

**INFLUENCE OF EMPLOYEE EMPOWERMENT ON JOB SATISFACTION OF  
COMMERCIAL STATE CORPORATIONS IN KENYA**

**BELLIS ODINGA**

**A THESIS SUBMITTED TO THE SCHOOL OF BUSINESS IN THE DEPARTMENT  
OF BUSINESS ADMINISTRATION IN PARTIAL FULFILMENT OF THE  
REQUIREMENT FOR THE AWARD OF MASTER IN BUSINESS  
ADMINISTRATION DEGREE (HUMAN RESOURCE MANAGEMENT) OF  
TECHNICAL UNIVERSITY OF MOMBASA**

**2023**

**DECLARATION**

I declare that this thesis is my original work and has not been presented for academic award in any other University.

Signature: -----

Date -----

**Bellis Odinga**

**MBA/0009/2016**

This thesis has been submitted with our approval as University supervisors.

Sign-----

Date -----

**Dr. Kilungu Matata**

**TUM, Kenya.**

Sign-----

Date -----

**Dr. Damaris Monari**

**TUM, Kenya.**

## **DEDICATION**

This thesis is dedicated to the Almighty God who has kept me grounded all these years.  
Special dedication to my family for the continued prayers and for believing in me.

## ACKNOWLEDGMENT

First, I would like to convey my gratitude to my supervisors, Dr. Kilungu Matata and Dr. Damaris Monari, for their dedicated supervision on the current study. I appreciate you taking time off your busy schedules to see me through this academic milestone. I also wish to thank my correction Supervisors Dr. Charles Kamau and Dr. Peter Sasaka who tirelessly reviewed this work from time to time. I would also like to extend this gratitude to all the lecturers in the School of Business. Thank you for your direct and indirect professional support, which has built upon my confidence and knowledge of handling academic research. I am incredibly grateful to my friends and workmates for their support in gathering preliminary information regarding this study.

Lastly, I would like to recognize my fellow MBA classmates' contributions. The numerous group discussions and the never-ending consultations have also played a key role in my preparedness to research. I appreciate all of you and hope to collaborate with some of you in future academic and professional projects.

## TABLE OF CONTENTS

DECLARATION .....	ii
DEDICATION.....	iii
ACKNOWLEDGMENT .....	iv
LIST OF FIGURES .....	ix
LIST OF TABLES .....	x
ABBREVIATION AND ACRONYM .....	xi
DEFINITION OF TERMS.....	xii
ABSTRACT .....	xiv
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.1.1 Global Perspectives of Employee Empowerment and Job Satisfaction.....	4
1.1.2 Regional Perspective of Employee Empowerment and Job Satisfaction.....	5
1.1.3 Local Perspective of Employee Empowerment and Job Satisfaction.....	7
1.1.4 Profile of Commercial State Corporations in Kenya .....	8
1.2 Statement of the Problem.....	10
1.3 Objectives of the Study.....	11
1.3.1 General Objective .....	11
1.3.2 Specific Objectives.....	11
1.4 Research Hypotheses .....	11
1.5 Significance of the Study.....	11
1.6 Scope of the Study .....	12
1.7 Limitations of the Study.....	13
CHAPTER TWO .....	14
LITERATURE REVIEW.....	14
2.1 Introduction.....	14
2.2 Theoretical Framework .....	14
2.2.1 Herzberg's Two-Factor Theory.....	14
2.2.2 Structural Empowerment Theory.....	16

2.2.3 Social Exchange Theory .....	17
2.2.4 Transformational Leadership Theory .....	18
2.3 Conceptual Framework.....	19
2.4 Review of Study Variables.....	22
2.4.1 Job Design and Job Satisfaction .....	22
2.4.2 Transformational Leadership and Job Satisfaction.....	23
2.4.3 Employee Involvement and Job Satisfaction .....	25
2.4.4 Knowledge-sharing Practices and Job Satisfaction.....	27
2.4.5 Job Satisfaction .....	31
2.5 Empirical Review .....	32
2.6 Critique of Relevant Existing Literature.....	37
2.7 Research Gaps.....	39
2.8 Summary.....	39
CHAPTER THREE.....	41
RESEARCH METHODOLOGY .....	41
3.1 Introduction.....	41
3.2 Research Design .....	41
3.3 Target Population.....	41
3.4 Sample Size and Sampling Techniques .....	42
3.4.1 Sampling Techniques .....	42
3.4.2 Sample Size.....	42
3.5 Data Collection Instruments .....	43
3.6 Data Collection Procedures.....	43
3.7 Pilot Study .....	44
3.7.1 Research Instrument Validity .....	44
3.7.2 Research Instrument Reliability .....	45
3.8 Data Processing, Analysis and Presentation .....	45
3.9 Test of Hypothesis.....	45
3.10 Ethical Considerations.....	46
CHAPTER FOUR.....	48
RESEARCH FINDINGS AND DISCUSSION.....	48

4.1 Introduction.....	48
4.2 Response Rate.....	48
4.3 Reliability and Validity .....	49
4.3.1 Reliability.....	49
4.3.2: Validity .....	49
4.4 Demographic Analysis.....	51
4.4.1 Gender of Respondents.....	51
4.3.2 Age.....	52
4.3.3 Department.....	52
4.3.4 Education Level of the Respondents .....	52
4.3.5 Job Tenure of the Respondents.....	53
4.3.6 Designation of the Respondents .....	53
4.5 Descriptive Results.....	53
4.5.1 Job Design.....	54
4.5.2 Transformational Leadership .....	55
4.5.3 Employee Involvement.....	57
4.5.4 Knowledge-sharing Practices .....	58
4.5.5 Job Satisfaction .....	59
4.6 Inferential Results.....	60
4.6.1 Correlation Results.....	60
4.6.2 Multiple Regression Test Results .....	62
4.7 Hypothesis Test Results .....	65
4.8 Discussion of Findings .....	67
4.8.1 Influence of Job Design on Job Satisfaction.....	67
4.8.2 Influence of Transformational Leadership on Job Satisfaction.....	68
4.8.3 Influence of Employee Involvement on Job Satisfaction.....	70
4.8.4 Influence of Knowledge Sharing Practices on Job Satisfaction.....	71
CHAPTER FIVE.....	72
SUMMARY, CONCLUSION AND RECOMMENDATIONS .....	72
5.1 Introduction.....	72
5.2 Summary of the Key Findings .....	72

5.2.1 Job Design.....	72
5.2.2 Transformational Leadership .....	73
5.2.3 Employee Involvement.....	73
5.2.4 Knowledge-sharing Practices .....	74
5.3 Conclusion.....	74
5.4 Recommendations.....	76
5.5 Implication of this Study on the Human Resource Practice.....	77
5.6 Areas for Further Research.....	77
REFERENCES.....	79
APPENDICES.....	93
APPENDIX I: LETTER OF INTRODUCTION.....	93
APPENDIX II: RESEARCH QUESTIONNAIRE.....	94
APPENDIX III: SAMPLING FRAME.....	102



## LIST OF FIGURES

Figure 2.1 Conceptual Framework.....	21
Figure 4.1: Response Rate .....	48

## LIST OF TABLES

Table 3.1: Target Population .....	41
Table 3.2: Sample Size .....	43
Table 3.3: Hypothesis Testing .....	46
Table 4.1: Reliability test results.....	49
Table 4.2: Convergent validity test results .....	50
Table 4.3: Discriminant validity test results .....	51
Table 4.4 Gender .....	51
Table 4.5: Age.....	52
Table 4.6: Department .....	52
Table 4.7: Educational Level.....	53
Table 4.8: Job Tenure .....	53
Table 4.9: Designation .....	53
Table 4.10 Descriptive results for Job Design.....	55
Table 4.11: Descriptive results for Transformational Leadership .....	55
Table 4.12: Descriptive results for Employee Involvement .....	57
Table 4.13: Descriptive results for Knowledge-sharing practices .....	58
Table 4.14: Descriptive results for Job Satisfaction.....	59
Table 4.15: Correlation Results.....	61
Table 4.16: Model Summary.....	62
Table 4.18: Regression Coefficients.....	64
Table 4.19: Hypothesis test results.....	65

## **ABBREVIATION AND ACRONYM**

**ANOVA:** Analysis of Variance

**AVE:** Average Variance Extracted

**FKE:** Federation of Kenya Employers

**GDP:** Gross Domestic Product

**GoK:** Government of Kenya

**HR:** Human Resource

**HRM:** Human Resource Management

**IC:** Idealized Consideration

**IS:** Intellectual Stimulation

**MDGs:** Millennium Development Goals

**MS Excel:** Microsoft Excel

**MTP:** Medium-Term Plan

**POS:** Perceived Organizational Support

**RoK:** Republic of Kenya

**S-CVI:** Scale Content Validity Index

**SPSS:** Statistical Package for the Social Sciences

## DEFINITION OF TERMS

- Employee Empowerment:** It entails bringing the employees aboard to communicate to them about the organization's strategic and financial objectives and what is expected of them as far as achieving the objectives is concerned (Dahou & Hacini, 2018).
- Employee Involvement:** This is the act of ensuring that the staff is actively involved in the processes of the organization and allowing them to form part of the decision making, by so doing, the employees will feel accepted and part of the organization and become self-motivated hence improving the performance of the organization (Oyebamiji, 2018)
- Individualized Consideration:** It involves leaders being keen of every follower wants and needs through supporting, mentoring, coaching and encouraging staff to use their ability (Yue, Men, and Fergusson, 2019).
- Job Design:** Job design simply refers to the manner in which an entire position or a number of tasks is organized. Its purpose is to increase job satisfaction levels, ultimately resulting in good performance among employees (Cheng, 2018).
- Job Satisfaction:** Torlak and Kuzey (2019) states that job satisfaction is an optimistic feeling on work as a result of an assessment of its characteristics.
- Knowledge Sharing Practices:** It refers to the willingness of workers to share their treasured knowledge with colleagues. It can also be

understood as the actions of employees where they diffuse and exchange important information with their colleagues across the organization (Dahou & Hacini, 2018).

**Organizational Commitment:** This is the extent to which workers identify with their company, the extent of commitment they exhibit and their willingness to leave it (Herrera & De Las Heras-Rosas, 2021).

**Perceived Organizational Support:** This is a concept describing the level to which workers believe that their company (i) values their contributions, (ii) cares about their wellbeing and (iii) fulfills their socioemotional needs (Caesens, Stinglhamber Demoulin, De Wilde & Mierop, 2019).

**Psychological Empowerment:** Connolly, Jacobs, and Scott (2018) pointed out that psychological empowerment entails feelings of job meaningfulness, autonomy, competence, and the power to influence the organization.

**Transformational Leadership:** This leadership style relates to a leader's ability to influence the beliefs, values, behaviors, and attitudes of others by working through and with them to attain the company's mission (Njiraini, K'Aol, & Linge, 2018).

## ABSTRACT

Organizations are increasingly striving to empower their employees in the quest to ensure optimal teamwork, self-confidence, innovation, and fulfilment in the workplace. The general objective of the study was to establish the effects of employee empowerment on job satisfaction of commercial state corporations in Kenya. Furthermore, the study sought to achieve four specific objectives. To begin with, the study sought to assess the influence of job design on job satisfaction of commercial state corporations in Kenya. Additionally, the study sought to establish the influence of transformational leadership on job satisfaction of commercial state corporations in Kenya. The study also sought to establish the influence of employee involvement on job satisfaction of commercial state corporations within Kenya. Lastly, the study sought to establish the influence of knowledge-sharing practices on job satisfaction of commercial state corporations in Kenya. The study employed the descriptive research design in collecting data from the field. The target population of this study consisted of 55 commercial state corporations in Kenya. The sample size was 48 commercial state corporations. The subsequent collected data was cleaned and compiled into a dataset using MS Excel software. The multiple regression analysis revealed a strong positive linkage between job satisfaction and staff empowerment ( $r=0.794$ ). Importantly, only job design ( $\beta =0.909$ ), transformational leadership ( $\beta =0.149$ ), employee involvement ( $\beta =0.008$ ) and knowledge sharing practices ( $\beta =0.385$ ) were found to have a significant influence on job satisfaction of Commercial State Corporations in Kenya ( $\alpha<0.05$ ). Besides the degree of influence that the sub-variables of employee empowerment had on job satisfaction varied. Job design had the highest level of influence, followed by Knowledge-sharing practices, Transformational leadership, and lastly, employee involvement. The study thus determined that employee empowerment had a significant relationship with job satisfaction in the commercial state corporations in Kenya. In particular, the study revealed that job design was the most dominant employee empowerment tool at commercial state corporations in Kenya. The study recommended that these organizations consider employee empowerment policies that aim to boost knowledge-sharing practices, transformational leadership and employee involvement.