((EE)^{\wedge})$ is expected average score of employee empowerment and $(TL) =$ Average score of the Transformational Leadership, $\beta_0 =$ Intercept, $\beta_1 =$ Shape of the Regression line (Regression

coefficient).

$$H_0: \beta_1 = 0 \text{ and } H_a: \beta_1 \neq 0$$

Since β_1 is positive and its value is significant because t-statistic calculated is $\beta_1/\text{Standard Error of Estimate of EE}$ which is $= 0.74/0.37$ which is equal to 2. It is more than the table value of t-statistic for very large degrees of freedom at 5% level of significance (1.96). Hence, there is significant cause and effect relationship between TL and EE average scores.

Major Findings and Conclusion

1. The average scores of all the aspects of TL as also for the parameters are equally prominent. They are not different from one another.
2. The average score value for TL is 3.95 which comes to 79% of the total spectrum of 5-point scale.
3. All the score values of TL for managerial, non-managerial and technical cadre of employees are prominent and vital but their values differ. Technical cadre employees had the highest score value while managerial cadre recorded the lowest value.
4. The average scores of all the aspects of EE as also for the parameters are equally prominent. They are not different from one another.
5. The average score value for EE is 4.02 which comes to 81% of the total spectrum of 5-point scale.
6. All the average score values of EE for managerial, non-managerial and technical cadre of employees are prominent and vital but their corresponding values differ substantially. Technical cadre employees recorded the highest average score while managerial cadre the lowest average scores.
7. There is significant positive relationship between TL and EE scores of the respondents, as the r is 0.757. Moreover, EE is the effective function of the TL and with the enhancement of average score value of

the TL, the average score value of EE enhances.

The findings support first and third hypotheses, hypothesis stood rejected; for the cross sections of the employees record subsequently different average scores for TL and EE. The results revealed that all the aspects as studied under the four dimensions of transformational leadership and all the aspects as studied under eight dimensions of employee empowerment are equally important. In terms of percentage, the level of agreement for the aspects of transformational leadership is 79% and for employee empowerment it is 81%, which are significantly vital. The results indicate that the dimensions of transformational leadership, namely, idealized influence, inspirational motivation, individualized consideration and intellectual stimulation are equally important, and the dimensions of employee empowerment like meaning, competence, self-determination, impact, clarity of expectation, value and rewarding, access to resources and voice are also equally important. These dimensions are an inbuilt part of transformational leadership and employee empowerment. The results of the study indicate that transformational leadership and employee empowerment are having significant positive relationship. Moreover, the EE is the effective function of the TL. Since the research focused on automobile sector and conducted the study on only middle level employees, the future researches can be conducted in various sectors for different levels of management. There is also a potential scope in the automobile sector itself to focus the study for other category of employees. On the whole, this empirical study also supports the results of the earlier researches in this area

III. REFERENCES

1. Ahearne, M., Mathieu, J., & Rapp, A. (2005). To empower or not to empower your sales force? An empirical examination of the influence of leadership empowerment behavior on customer satisfaction and performance. *Journal of Applied psychology*, 90(5), 945.
2. Appelbaum, S. H., Degbe, M. C., MacDonald, O., & Nguyen-Quang, T. S. (2015). Organizational outcomes of leadership style and resistance to change (Part One). *Industrial and Commercial Training*, 47(2), 73-80.
3. Satpathy, M. K. Democratic Leadership Is The Essence Of Better Productivity & Employee Motivation.
4. Avolio, B. J. (1999). Full leadership development: Building the vital forces in organizations. Sage.
5. Avolio, B. J., & Bass, B. M. (1988). Transformational leadership, charisma, and beyond.
6. Avolio, B. J., & Bass, B. M. (1995). Individual consideration viewed at multiple levels of analysis: A multi-level framework for examining the diffusion of transformational leadership. *The leadership quarterly*, 6(2), 199-218.
7. Gouda, H. Investigating The Influence Of Leadership On Employees'loyalty In The Private Education Sector In Egypt.
8. Bass, B., & Avolio, B. (1995). MLQ Multifactor leadership questionnaire, Mind Garden.
9. Bass, B. M. (1985). Leadership and performance beyond expectations. Collier Macmillan.
10. Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational dynamics*, 18(3), 19-31.
11. Mishra, A. K. (2014). A study on relation between effective after sales service and customer overall satisfaction at TATA motor's with special reference to Ramgarhia automobiles Ramgarh Cantt, Jharkhand. *Growth*, 27(29.8), 29-2.
12. • Bass, B. M., & Avolio, B. J. (1992). Organizational description questionnaire: Sampler set. Mind Garden, Incorporated.
13. Bass, B. M., & Avolio, B. J. (1993). Transformational leadership and organizational culture. *Public administration quarterly*, 112-121.
14. Behrooz, M., Fadaiyan, B., & Ebneroomi, S. (2012). A survey of effective elements of empowerment of the university employees of medical sciences toward a conceptual framework: Iran's perspective. *Procedia-Social and Behavioral Sciences*, 46, 2832-2836.
15. Block, P. (1987). *The Empowered Manager* San Francisco. Cal.: Jossey Bass.

16. Bowen, D. E., & Lawler, E. E. (1995). Empowering service employees. *Sloan management review*, 36(4), 73.
17. Burns, J. M. (1978). *Leadership* New York. NY: Harper and Row Publishers.
18. Bushra, F., Ahmad, U., & Naveed, A. (2011). Effect of transformational leadership on employees' job satisfaction and organizational commitment in banking sector of Lahore (Pakistan). *International Journal of Business and Social science*, 2(18).
19. Clutterbuck, D., & Kernaghan, S. (1994). *The power of empowerment: release the hidden talents of your employees*. Kogan Page.
20. Ravichandran, N. A Study On Inventory Management With Reference To Leading Automobile Industry. *International Journal of Management, Information Technology and Engineering*, 15.
21. Conger, J. A., & Kanungo, R. N. (1998). *Charismatic leadership in organizations*. Sage Publications.
22. Deci, E. L., Connell, J. P., & Ryan, R. M. (1989). Self-determination in a work organization. *Journal of applied psychology*, 74(4), 580.
23. Dewettinck, K., & van Ameijde, M. (2011). Linking leadership empowerment behaviour to employee attitudes and behavioural intentions: Testing the mediating role of psychological empowerment. *Personnel Review*, 40(3), 284-305.
24. Downton, J. V. (1973). *Rebel leadership: Commitment and charisma in the revolutionary process*. New York, NY, US: Free Press.
25. Dust, S. B., Resick, C. J., & Mawritz, M. B. (2014). Transformational leadership, psychological empowerment, and the moderating role of mechanistic-organic contexts. *Journal of Organizational Behavior*, 35(3), 413-433.
26. Almusaddar, A. A., Ramzan, S. R., & Raju, V. (2018). The Influence of Knowledge, Satisfaction, and Motivation on Employee Performance Through Competence. *International Journal of Business and General Management (IJBGM)*, 7(5), 21-40.
27. Erkutlu, H., & Chafra, J. (2015). The effects of empowerment role identity and creative role identity on servant leadership and employees' innovation implementation behavior. *Procedia-Social and Behavioral Sciences*, 181, 3-11.
28. Forrester, R. (2000). *Empowerment: Rejuvenating a potent idea*. The Academy of Management Executive, 14(3), 67-80.
29. Vijayalakshmi, B., & Yamuna, G. Employee engagement: a critical analysis between job satisfaction and organisation performance.
30. Foster-Fishman, P. G., & Keys, C. B. (1997). The person/environment dynamics of employee empowerment: An organizational culture analysis. *American Journal of Community Psychology*, 25(3), 345-369.
31. Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., & Walumbwa, F. (2005). "Can you see the real me?" A self-based model of authentic leader and follower development. *The Leadership Quarterly*, 16(3), 343-372.
32. Gill, A., Mathur, N., Sharma, S. P., & Bhutani, S. (2011). The effects of empowerment and transformational leadership on employee intentions to quit: A study of restaurant workers in India. *International Journal of Management*, 28(1), 217.
33. Goh, S. C. (2002). Managing effective knowledge transfer: an integrative framework and some practice implications. *Journal of knowledge management*, 6(1), 23-30.
34. Greasley, K., Bryman, A., Dainty, A., Price, A., Naismith, N., & Soetanto, R. (2008). Understanding empowerment from an employee perspective: What does it mean and do they want it?. *Team Performance Management: An International Journal*, 14(1/2), 39-55.
35. Handy, M. (1993). *Freeing the Victims Total Quality Management. Some Insights from Canada*. *International Journal of Bank Marketing*, 4(2), 54.
36. Huang, M. P., Cheng, B. S., & Chou, L. F. (2005). Fitting in organizational values: The mediating role of person-organization fit between CEO charismatic leadership and employee outcomes. *International Journal of Manpower*, 26(1), 35-49.
37. Ismail, A., Mohamed, H. A. B., Sulaiman, A. Z., Mohamad, M. H., & Yusuf, M. H. (2011). An empirical study of the relationship between transformational leadership, empowerment, and organizational commitment. *Business and Economics Research Journal*, 2(1), 89.
38. Judge, T. A., & Piccolo, R. F. (2004). Transformational and transactional leadership: a meta-analytic test of their relative validity. *Journal of applied psychology*, 89(5), 755.

39. Kauffman, C. (2010). Employee involvement: A new blueprint for success. *Journal of Accountancy*, 209(5), 46.
40. Meyerson, S. L., & Kline, T. J. (2008). Psychological and environmental empowerment: Antecedents and consequences. *Leadership & Organization Development Journal*, 29(5), 444-460.
41. Mitra, T. K., & Sinha, G. (2005). Women empowerment and human development in India. *Asian Economic Review*, 47(3), 351-359.
42. Özaralli, N. (2003). Effects of transformational leadership on empowerment and team effectiveness. *Leadership & Organization Development Journal*, 24(6), 335-344.
43. ÖZARALLI, N. (2015). *International Journal of Social Sciences and Education Research*.
44. Podsakoff, P. M., Todor, W. M., & Skov, R. (1982). Effects of leader contingent and noncontingent reward and punishment behaviors on subordinate performance and satisfaction. *Academy of management journal*, 25(4), 810-821.
45. Rappaport, J. (1981). In praise of paradox: A social policy of empowerment over prevention. *American journal of community psychology*, 9(1), 1-25.
46. Sahoo, C. K., Behera, N., & Tripathy, S. K. (2010). Employee empowerment and individual commitment: An analysis from integrative review of research.
47. Sarkar, S. (2009). Employee empowerment in the banking sector. *IUP Journal of Management Research*, 8(9), 48.
48. Scott, S. G., & Bruce, R. A. (1994). Determinants of innovative behavior: A path model of individual innovation in the workplace. *Academy of management journal*, 37(3), 580-607.
49. Spreitzer, G. M. (1996). Social structural characteristics of psychological empowerment. *Academy of management journal*, 39(2), 483-504.
50. Spreitzer, G. M., Kizilos, M. A., & Nason, S. W. (1997). A dimensional analysis of the relationship between psychological empowerment and effectiveness satisfaction, and strain. *Journal of management*, 23(5), 679-704.
51. Thomas, K. W., & Velthouse, B. A. (1990). Cognitive elements of empowerment: An "interpretive" model of intrinsic task motivation. *Academy of management review*, 15(4), 666-681.
52. Tierney, P., Farmer, S. M., & Graen, G. B. (1999). An examination of leadership and employee creativity: The relevance of traits and relationships. *Personnel Psychology*, 52(3), 591-620.
53. Yukl, G. (2009). Leading organizational learning: Reflections on theory and research. *The Leadership Quarterly*, 20(1), 49-53.