

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**EMPLOYEE EMPOWERMENT AND INNOVATIVE
BEHAVIOR IN SPA DESIGN AND PROJECT
SERVICES CO., LTD**

**KHINE ZAR THWE
MBA II - 83
MBA 24th BATCH**

APRIL, 2022

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ACADEMIC YEAR (2018-2022)

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“This Thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the Degree of Master of Business Administration (MBA)”

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ACCEPTANCE

This is to certify that the thesis prepared by Khine Zar Thwe, entitled “**Employee Empowerment and Innovative Behavior in SPA Design and Project Services Co., Ltd**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

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April, 2022

ABSTRACT

This study aims to examine the effect of employee empowerment on innovative behavior and to analyze the mediating effect of employee loyalty on the relationship between employee empowerment and innovative behavior of Serge Pun & Associates (SPA) Design and Project Services Co., Ltd. To reach the study objectives, this study conducted with multiple linear regression analysis. There are total one hundred and thirty- three employees in SPA Design and Project Services Co., Ltd and all employees of the company are asked to collect survey data. Their responses are gathered through structured questionnaire with 5 point Likert- scale. The result of this study shows that the employee empowerment has positive effect on innovative behavior SPA Design and Project Services Co., Ltd. The study also reveals that employee loyalty has mediating effect on relationship between employee empowerment and innovative behavior of SPA Design and Project Services Co., Ltd. The study recommends the company to emphasize on employee perception of meaning, competence, self-determination and impact in employee empowerment to stimulate the innovative behavior of the employees, thereby. it leads to company stands with good image and impression among their clients and developers of SPA Design and Project Services Co., Ltd.

ACKNOWLEDGMENTS

I wish to express my sincere gratitude and appreciation to the following people for their kind support, enthusiastic guidance and inspiration in the process of studying Master of Business Administration programme, especially during the process of writing this study.

First and foremost, I would like to respectfully thank Prof. Dr. Tin Tin Htwe, Rector of the Yangon University of Economics, for allowing me to write this Master of Business Administration thesis and for providing valuable guidance and suggestions to me.

I am also deeply thankful to Prof. Dr. Nu Nu Lwin, Programme Director and Head of Department of Management Studies, Yangon University of Economics, for her invaluable guidance, comments, suggestions and encouragement throughout the process of writing this dissertation.

My heartfelt appreciation also goes to Prof. Dr. Myint Myint Kyi, Prof. Dr. Thin Nwe Oo, Prof. Dr. Hla Hla Mon and Prof. Dr. Than Thu Zar (Department of Management Studies, Yangon University of Economics) for their valuable supporting, suggestions and encouragement for completion of this study.

In particular, I would like to express my special thanks to my supervisor, Dr. Myint Thu Zar Ei, Associate Professor of Department of Management Studies, for contributing her invaluable guidance, inspirations, and moral support for the completion of this study successfully.

Moreover, I feel grateful to all respectful teachers and faculty members of the Department of Management Studies, Yangon University of Economics for their valuable lectures, guidance and their kind support throughout the study.

Especially, I would like to express my gratitude to business respondents who actively participated in the survey within a short time. I would also like to deliver thanks to the employees and the management team of SPA Design and Project Services Co., Ltd who help and support to me during the study.

Again, I would like to express my special thanks to my family for their care, continuous support, understanding and encouragement throughout my life. Finally, I would like to thank all my classmates from MBA 24^h Batch (especially G-10) for the great friendship, encouragement, sharing knowledge and inspiration.

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LIST OF ABBREVIATIONS

SPA	Serge Pun & Associates
YSX	Yangon Stock Exchange
HR	Human Resource
PE	Professional Engineer

CHAPTER 1

INTRODUCTION

In worldwide, businesses depend on inimitability of the human capital in order to get competitive advantages (Pfeffer, 1994). Hence, organizations require to look out effective approaches with a specific goal to select a forceful advantage to outperform their competitors. Organizations are continuously changing and this changing environment is not only effect to organization but also to the employee working in it (Chiang, 2012). The success and achievement of the firm is highly related with how it apply of their assets of information resources, human, material and their financial. Among them, employees are essential for all organization and became valuable asset for business environment (Morse, 1973). Furthermore, employees are the major resources to strategically allocated for an organization to perceive for the competitive advantage. Therefore, human resource can be regarded as very precious for doing the business and it support as backbone of the whole organization (Boxall, 2011). The improvement and sustainability of organization to get competitive advantages depends on the management and valuable human resources (Khan, 2010). Due to dynamic and complicated business live in the world, practicing traditional way of business is outmoded and less effective. Since, employee empowerment is one of the considering ways to survive amid the competitors (Wilkinson, 1998).

According to Busara (2016), employee empowerment is giving authority to the employees to make important decision by their own in their daily activities. Empowerment is stated that managements undergo employees to freewill with their duties and make own decision (Hsieh & Chao, 2004). To create a successful empowerment process, individuals should be allowed independent decision making. When employees perceive empowerment at work, they are confident to operate their tasks in meaningful way. Since, they will be more responsible and able to work more effectively to increase organization's productivity and profit. Due to competition of the world is higher and more and more, organizations have to give empowerment for employees to provide superior service and quality. Hence, today, organization become to equip strategy of empowerment as a weapon to be more productive as well as to contribute innovative behavior in doing their jobs and duties.

Moreover, innovative work behavior includes all behavior of employees consists of different level of the innovation process if consider for something new, to be a relevant unit for adoption and employees who initiate to attain successful job habitual for their department(Kanter,1988). In workplace, innovative behavior is suggesting new ideas and ways to achieve organizational goal including introducing new technologies and techniques, attempting new approaches to perform tasks, and facilitating for generating of new ideas. According to Alkhodary (2016), employees who have their own decision in their job promote higher innovative behavior in working situation.

Further, employee loyalty has to take account one of the important fundamental roles in continuously changing market dynamic. Employee loyalty defines as employee attachment to organization, organization's objectives and value and how reaction to the object (Hart & Thompson , 2007). Loyalty based on cognition of an individual perception that both parties to a relationship have fulfilled reciprocal expectations. A loyal employee stays through even in very tough situations and he does not leave when he notices the workplace will be worse in future. However, loyalty cannot be referred to as the opposite of disloyalty as it is an emotional attachment not a legal obligatory (Ewin,1993). Consequently, it is very significant to keep employees with high qualifications, and high performance for organization through employee loyalty (Matzler & Renzl, 2006).

In current situation, foreign business and investors extent their business in Myanmar. As a result, the competition is higher day by day and it can cause difficult situation to survive for local business. Most of the organization in Myanmar carry out hierarchy system and the managers still control their subordinates to perform the tasks by their one-sided ideas. For competitive advantages in challenging working situation and environment, most organizations in Myanmar have to understand and attempt to give empowerment to their employees. Empowering to employees is very crucial and important techniques to provide better product and service quality for customers. To stand the business in long life in the future, the company should provide employee empowerment for their employees to promote more innovative and creative products and services. Besides, employee loyalty is one of the valuable results by receiving employee empowerment and it can also tend to innovativeness that leads delighted and satisfied services to the customers. Employee empowerment describes that employees are shared authority in company's decision making process from their company.

In Myanmar, project services companies for constructions and designs emerged as

a significant to accelerate infrastructure sector. They attain to be prestige living standard of Myanmar citizens. In current situation, local and foreign investor mostly invest in construction projects are growing recently. Hence, construction project and design services companies require to supply those investor and developer needs and wants. This study is mainly focused on employee in construction industry who work in SPA Design and Project Services Co., Ltd.

SPA Design and Project Services Co., Ltd is one of the construction design and project services companies in Myanmar. The company is popular about their creative design of international standard for their clients. The company developed since 1991 and it has been over thirty years long in construction design and project services market. The company is constituted with professional technical engineers and designers to serve the best quality of construction buildings to their clients. To improve the creation of modernized designs and building infrastructures, the company delegate and share the autonomy to their employees in SPA Design and Project Services Co., Ltd.

1.1 Rationale of the Study

In a growing competition environment, employees are considered to be the most important asset of any organization in human resource (Hasani & Kaveh, 2016). Thus, the organization managers try to keep employees to be fit their social, mental and physical. More companies clearly understand that when employees are given more delegation and power, it can actually benefit both for the individual and the organization as well.

Today, most of the organizations practice employee empowerment process to their employees for smooth information flow and increase organization performance (Hugh, 1994). Organizations adopt empowerment to survive in higher and stronger competitive eras (Batliwala, 2007). Hence, management have to offer authorities and obligations for subordinates in their organizations. If companies do not follow employee empowerment practices, employees would not properly understand how (meaningful of their work), have not enough skills and to (assign specific task competence), are not able to decide (with their own decisions of self-determination) and do not contribute for the best product manufacturing and service providing (impact of contribution) (Stander, 2010).

Empowerment stimulates people from inside and that leads to generate new idea and innovation to develop organization and competitive advantages. The concept for

employee empowerment in the organization can be viewed from two distinct perspectives that are namely behavioral and psychological perspectives (Niehoff & Fuller, 2001). Among these two distinct perspective views, psychological empowerment is developed on this study because the paper is mainly intended to employee perspective of perceiving empowerment from their related leaders in SPA Design and Project Services Co., Ltd. Spreitzer (1995) developed the construct of psychological empowerment using four cognitions of (1) meaning, (2) self-determination, (3) competence/ self-efficacy, and (4) impact.

Besides, innovative work behavior makes an explicit reference to the distinct parts of the innovation process, a problem is recognized, an idea for a solution is generated and developed, the idea is proposed, defended and eventually, implemented in the organization (Kanter, 1988). Besides, employee loyalty is one of the factors in understanding of workplace innovative behavior. In higher competition ages of today, if employee loyal to their organization, they care about the future of the organization and they would contribute in bringing more successful of the company (Elegido,2013).

Due to business growth in recent years in Myanmar, organization have to attempt for the superior products and service quality in order to get the competitive advantages. Since, the competition in market become higher and higher. Nowadays, engineering service providing companies in Myanmar are confronting with a huge challenge of competitive high-quality affecting their business badly. Therefore, employee empowerment is required to compete in the market to provide the customer requirements. Moreover, working in construction industry is required more empowerment rather than other industries to improve innovative work behaviors to fulfill client's needs and wants.

In SPA Design and Project Services Co., Ltd, most of the employees are engineers and architect designers. Due to the company business of construction project services work, the job schedule must need to go in time. The tasks and duties have to finish specified time frame according to the contract between the company and the clients. Thus, the company understand well to practice employee empowerment process for their employees to be efficient work done. The company also decrease centralized system of the management for their working information flow and job process going efficiently. The company also grants their employees to do their job independently to serve for initiated design and services for their clients. Consequently, the employees in the company are so smart and they are also faithful to their organization. Hence, this paper

aimed to examine the effect of employee empowerment with four factors of meaning, competence, self-determination and impact on innovative behavior and mediating effect of employee loyalty on the relationship between employee empowerment and innovative behavior in SPA Design and Project Services Co., Ltd.

1.2 Objectives of the Study

The main objectives of the study are;

1. To analyze the effect of employee empowerment on innovative behavior in SPA Design and Project Services Co., Ltd.
2. To examine the mediating effect of employee loyalty on relationship between employee empowerment and innovative behavior in SPA Design and Project Services Co., Ltd.

1.3 Scope and Method of the Study

This research is conducted based on the research questionnaire that responds by employees of SPA Design and Project Services Co., Ltd. There are one hundred and thirty- three employees in SPA Design and Project Services Co., Ltd and all employees in the company are asked to collect the data. For this study, both primary data and secondary data are adopted. Primary data will be collected with structure questionnaires through employees from SPA Design and Project Services Co., Ltd. A structured questionnaire with a five point Likert- scale method has constructed to collect primary data. Formal & international research papers, webpages and international journals are applied for the secondary data sources for this research. The SPSS (Statsical Package for Social Science) is employed for data analysis. Multiple Regression Analysis are used to analyze the effect of employee empowerment on innovative behavior in SPA Design Project Services Co., Ltd.

1.4 Organization of the Study

This study is organized to five main chapters. Chapter one includes the introduction; comprising rationale of the study, objectives of the study and organization of the study. Chapter two consists of the theoretical background and it also includes the

previous studies and the conceptual framework of the study. Chapter three includes profile and employee empowerment practices including reliability test and profile of the respondents of SPA Design and Project Services Co., Ltd. Chapter four consists in analysis of employee empowerment on innovative behavior and analysis of the mediating effect of employee loyalty on the relationship between employee empowerment and innovative behavior. Finally, the chapter five is conclusion chapter which includes findings and recommendation, suggestion and recommendation and needs for further research.

CHAPTER 2

THEORETICAL BACKGROUND

This chapter include theoretical background of employee empowerment, innovative behavior and employee loyalty respectively. This chapter also contains previous studies and the conceptual framework of this study in the last part of the chapter.

2.1 Employee Empowerment

Employee empowerment can be defined as a process that all levels of the employees are freely participate in the organizational hierarchy and they received authority to make very important decisions and are also took responsibility for the scenario of their decisions and actions by themselves (Conger & Kanungo, 1988). In another perspective, Bandura's (1986) defined employee empowerment is that employees getting a great opportunities of contribution to their organization, and understanding that their work is meaningful from their perspective. Nowadays, the world is dramatically changing, highly unstable environment with rising degree of innovation, employee empowerment is an essential way for the human resources. This leads to the whole organizational decision-making going fastly and promote the effective responsiveness of the firm to the reforming situations that makes the company rapidly implement with the uncertainties situations for them (Ignore, 2009). When the organization gives the proper authority for their employees to assign task related decisions, they will assign the task more self-directing and self-regulating (Niehoff et al., 2001).

Spreitzer (1995) defined that the social and structural of employee empowerment elements have a significant impact on the employees. It had achieved to conclude that organizational culture, work environment and the leader's performance of socio-structural features are closely connected with employee empowerment, and information- sharing, controlling and compensation and rewarding of some structural factors are very crucialfor effectiveness of mangement and innovation (Samad, 2007). Social change and social power theories is intertwined with social and structural empowerment and is also closely related with the society. Presenting opportunities to employees from every level, eliminating the obstacles that access to information and sources, providing socio-political

support, minimizing organizational hierarchy, and promoting participation can be regarded as the essential elements of social and structural empowerment.

However, the employee empowerment can be viewed from two points of the theorists and practitioners, also known as the perspectives of behavioral and psychological (Niehoff & Fuller, 2001). In behavioral perspectives, it is basically focused on management point of view (Bolat, 2003) and psychological empowerment that is subordinate point of view (Spreitzer, 1995).

Behavioral perspective is delegating power from top to middle management, from middle level before the frontline employees (Psoinos & Smithson 2000). Power, resources, and information are three important well-known elements in behavioral perspective of empowerment. First of all, power is giving employees for required autonomy to assign their duties.. Secondly, resources are sharing essential resources to the employee to serving the duties. Lastly, information, employees are informed about the changing environment internally and externally of the organization (Bolat, 2003). The process of employee empowerment needs a transparency and flat structure rather than a traditional ways, and then system of independent and open system of which the flows of information and communication of all directions (Potterfield, 1999).

Psychological empowerment is the very early work of Conger and Kanungo (1988) and that was further extended by Thomas and Velthouse (1990), by conducting alternative perspective on empowerment that distinguish between situational attributes (management practices) and job incumbent cognitions of those attributes (psychological empowerment). According to Thomas and Velthouse (1990), psychological empowerment tends to improve employee's resiliency in workplace. In the psychological perspective, employee empowerment was defined with the subordinate's perception of empowerment and how the management give empowerment process for them and feeling of to do their task properly (Spreitzer, 1995). There are four variables of psychological empowerment process. If the lack of one factors will diminish but not totally disable the whole process of the experience of empowerment. The employee perception of four cognition of psychological empowerment involves (1) meaning, (2) competence, (3) self-determination and (4) impact in employee empowerment can be defined as follow;

(a) Meaning

Meaning is regarded with the role of employee's role of the work with an engagement of their values, norms and behaviors. Spreitzer (1995) described meaning as their personal connection to their work standardized goal and objectives; it is the value of the work goal in relation to that individual's personal idea for their career goals (Thomas & Velthouse, 1990). Employee may understand well that their work is meaningful when the organization's objectives are well fitted with their own system of values and they will put more efforts to their job assignment. Consequently, if employees think their work for the company is so meaningful, they will believe their job purpose properly and stay that organization and do not leave, if they will have no intention to their job when they consider this is meaningless perspectives, they will move from that organization.

(b) Competence

Competence refers to one can able to perform specific task and assignment and they have important skill to do their jobs, or have self-confidence in individual's competency to implement the job activities skillfully. It also refers implementation of delegation received job can do proficiently when they attain to accomplish their duties. Employees clearly know that they are mastered in engage with the behaviors necessary for the environment prominently (Kara, 2012). When the individual self-efficacy is better, they would be more conducted for attempting organizational goals hardly, they will be more strongly achieve to succeed and will strive to perceive greater level of their job done for the organization. (Goodale et al., 1997).

(c) Self-determination

Self-determination is started and decided by their own ways and ideas without dependent of the management team. This states that employees have fully autonomy in job activities. Those employees know e that they have proper rights to accomplish their duties and responsibilities; they have sufficient knowledge to their work and can determine what to work and how to overcome through authority over the their task performance. Self-determination is an each employees chances of choices and own controlling process for their activities and systems (Deci & Ryan 1989).

(d) Impact

Impact is employee's outcomes at work and how their achievement for their organization. This can be referred to behavior to produce effective job done in each

employee task assignment (Thomas & Velthouse, 1990). Impact is influenced with making one feeling to achieving their goals for the organization development. Impact leads to feeling of employees in which includes authentic effective to accomplish some duties and tasks for their organization. When employees clearly know that they can prominently influence by their outcomes of the jobs into the organization, that leads to feel the employees to more participate in attempts of organizational goal with their satisfaction to the job (Liden et al., 2000).

2.2 Innovative Behavior

As competent of survival of the organizations depend on the innovation today, it becomes much of an emphasis for organizations to encourage innovative behavior of employees (Suhaimi & Panatik, 2016). Therefore, innovative behavior is a critical field of study, since the foundation for high-performance in organizations is innovation (Carmeli & Weisberg, 2006). Organization depends on innovative behavior of employees who will develop ideas (Bruce, 1994). Innovativeness becomes the critical point because innovation is the key for surviving, competing, and succeeding. It is widely acknowledged that human factor is the most significant one in the success of organizations. Changing customer lifestyles and demands forces organizations to be innovative in order to respond better and quicker to the customer needs, and innovation is acknowledged as a central factor for value creation and competitive advantage sustenance (Baregheh et al., 2009). Therefore, innovative behavior of the employees is very crucial in this role.

Employee innovative behavior could be defined as finding easier ways of doing the task at hand, improving the service provided to the customer, finding new ways of solution, or changing the routines in order to provide the customers with new possibilities (Gürkan, 2014). Employee innovative behavior can also be simply defined as the development, adaptation and, implementation of new product or work method ideas in an organization (Shi, 2012).

From another point of view, employee innovative behavior includes multiple facets composing different behaviors and behavior clusters. An employee to be innovative needs to have qualitative factors such as being risk-taking, behaviors such as championing, internal coalition building (Wang, 2015). According to Li and Zheng

(2014), the basis of employee innovative behavior can be described individual creativity, and the actual idea generation or searching for new ideas as aspects of the employee creativity, which are two valid paths towards entrepreneurship. Employees are increasingly seen as the most important source of innovation; therefore, employee innovative behavior is stayed upon in the recent years as a field of study. In other words, if the employee is contributing significantly in developing new ideas related to products, services, and the processes, they are seen as a source of innovation (Jain, 2015).

On the other hand, Scott and Bruce (1994) view innovative behavior as an outcome of four factors which are work climate for innovation, leadership, work groups and individual problem-solving style. They pointed out that a flexible climate system is related with research and development and innovation. Characteristic of an innovative organization is being creativity oriented, open to change through innovation, in which the employees are encouraged and supported to pursue new ideas through an independent functioning.

Therefore, to speed up innovation and decision-making, organizational size should be decreased and too many hierarchical levels should be avoided since a bureaucratic system might chase away the creative people or cause conservativeness and risk-avoidance. Employees need a certain level of authority and access to resources over their projects to accomplish (Timeus, 2018). Hence, a structure that gives the employees authority and encourages to make better skills which will facilitate on-going development of new processes and product. Besides, when the employees feel that they are supported by their work group in a cooperative and collaborative way, then that will give them a sense of support and encouragement for innovation by the overall organization (Yuan, 2010). Likewise, they suggested that a fit between individual's style of problem solving, and work environment is required for a high individual performance and also an intuitive style of problem-solving positively influences the innovative behavior (Griffin, 2014).

2.3 Employee Loyalty

In the knowledge economy, employee loyalty is seen as another critical issue. The knowledge is stored and carried in the heads of employees and success of developed countries depend on the supply of knowledge-employees. Therefore, it is very significant to be able to attract and keep employees with high qualifications, and high-level performance for organizations through employee loyalty (Matzler & Renzl, 2006).

Employee Loyalty is a bond towards a person, a group or organization and it include the feelings of belongingness: an intense desire to be apart of something, willing to contribute even through personal sacrifice, and trust, volunteering to work with the group, and following the organizational leader and rules (Celyan & Ozbal, 2008).

Hart and Thompson (2007) defined loyalty based on cognition in the following way: ‘An individuals’ perception that both parties to a relationship have fulfilled reciprocal expectations that (1) denote enduring attachment between two parties that (2) involve self-sacrifice in the face of alternatives that (3) are laden with obligations of duty. According to Graham (1991), employee loyalty is an intelligence of the employees to their leaders and organization showing representative behaviors in which they guard the organization from threats, work in cooperation with colleagues for the organizational interest, and enhance the organizational reputation.

Koç (2009) defined that employee loyalty is employee willingness to a continuous identification with the organizational goals and objectives, believing in organization’s values and the principles without questioning. The level of feeling loyal towards organization can be classified into high, medium or low. In low level of organizational loyalty, the individual is not keen to adopt the organization’s goal and objectives. And in high level, the employee’s belief in organization is high, strives and shows effort, and desires to stay as a member of the organization in the future. In medium level, these are moderate in these two factors.

According to Hirschmann’s work (1970), basic and the concept is interpreted as attitudes that encourage to voice, to express and that discourage to leave the organization. Looking at employee loyalty from psychological point of view, it can be prescribed as commitment and attachment to identification of oneself. From, behavioral perspectives, though, loyalty can be found as it is an obvious materialization within the relationship of employee and organization. Even though there are some dissatisfaction for employees, they just prefer to stay in the organization and adopts constructive behaviors. Therefore, a mixed approach if psychological and behavioral perspectives is adopted by many researches. The concept of employee loyalty includes, supporting and endorsing organizational objectives and staying with the organization even under hard and tough conditions as well (Podsakoff et al., 2000).

Employees’ loyalty to the organization can be recognized as an important topic for

enterprises' human resource management issues, especially when the managers have shifted from focusing to the materials, equipment, and inventory to "knowledge assets" of the employees, in other words, the transition from the "industrial age" to the "era of knowledge" (Alan & William, 2002). It could be stated that companies are competing by using the skills and talents of their employees. company can gain profits and occupy the market shares higher than the industry average. Nguyen (2020), reports that employees are considered as an important component of all businesses and employees' loyalty is an important factor that reflects the internal strengths and the sustainable development of the enterprises. By testing, the employees' loyalty, employers can plan to improve the loyalty to enhance motivation, behaviors, and productivity of the employees.

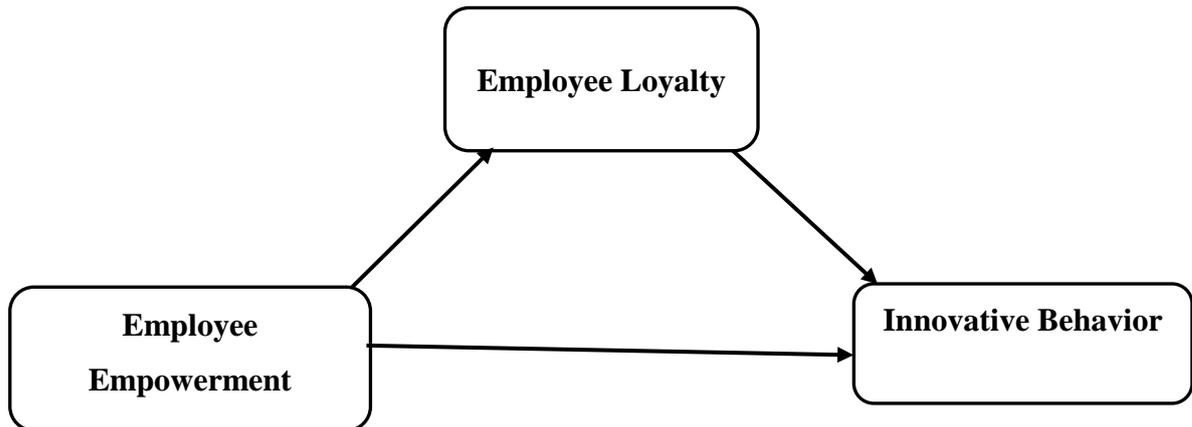
As the employees are the main themes in survival for an organization, it is an essential for employee's encouragement and loyalty to be higher. Loyal and activated employees will work for the interest of the organization and contribute to the improvement of overall organizational performance(Osborn,1978). Empowered employees that are loyal play important role in increasing the competitive advantage of the organizations (Bhatnagar, 2007).

2.5 Previous Studies

To construct the conceptual framework for this paper, some relating previous papers are reviewed. Firstly, the conceptual framework of Sazkaya and Dede (2018), the researchers examined the mediating effect of employee loyalty on the relationship between employee empowerment and innovative behavior. The empowerment was measured with behavioral empowerment which includes power, resources and information.

According to this paper's results, there is a positive and significant effect of employee empowerment on both employee loyalty and employee innovative behavior. It can be stated that when employee empowerment increases, employee loyalty and innovative behavior also rises. Moreover, there is a partial mediating effect of employee loyalty on the relationship between employee empowerment and employee innovative behavior. The conceptual frame work is shown in figure (2.1).

Figure (2.1) Conceptual Framework of Sazkaya and Dede

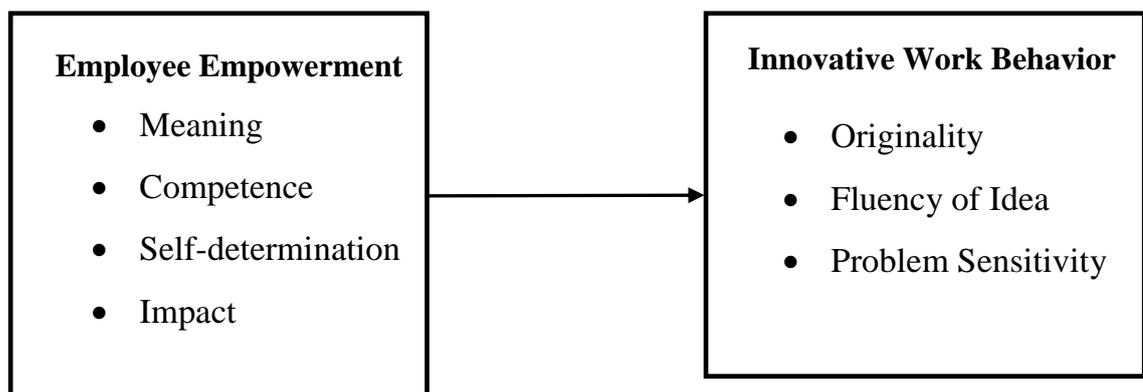


Source: Sazkaya & Dede (2018)

The second review paper is intended to analyze the impact of employee empowerment on innovative work Behavior by Alkhodary (2016). The empowerment is measured with meaning, competence, self-determination and impact and innovative work behavior is measures with originality, fluency of idea and problem sensitivity.

According to this study, there is no significant relationship between employee empowerment and innovative behavior. The researcher suggests the companies should get attention to importance of employee empowerment to improve innovative work behavior in organization. The conceptual framework for this study is follow;

Figure (2.2) Conceptual Framework of Alkhodary

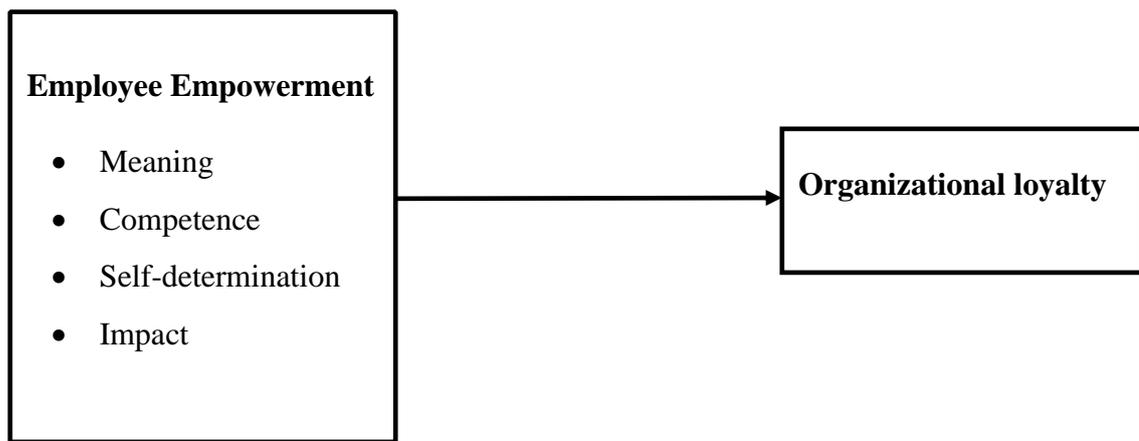


Source: Alkhodary (2016)

The third review paper is studied by Boussalem (2014) to determine the impact of employee empowerment on organizational loyalty. The empowerment is measured with meaning, competence, self-determination and impact.

According to this study, there has significant impact of Empowerment (Meaningful, Competence) on organizational loyalty. There is no significant role of Empowerment (Self-determination, Impact) on organizational loyalty. The researcher suggested that first level management by encouraging them to take responsibility and look at mistakes as opportunities to learn in order to increase the overall level of loyalty. The conceptual framework for this study is follow;

Figure (2.3) Conceptual Framework of Boussalem

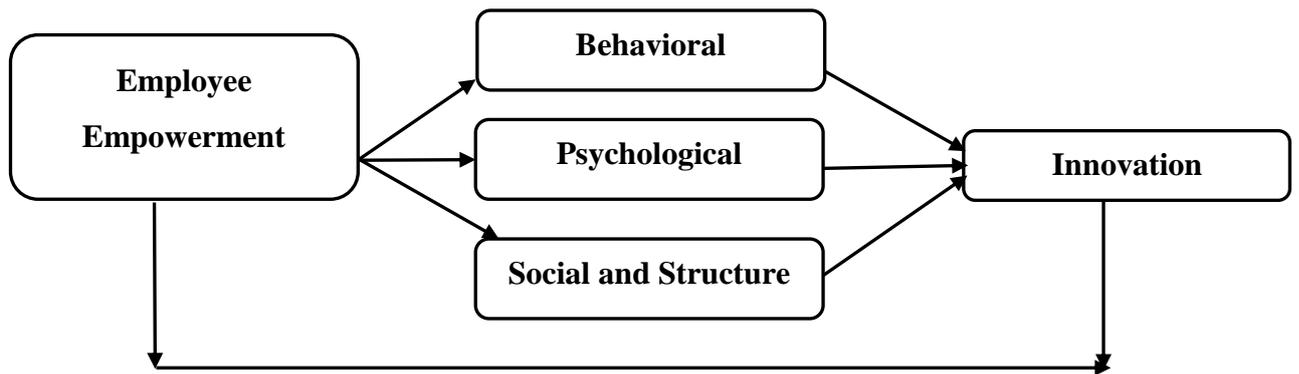


Source: Boussalem (2014)

The fourth review paper is studied by Uzunbacak (2015) that examine the impact of employee empowerment on innovativeness. The empowerment is measured with three perspective of behavioral empowerment, psychological empowerment and social structure empowerment.

According to this study, behavioral empowerment, psychological empowerment and social structural empowerment has positive impact on innovativeness. The conceptual framework for this study is follow;

Figure (2.4) Conceptual Framework of Uzunbacak

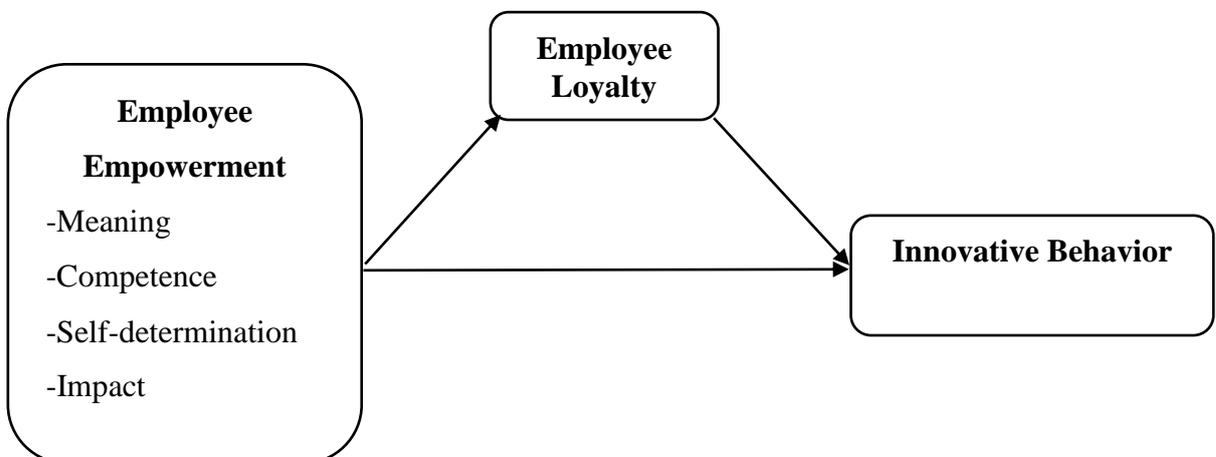


Source: Uzunbacak (2015)

2.6 Conceptual Framework of the Study

In this study, following conceptual framework is developed according from the results of prior research. In the framework, three major parts are included; first, employee empowerment, second, innovative behavior, then, third is employee loyalty. Employee empowerment is described with for cognitive elements from employee perceptions of (1) meaning, (2) competence, (3) self-determination and (4) impact. In following table of Figure (2.5), it is showed the conceptual framework of the study.

Figure (2.5) Conceptual Framework of the Study



Source: Own Compilation (2022)

According from the framework, it is expected how employee empowerment effect on innovative behavior and the mediating effect of employee loyalty on relationship between employee empowerment and innovative behavior. Independent variable is employee

empowerment with four variables of meaning, competence, self-determination and impact and dependent variable is innovative behavior and employee loyalty serve as mediating variable

CHAPTER 3

PROFILE AND EMPLOYEE EMPOWERMENT PRACTICES OF SPA DESIGN AND PROJECT SERVICES CO., LTD

This chapter presents profile information and employee empowerment practices of SPA Design and Project Services Co., ltd. Employee empowerment practices consist of meaning, competence, self-determination and impact. Furthermore, this chapter also demonstrate the profile of respondents and reliability test according to the result from the survey data.

3.1 Profile of SPA Design and Project Services Co., Ltd.

SPA Design and Project Services Co., Ltd is also known as Serge Pun & Associates of Design and Project Services Co., Ltd and it is part of Yoma Strategic holdings Co., Ltd which is publicly listed in Singapore and also listed in YSX (Yangon Stock Exchange) in Myanmar. SPA Design and Project Services Co., Ltd provides innovative professional design and project management services such as Pre-design services, architecture, project management, master planning, structural engineering and interior design. It is private investment holding company and chair-man is Serge Pun @ U Thein Wai and family. The company is developed in 1983 in Hong Kong and it has been over past three decades in Hong Kong and the company was registered in Myanmar in 1991.

The company has delivered some of Myanmar most impressive and recognizable real estate development including Pun Hlaing Real Estate and Thanlyin Star City, City Loft, Yangon's Luxury Hotel AWEI METTA. Now, they have a plan to develop new landmark project and five stars peninsula hotel in Bogyoke Aung San Road, it will be one of prestige and recognizable construction project in Myanmar. The company totally committed to constantly improving the quality of business performance through the practice of seven focus system; customer focus, quality focus, learning focus, teamwork focus, loyalty focus, innovative focus and accountability focus.

The company is well recognized of their innovative design and services in country. Employees in SPA Design and Project Services Co., Ltd push innovative and

initiative ideas and inspiration in modernized technology, creative authentic and aesthetic outcomes. The firm also constitute in professional expertise with international experiences and practices to create benchmark design that delivery to customers. It is also based in Yangon with a mission of “Building Better Communities for the future of Myanmar”. It focuses on improvement for customer’s life, investors and colleagues through shared built environment and surrounding. It will provide customer satisfaction through the delivery of their star quality service that is consistent, fair and sincere. The regarded as customer is the reason that they exist and that only with service that comes from the heart can expect more clients and customer tomorrow.

It has continued to develop innovative projects that conform international standards. Company has already begun implementing projects in construction sectors and plan to make further investments as new opportunities arises. It also allows for Myanmar companies to accept foreign shareholders, which we believe will be a significant step in enabling local companies to grow stronger and complete in the face of increased globalization.

3.2 Employee Empowerment Practices in SPA Design and Project Services Co., Ltd

SPA Design and Project Services Co., Ltd practices employee empowerment process for their employees for company’s competitive advantages. As a results, that can have beneficial for the employees as well as the whole organization and they can stand proudly among other competitive organizations in Myanmar. Hence, employees in the organization can participate in coordination, communication and decision-making role for together with the management team for the organization development. The organization attempt to follow decentralization system regarding to the job. There are four cognitive factors of employee empowerment in SPA Design and Project Services Co., Ltd, that consist of meaning, competence, self-determination and impact.

(a) Meaning

In meaning of psychological empowerment, the leaders and management team can make employees in SPA Design and Project Services Co., Ltd to know their work, their beliefs and values for the company are meaningful. Project Manager allows all level of employees including junior engineer and junior architect to participate in weekly design

consultation meetings and weekly construction meetings for brainstorming sections. These employees have a chance to participate in high level positions to make a suggestion for design creations. The leader also take account and appreciate their subordinate's opinions and thoughts for the company development. Moreover, the employees are granted to coordinate with third party professional design consultants together with their design team manager. They can also have a chance to monitor and track the consultants' work done according to the deadline. For the site engineer levels, they have autonomy to command daily workers depending on construction sites requirements without waiting permission of their construction managers. Therefore, the personal connection of employee's work goal and their beliefs are well-suited with their job role to assign for the company. Accordingly, the company give autonomy to their employees and employees understand properly their lives of working for the organization are valuable and meaningful for their career life.

(b) Competence

According to competence in empowerment, most of the employees in company have ability and required skills for their jobs. The company also provide design training, design speculation training and group workshops for the employee needs. Furthermore, the company also manage updated 3D modeling software training for architects and interior design coordinators. For efficient information system for the projects, the company create training together with IT department to friendly use e-document software training for construction document management. There is also programming training for project management for the engineers. The company also invite Professional Engineers(PE) in monthly and make a project workshop to train their employees to improve their skills and abilities. In addition, the company also has assessment process of employees' training what skills and experiences they learnt from the training programs. Thus. Employees can serve for their client requirements with proficiently. And, they can also deliver for solutions and engage in their client's need. They also have confidence to take responsibility for their job. Furthermore, their skills are going well and supportive for their jobs to the company.

(c) Self-determination

In self-determination concerned with psychological empowerment, the employees have rights and proper delegation system while they are working for the company. The

engineers and architects are allowed to negotiate with their clients independently without interference of their design team manager and construction manager. They can handle the job problems and solve by their ways when the construction site occurs any problems of delay the projects. Moreover, their responsible leaders let the engineers to tackle all problems by self-determination in workplace, participate in design consultations and client meetings. The leaders take account employees' solving ways in workplace difficulties and appreciate their subordinate work done. Besides, their responsible leaders give some feedbacks and suggestions by positive ways depending on their achievements. In addition, employees can participate in decision making process together with their leaders.

(d) Impact

In impact of psychological empowerment, employees' accomplishment of their job has impact of contributing in company's goal achievement. Employees also convince themselves they can do the best for the organization. Employees can influence to the operating outcomes at work. According to the company give authorities to participate in respective construction management process, provide professional trainings and workshops, have a permission to own decision for their project workplace problems in all level of engineers and architect designers, their impact is good reflecting on the organization. In addition, employees can perform greater for the organization to be well-recognized and improve organizational outcomes of SPA Design and Project Services Co., Ltd. Thus, employees believe their contribution in workplace has greater achievement for the company's business development.

3.3 Reliability Test

The reliability test is applied to evaluate consistency of different statements in the questionnaire set. Cronbach's alpha describe the reliability factors of extract from questionnaires ranges in value from 0 to 1 and (Sekaran & Bougie, 2003). If Cronbach's Alpha value is above 0.7 or equal to 0.7 in result , all questions are reliable to be used (Sekaran & Bougie, 2003). If this value is less than 0.7 , it is unreliable and is greater than 0.7 which shows that it is reliable. Cronbach's alpha coefficient value is nearer to 1.0 expresses that the higher the consistent for the questionnaires of the study.

Table (3.1) Results from Reliability Test

Sr. No.	Particulars	No. of Items	Cronbach's Alpha
1	Meaning	7	0.716
2	Competence	9	0.703
3	Self-determination	10	0.948
4	Impact	9	0.859
5	Loyalty	8	0.831
6	Innovative Behavior	8	0.897

Source: Survey Data (2022)

Table (3.1) states that the reliability test of this study with the Cronbach's Alphas value. Its values of the whole variables are greater than 0.7. Thus, all of the questions can be considered as reliable for this study. Table (3.1) explains that the reliability result of Cronbach's alpha for each variable. Regarding the results, all variables of the survey questionnaires are accomplished with stability and reliability.

3.4 Demographic Profile of Respondents

Demographic Profile of respondents play an essential part to evaluate the problem of responses. Hence, demographic profile of respondents has been presented before analysis of the data. For this study, the results are collected from 133 employees in SPA Design and Project Services Co., Ltd. It involves the questionnaire such as Gender, Age, Marital Status, Year of Experiences, Designation, Level of education and Salaries.

Table (3.2) Profile of the Respondents

Demographic Factors		No. of Respondents	Percentage(%)
Total		133	100
Gender	Male	71	53.4
	Female	62	46.6
Age	20-29 years	67	50.4
	30-39 years	46	34.5
	40-49 years	17	12.8
	50 years and above	3	2.3
Marital Status	Single	75	56.4
	Married	58	43.6
Year of Experience	Less than 3 years	35	26.3
	3- 5 years	53	39.8
	5-10 years	36	27.1
	10 years and above	9	6.8
Designation	Managerial	65	48.9
	Non- Managerial	68	51.1
Level of Education	Bachelor	60	45.1
	Post-graduate	46	34.6
	Master	22	16.5
	Doctoral	5	3.8
Salaries	100,000-300,000 kyats	31	23.3
	300,001-500,000 kyats	39	29.4
	500,001-800,000 kyats	51	38.3
	800,0001 kyats and above	12	9

In Table (3.2), it shows the results for demographic factors of respondents according to the survey results. Survey data are collected through 133 employees work in SPA design and Project Services Co., Ltd. In table table (3.2), gender was evaluated in first. According to gender, it was described by male and female. There are 71 males and 62 female respondents in total 133 employees of SPA Design and Project Services Co., Ltd and it is found that the participation of male employees is higher than the female.

Then, age was counted in the second part. It has been grouped into four; (1) 20-29 years (2) 30-39 years (3) 40-49 years (4) 50 years and above. The result of age 20-29 years is 67 respondents, 30-39 years is 46 respondents, 40-49 years is 17 respondents and 50 years and above is only 3 respondents. According to age data, it shows most of the employees are younger than 40 year ages in SPA Design and Project Services Co., Ltd.

Thirdly, marital status that is classified into single and married. There are 75 employees in single group and 58 employees in married group.

And then, the fourth is year of experience and it has 4 groups; (1) less than 3 years (2) 3-5 years (3) 5-10 years and (4) 10 years and above. There are 35 respondents in less than 3 years, 53 respondents in 3-5 years, 36 respondents in 5-10 years and 9 employees in 10 years and above. The fifth is designation and it included managerial and non-managerial. There are 65 employees in managerial role and 68 employees in non-managerial role.

The sixth was analyzed the level of education. It was classified into 4 groups that involved in (1) bachelor (2) post-graduate (3) master and (4) doctoral respectively. According to this data, there are 60 employees in bachelor level of education, 46 employees are in post-graduate education level, 22 employees are in master education, only 5 employees are in doctoral education. Lastly, salaries of employee were evaluated and it was grouped into (1) 100,000-300,000 kyats (2) 301,000- 500,000kyats (3) 500,001-800,000 kyats (4) 801-000 kyats and above. There are 31 employees in 100,000-300,000 kyats group, 39 employees are in 300,001- 500,000 kyats group, 51 employees are in 500,001-800,000 kyats group and 12 employees are in 800,001 kyats and above group. According to results, salaries highest range is from 500,000kyats to 8000,000kyats.

CHAPTER 4

ANALYSIS OF EMPLOYEE EMPOWERMENT, EMPLOYEE LOYALTY AND INNOVATIVE BEHAVIOR IN SPA DESIGN AND PROJECT SERVICES CO., LTD

This chapter represents the analysis and discussion of the study. The chapter is composed with three sections. The first section involves the overall mean value of employee empowerment which includes meaning, competence, self-determination and impact and then employee loyalty and innovative behavior. The second section is to analyze the effect of employee empowerment (meaning, competence, self-determination and impact) on innovative behavior. The third section is the analysis of the mediating effect of employee loyalty on the relationship between employee empowerment (meaning, competence, self-determination and impact) and innovative behavior in SPA Design and Project Services Co., Ltd.

4.1 Employee Empowerment, Innovative Behavior and Employee Loyalty

This section presents the overall mean value of employee empowerment, innovative behavior and employee loyalty. There are total fifty-one questionnaires that constitute to calculate the mean values of employee empowerment, innovative behavior and employee loyalty. According to Likert (1993), the level of mean values can be interpreted as 1-1.80 (strongly disagree), 1.81- 2.60 (disagree), 2.61- 3.40 (neither agree or disagree), 3.41- 4.20 (agree) and 4.21- 5.00 (strongly agree).

4.1.1 Employee Empowerment

Employee empowerment is an essential portion to this study. There are four elements of employee empowerment to evaluate the overall mean scores which consist of (1) meaning (2) competence (3) self-determination and (4) impact.

(a) Meaning

There are seven structural questionnaires for meaning of employee empowerment that are constructed to calculate the overall values of the mean by 133 respondents in SPA Design and Project Services Co., Ltd.

Table (4.1) Meaning

No.	Items	Mean	Standard Deviation
1	Importance of doing the work	3.68	0.63
2	Meaningful for the job activities	3.59	0.54
3	Enjoying what assign for the job	3.57	0.55
4	Contribution to community development	3.50	0.50
5	Meaningful for job objectives	3.93	0.25
6	Acting on behalf of the organization to be greater	3.58	0.61
7	Compatibility of task assigning with value system	3.52	0.54
	Overall Mean	3.62	

Source: Survey Data (2022)

In table (4.1), the survey result represents that the highest mean is 3.93 and its statement “Meaningful for job objectives”. It means that organization give proper empowerment to the employees to feel their intention of job is meaningful. The statement of “Enjoying what assign for the job” is the lowest mean score of 3.57. It shows that there are some problems and difficulties in employees while they assign their job. The overall mean is 3.62 and it is considered in agree level of the employee. It can be described as employees understand their purpose of doing work in the organization is meaningful. They concentrated on the company’s goal and mission.

(b) Competence

There are total nine structural questionnaires for competence of employee empowerment that are constructed to evaluate the overall mean values in SPA Design and Project Services Co., Ltd.

Table (4.2) Competence

No.	Items	Mean	Standard Deviation
1	Having confidence about ability to do jobs	3.64	0.53
2	Self-assurance about capabilities to perform work activities	3.60	0.52
3	Having sufficient skills necessary for job.	3.48	0.53
4	Having adequate knowledge to perform work tasks	3.64	0.48
5	Handling all new situation at work with confidents and effectiveness	3.76	0.45
6	Having enough experience to handle the job	3.47	0.53
7	Knowing exactly what expecting from the leader to make decision regarding with this job	3.62	0.52
8	Having competence to try to solve the problems of working environment	3.80	0.50
9	Having the required competency to perform the task effectively	3.70	0.49
	Overall Mean	3.63	

Source: Survey Data (2022)

According to table (4.2), the highest mean is 3.80 of employees with its statement of “Having competence to try to solve the problems of working environment”. It shows that the employees are skilled to find out survival ways in the difficult situations. The lowest mean value is 3.47 with the statement “Having enough experience to handle the job” It shows that employees still need more training both “on the job training” and “off the job training” as well to get more experiences and skills to handle their job. The overall mean is 3.63 and it is considered as the agree level of the employee. Since, it means that employees have abilities to perform their job. They are competent in solve the problems in their work.

(c) Self-determination

There are total ten structural questionnaires that are constructed to evaluate the overall mean values of self-determination on employee empowerment in SPA Design and Project Services Co., Ltd.

Table (4.3) Self-determination

No.	Items	Mean	Standard Deviation
1	Having significant autonomy in determining how to do job	3.71	0.49
2	Having considerable opportunity for independence and freedom on how to do job	3.76	0.43
3	Choosing between the alternatives options to do the job	3.63	0.51
4	Identifying work priorities in line with work needs	3.69	0.50
5	Determining work needs and goals without an intervention of others	3.71	0.47
6	Orienting thoroughly on achievement organization goals and objectives	3.67	0.50
7	Deciding on own how to go about doing work	3.83	0.40
8	Effectively taken the suggestions by responsible leader for implementations	3.70	0.46
9	Allow to participate in decision making process	3.66	0.49
10	Believing the way of doing the job by leader	3.70	0.49
	Overall Mean	3.71	

Source: Survey Data (2022)

According to table (4.3), the highest mean value is 3.83 and its statement is “Deciding on own how to go about doing work”. It can be described as the leader allows employees to make own decision to perform their work. The lowest mean value 3.63 and its statement is “Choosing between the alternatives options to do the job”. The result shows that there are some influences of leader’s opinion in the employees to choose different options. However, the overall mean value is 3.71 and it is in agree level of the employees. It denotes that employees have proper autonomy from the leader. Hence, they can do their job by self- sufficiently.

(d) Impact

There are total nine structural questionnaires that are constructed to evaluate the overall mean values for impact of employee empowerment in SPA Design and Project Services Co., Ltd.

Table (4.4) Impact

No.	Items	Mean	Standard Deviation
1	Seeing largely impact of what happens in department	3.53	0.53
2	Having a great influence on subordinates work with directly	3.35	0.51
3	Having a significant influence over in department	3.49	0.53
4	Contributing to achieving the company's goals is higher	3.42	0.55
5	Making better for department	3.65	0.49
6	Making organization to be well recognized	3.57	0.51
7	Influencing the system in organization development	3.63	0.50
8	Influencing organization strategy, administrative or operating outcomes at work	3.42	0.53
9	Influencing of employee better performance in the organization significantly	3.38	0.50
	Overall Mean	3.49	

Source: Survey Data (2022)

In Table (4.4), the highest mean value is 3.65 and its statement show “Making better for department”. Hence, employees perform better for improvement of their department. The lowest mean value is 3.35 with the statement of “Having a great influence on subordinate work with directly”. The result expresses that the leaders control over the employees to work directly with their subordinate each other. The overall mean is 3.49 which is in agree level of the employee. It is found that the organization gives delegation system to the employees. Hence, there is an impact of the employee achievement and they can perform better for the company success.

4.1.2 Employee Loyalty

There are eight structural questionnaires with five point Likert-scale that are constructed to evaluate the mean scores of employee loyalty in SPA Design and Project Services Co., Ltd for this study.

Table (4.5) Employee Loyalty

No.	Items	Mean	Standard Deviation
1	Speaking positively about the company when talking to friends and relatives	3.88	0.37
2	Recommending the services of company to other	3.88	0.33
3	Having endure relationship with the company	3.86	0.36
4	Staying with this company also in the future	3.72	0.47
5	The best of all possible organization to work	3.51	0.55
6	Caring the fate of organization	3.83	0.41
7	Do not change immediately to another company if getting a job offer	3.64	0.53
8	Accepting almost any type of job assignment in order to keep working for this organization	3.71	0.46
	Overall Mean	3.75	

Source: Survey data (2022)

According to table (4.5), there are two highest mean score 3.88 with the statement of “Speaking positively about the company when talking to friends and relatives” and “recommending the services of company to other”. The results show that employees believe the services of the company and they are proud to work for the organization. The lowest mean value is 3.51 and its statements show “The best of all possible organization to work”. It can be described as the company needs to create more opportunities and chances for the employees rather than other organizations. The overall mean value 3.75 that it is in agree level of the employee. It means that there is employee loyalty in SPA Design and Project Services Co., Ltd due to the employees trust and attachment to the organization.

4.1.3 Innovative Behavior

There are total eight structural questionnaires with five point Likert-scale that are constructed to evaluate the overall mean values of innovative behavior on employee in SPA Design and Project Services Co., Ltd.

Table (4.6) Innovative Behavior

No.	Items	Mean	Standard Deviation
1	Creating initiative ideas, or the first of a kind idea at work.	3.72	0.48
2	Creating new ideas frequently.	3.73	0.47
3	Deterring problems clearly.	3.74	0.48
4	Awareness about the needs for the new approaches at work	3.70	0.49
5	Promoting and championing to subordinate improvement.	3.73	0.46
6	Searching out new working methods, techniques or instruments.	3.72	0.47
7	Increasing acquisition of new knowledge.	3.50	0.55
8	Contributing organization's work done efficiently accomplished.	3.82	0.42
	Overall Mean	3.71	

Source: Survey data (2022)

According to table (4.6), the highest mean value is 3.82 and its statement is “Contributing organization’s work done efficiently accomplished”. It can be described that employees have innovative behavior that contribute in organization development with their efficient work force. The lowest mean value of 3.50 with the statement of “Increasing acquisition of new knowledge”. It means that the company needs to manage more training to promote new knowledge and skills for the employees. The overall means results 3.71 is in average mean level of the employee. It can be stated that individuals in the company have innovative behavior that can lead to provide the company working process going well.

4.2 Analysis on the Effect of Employee Empowerment on Innovative Behavior

This section is discussion on the regression analysis of employee empowerment on innovative behavior of SPA Design and Project Services Co., Ltd.

In this study, the analysis on the effect of employee empowerment on innovative behavior is conducted by using multiple linear regression analysis. In regression model,

the elements of employee empowerment including meaning, competence, self-determination and impact is used as independent variable and innovative behavior is used as the dependent variables. All data and populations are consistent with the assumption of multiple linear regression statistics. Employee empowerment has positive effect on innovative behavior towards SPA Design and Services Co., Ltd. The results of regression analysis are presented in Table (4.7).

Table (4.7) Effect of Employee Empowerment on Innovative Behavior

Variable	Unstandardized		Standardized	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	0.160	0.166		0.965	0.336	
Meaning	0.081	0.059	0.072	1.362	0.176	2.691
Competence	0.178**	0.070	0.134	2.537	0.012	2.720
Self-determination	0.752***	0.047	0.810	16.045	0.000	2.485
Impact	0.117**	0.050	0.114	2.356	0.020	2.260
R square	0.869					
Adjusted R square	0.864					
F value	211.502***					

Source: Survey Data (2022)

*** Significant at 1% level, **Significant at 5% level, *Significant at 10% level

As presented in Table (4.7), R square is 0.869 and adjusted R square is 0.864. Thus, this model expresses 86.4% about the variance of independent variable (employee empowerment which involves meaning, competence, self-determination and impact) and dependent variable (innovative behavior). According to the variance inflation factors (VIF), it is found that there is no multicollinearity. The value of F test, the overall significance of the model is highly significant at 1 percent level. This specific model can be said valid.

It is found that competence has positive effect on innovative behavior at 5% significant level. Therefore, the increase in competence by 1 unit, it will lead to raise the effect on innovative behavior of the employees by 0.178 unit. Consequently, the

employees in the organization have related knowledge, skills and ability to perform their critical work functions. They are self-assured to clarify the problems and difficult situation in the workplace skillfully and proficiently. As a result, they are initiative and innovative to contribute the organization development.

Therefore, self-determination has positive significant effect on innovative behavior at 1% significant level and it means that the increase in self-determination by 1 unit will also raise up the effect on innovative behavior of the employees by 0.752 unit. Accordingly, they have proper opportunities to freely decide how to do the job and their decision and choices are based on their own. Their responsible leaders allow the employees to tackle the challenges of the workplace by self-determination. Therefore, they are self-confident and more innovative on their workplace.

Furthermore, impact has positive effect on innovative behavior at 5% significant level. Hence, the increase in impact by 1 unit will be also higher the effect on innovative behavior of the employees by 0.117 unit. It states that employees feel their efforts to their work can be great achievements to the organization. They can also perform better for their company business. Therefore, their accomplishment to their job has larger impact on success of the organization. As a result, their behavior to innovate for the company is also increased.

According to the results, the standard coefficient (Beta) of self-determination has the largest value of 0.810 among four variables of employee empowerment. It indicates that self-determination is the greatest contribution to increase the innovative behavior of the employees in SPA Design and Project Services Co., Ltd because employees in the company have chances to manage their times, job priorities and can determine what important for their job. The employees are freely make own decision for the job without judging of their respective supervisors. Consequently, it encourages to raise the innovative behavior of the employees. They can find out new working methods and ideas that also contribute to work done of the company efficiently.

4.3 Analysis on Mediating Effect of Employee Loyalty on the Relationship between the Employee Empowerment and Innovative Behavior

A mediation model can explain the process that exists an observed relationship between two variables of independent and dependent variable with the inclusion of

mediating variable. The mediator variable is used to examine the nature of the relationship between dependent and independent variable. Hence, mediation analysis is applied to explore the underlying process by which variable influences another variable through mediator. In this section, employee loyalty is considered as a mediator to clarify the nature of relationship between independent variable of employee empowerment which includes meaning, competence, self-determination and impact to a dependent variable of innovative behavior. Then, mediation analysis is served to understand the mediating role of employee loyalty on the linkage between employee empowerment and innovative behavior.

Table (4.8), shows the direct and indirect and total effects of employee empowerment on innovative behavior. According to this table, indirect effect through employee loyalty is evaluated by multiplying contributing path coefficients. For instance, the indirect effect of meaning on innovative behavior through employee loyalty (0.572) is obtained by multiplying the coefficient meaning on employee loyalty (0.633) with the coefficient of employee loyalty to innovative behavior (0.903). The total effect of (1.02) is the sum of direct effect (0.448) and indirect effect (0.572).

Table (4.8) Mediating Effect of Employee Loyalty on the Relationship between Employee Empowerment and Innovative Behavior

Employee Empowerment	Employee Loyalty		
	Direct Effect	Indirect Effect	Total Effect
Meaning	0.448	0.572	1.02
Competence	0.499	0.606	1.105
Self-determination	0.925	0.731	1.656
Impact	0.743	0.591	1.334

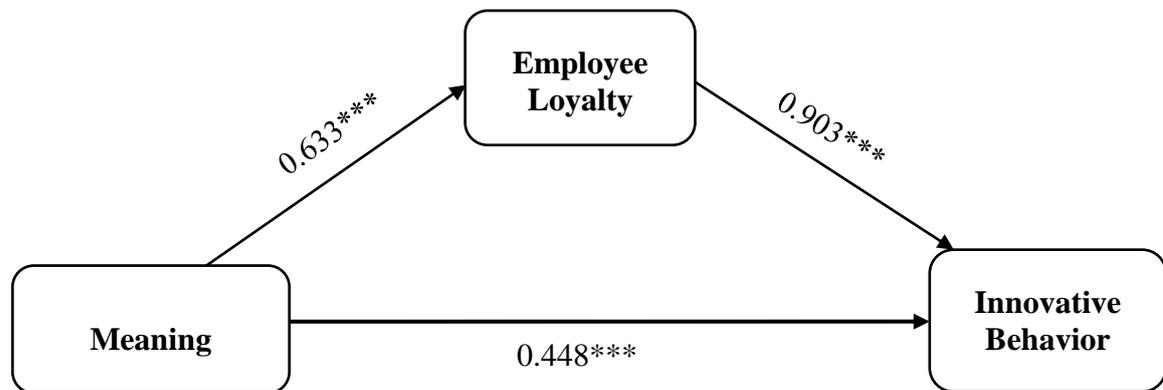
Source: Survey Data (2022)

(a) Mediating Effect of Employee Loyalty on the Relationship between Meaning and Innovative Behavior

As shown in Table (4.8), the total effect of meaning on innovative behavior

through employee loyalty is greater than the direct effect of meaning on innovative behavior. Therefore, there is a mediating effect of employee loyalty on relationship between meaning and innovative behavior. The mediating effect of employee loyalty on the relationship between meaning and innovative behavior is presented in Figure (4.1).

Figure (4.1) Mediating Effect of Employee Loyalty on the Relationship between Employee Empowerment and Innovative Behavior



Notes: - - - - - → No significant
 ————— → Direct effect
 ————— → Indirect effect

Source: Own Compilation (2022)

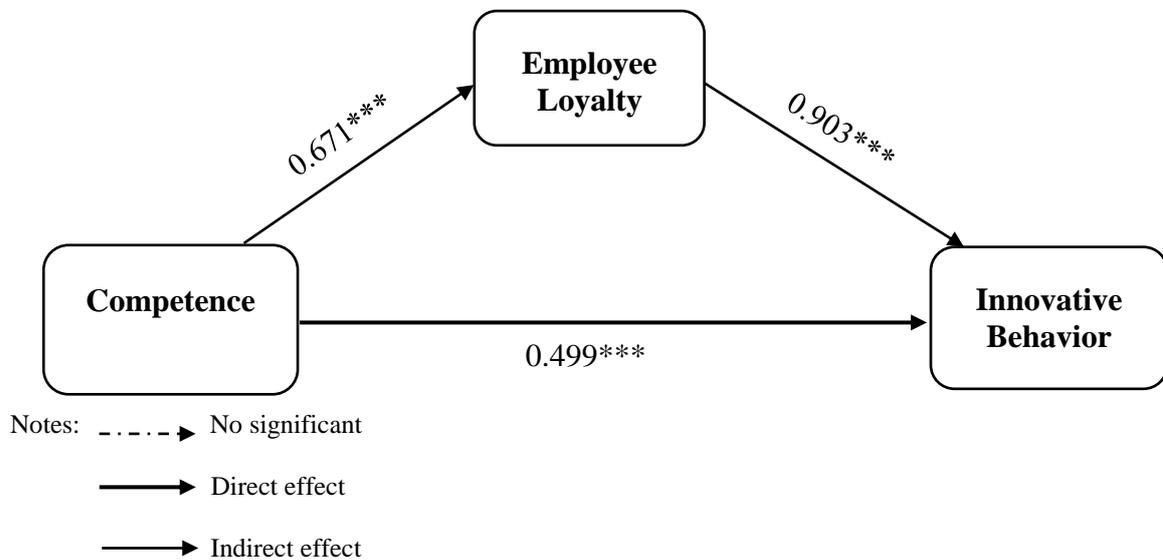
The study suggested that there is a positive significant effect of meaning on innovative behavior, as shown in Figure (4.1). Regarding with the indirect impact, it is found that there is a positive significant effect of meaning on employee loyalty and a positive significant effect of employee loyalty on innovative behavior as well. Thus, there is a partial mediation of employee loyalty is found on the relationship between meaning and innovative behavior of SPA Design and Project Services Co., Ltd.

(b) Mediating Effect of Employee Loyalty on the Relationship between Competence and Innovative Behavior

As shown in Table (4.8), the total effect of competence on innovative behavior through employee loyalty is greater than the direct effect of competence on innovative behavior. Hence, there is a mediating effect of employee loyalty on relationship between

competence and innovative behavior. The mediating effect of employee loyalty on the relationship between competence and innovative behavior is presented in Figure (4.2).

Figure (4.2) Mediating Effect of Employee Loyalty on the Relationship between Competence and Innovative Behavior



Source: Own Compilation (2022)

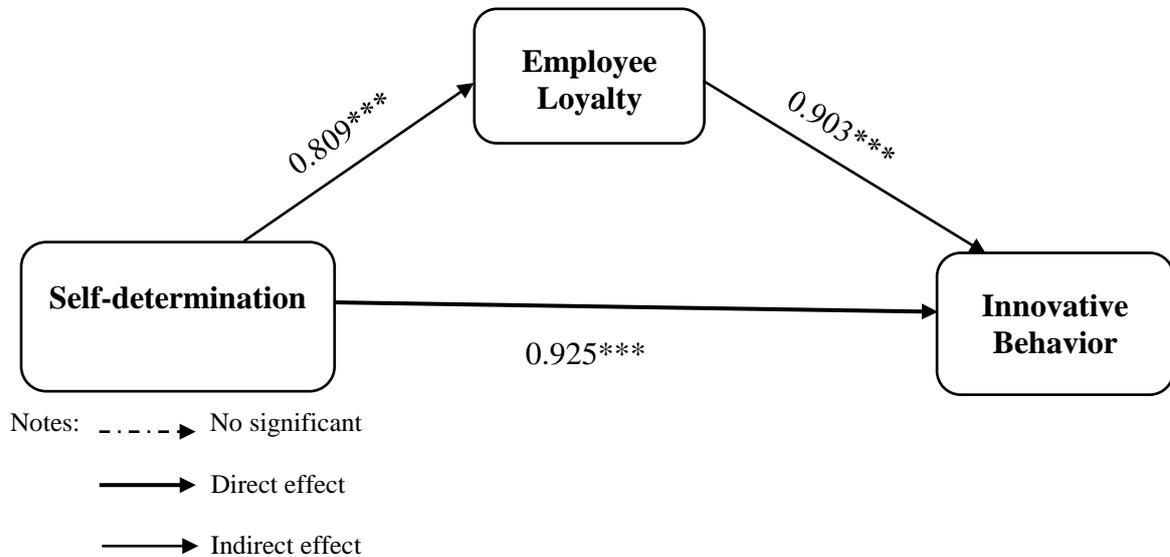
The study shows that there is a positive significant direct effect of competence on innovative behavior, as shown in Figure (4.2). Regarding with the indirect impact, it is found that there is a positive significant effect of competence on employee loyalty and a positive significant effect of employee loyalty on innovative behavior as well. Thus, there is a partial mediation of employee loyalty is found on the relationship between competence and innovative behavior of SPA Design and Project Services Co., Ltd.

(c) Mediating Effect of Employee Loyalty on the Relationship between Self-determination and Innovative Behavior

As shown in Table (4.8), the total effect of self-determination on innovative behavior through employee loyalty is greater than the direct effect of self-determination on innovative behavior. Hence, there is a mediating effect of employee loyalty on relationship between self-determination and innovative behavior. The mediating effect of employee loyalty on the relationship between self-determination and innovative behavior

is presented in Figure (4.3).

Figure (4.3) Mediating Effect of Employee Loyalty on the Relationship between Self-determination and Innovative Behavior



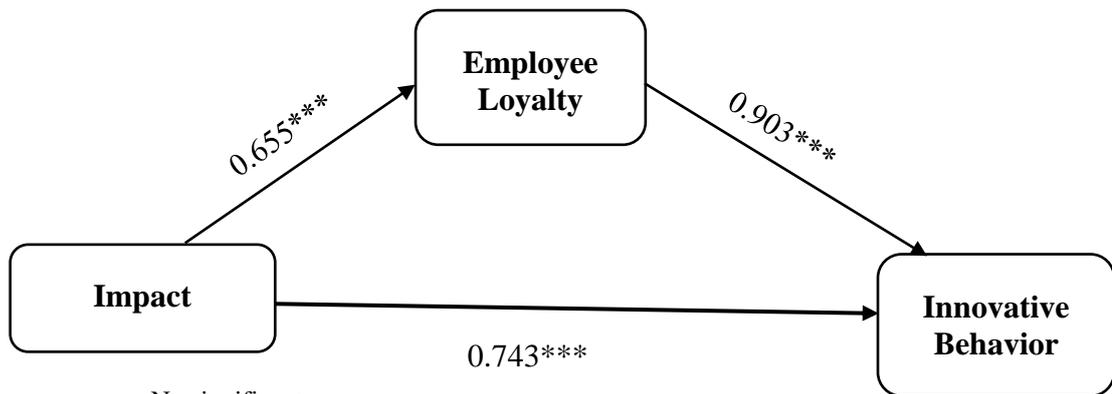
Source: Own Compilation (2022)

The study is showed that there is a positive significant direct effect of self-determination on innovative behavior, as shown in Figure (4.3). Regarding with the indirect impact, it is found that there is a positive significant effect of self-determination on employee loyalty and a positive significant effect of employee loyalty on innovative behavior as well. Thus, there is a partial mediation of employee loyalty is found on the relationship between self-determination and innovative behavior of SPA Design and Project Services Co., Ltd.

(d) Mediating Effect of Employee Loyalty on the Relationship between Impact and Innovative Behavior

As shown in Table (4.8), the total effect of impact on innovative behavior through employee loyalty is greater than the direct effect of impact on innovative behavior. Hence, there is a mediating effect of employee loyalty on relationship between impact and innovative behavior. The mediating effect of employee loyalty on the relationship between impact and innovative behavior is presented in Figure (4.4).

Figure (4.4) Mediating Effect of Employee Loyalty on the Relationship between Impact and Innovative Behavior



Notes: - - - - -> No significant

—————> Direct effect

—————> Indirect effect

Source: Own Compilation (2022)

The study is showed that there is a positive significant direct effect of impact on innovative behavior, as shown in Figure (4.4). Regarding with the indirect impact, it is found that there is a positive significant effect of impact on employee loyalty and a positive significant effect of employee loyalty on innovative behavior as well. Thus, there is a partial mediation of employee loyalty is found on the relationship between impact and innovative behavior of SPA Design and Project Services Co., Ltd.

CHAPTER (5)

CONCLUSION

In this Chapter, it is organized with three sections according to the analysis results of previous chapter. They are findings and discussions, suggestions and recommendations and the needs for further research for the researchers who interested in employee empowerment of the employee in SPA Design and Project Services Co., Ltd as well as the whole project management and design service providing for construction industry in Myanmar.

5.1 Findings and Discussions

This study aimed to examine the effect of employee empowerment on innovative behavior and it also includes to analyze mediating effect of employee loyalty on the relationship between employee empowerment and innovation behavior in SPA Design and Project Services Co., Ltd in Myanmar. The data are analyzed based upon 133 target respondents in SPA Design and Project Services Co., Ltd. Multiple Linear regression of SPSS software is applied to analyze the data of respondents.

The results showed that the demographic number of male respondents are 71 out of 133 respondents in SPA Design and Project Services Co., Ltd. Hence, male employees are more than female employees. The majority of the respondents are engineers including structural and design engineer, civil engineer, mechanical and electronic power engineer and architect and interior design coordinator. Furthermore, employees in age group between 20-29 years old are more than any other age group and it can be expressed as most of the employees in SPA Design and Project Services Co., Ltd are considered as in young aged.

According to the mean values of employee empowerment which consists of meaning, competence, self-determination and impact, the employee perception for self-determination in employee empowerment is higher than other three factors of the employee empowerment. Consequently, employees have strong authority to decide on own how to go about doing work and what is priorities for their job. According to employee perception of meaning and competence in employee empowerment, employee

understand the reason of working for SPA Design and Project Services Co., Ltd is meaningful and they have proper skills and knowledge for the job. However, the employees feel that their impact of their subordinate is not properly effective. They cannot strongly organize their subordinate that they work directly together. Thus, their responsible leader controls the working system of the employees when they do their jobs together with their subordinates directly.

According to regression results for the first objective of the study, competence of the employee empowerment has positive significant effect on innovative behavior. It can be described as if employees are more competent in doing their jobs, their innovative behavior is increased. Therefore, employees in SPA Design and Project Services Co., Ltd are mastered in necessary skills for the jobs and they are also well-trained by the organization through professional training and workshop. Thus, they can handle the projects and assignment confidently and create innovative ideas to approach the new challenges in the job.

In finding of self-determination of employee empowerment, it has positive effect of self-determination on innovative behavior. Therefore, the higher of self-determination can make the employees, the more innovative work behavior can happen in the organization. In addition, self-determination is the most important determiner to generate innovative behavior of the employees in the company. As a result, it can be described that employees in the organizations are allowed strong autonomy to manage by their own ways and ideas to perform the job. They can also independently determine what to do for the jobs and how to solve the problems. It evokes the employees to behave innovation from the employees Thus, self-determination in the employee empowerment leads to create more innovative designs for the construction project in SPA Design and Project Services Co., Ltd.

Another finding of impact on employee empowerment process, impact has positive significant effect on innovative behavior in SPA project and design services Co., Ltd. It denotes that there is larger impact of the employee to the company, the higher behavior of innovation. The results expressed that the organization provide their employee with a certain degree of autonomy. Accordingly, employees have significant influence over the workplace to attain big outcomes for the organization. The greater impact of the employees to the organization can lead to increase the innovative behavior of the employee in SPA Design and project services Co., Ltd.

For the second objectives of the study, it is also found that it has mediating effect of employee loyalty on the relationship between the independent variable of employee empowerment which involves meaning, competence, self-determination and impact and dependent variable of innovative behavior. Besides, the observation of the mediating analysis results, there is partial mediation on the relationship between five variables employee empowerment (meaning, competence, self- determination and impact) and innovative behavior while employee loyalty serves as a mediator.

5.2 Suggestions and Recommendations

Based on the finding from the previous sections, some relevant suggestions and recommendations are submitted to emphasize on more employee empowerment to improve innovative behavior of SPA Design and Project Services Co., Ltd. First of all, for the employee perception of impact in employee empowerment, the company should give transparency for their engineers to work together with their junior level positions without intervention of their management team. Thus, the employees can work efficiently to finish their assignment for the construction project in time.

For regression results, the company should prioritize their employee perspectives of meaningful for their jobs. Their employees job purposes and own value system should properly compatible with the company objectives and goals. Design manager, construction manager and project manager should reduce hierarchy system in some cases while their subordinates check the design drawings and communicate with their consultants. Furthermore, most of the company employees are in engineering background and they are more familiar with technical terms of engineering. Thus, the company should add some extra jobs of communicating with their clients of their construction project. Accordingly, the employees will improve their negotiation and personal skills to get the benefits for their project management services. In a consequence, the employees are more interested in their work and they feel more meaningful to the job.

Regarding competence on employee empowerment, employees can handle and solve the problems proficiently in SPA Design and Project Services Co., Ltd. To more extent for this benefits, the company should provide more professional training and workshop not only for technical skills to improve engineering skills but also for interpersonal skills to develop problem-solving and communication skills to communicate

their clients and design consultants. Moreover, the company should continuously pay attention to “on the job training”. As an instance, the leaders should positively share their experiences and guided appropriate ways while the employees are in difficult situations.

Regarding self-determination, the company allows the employees to make own choices and own decision to solve the problems without controlling their respective supervisors in SPA Design and Project Services Co., Ltd. Therefore, the management team should practice on this way continuously in the future. The project manager in the organization should more emphasize to practice decentralized system as much for the smooth information flow. As a result, the employee can accomplish their duties more confidently and achieve the organization goal efficiently.

Regarding impact on employee empowerment, employees in SPA Design and Project Services Co., Ltd also believe their work forces are larger impact for the company success. Accordingly, the leaders should continuously practice empowerment and delegation system to get good impact of the employees for the organization development. In addition, the leaders should believe and appreciate well their subordinate’s achievements of the job. Therefore, it can lead to promote more profession and experts to attempts better recognition of the organization amid the competitors of the business.

The important implications for the project engineering company encourage to their employees by practicing empowerment, which cover all dimension including meaning, competence, self-determination and impact that lead to enhance the company working flow and system is going smoothly and efficiently. Furthermore, it can set up employee confident level to do their jobs by smarter way and that lead to innovative behavior of the employee through employee loyalty. Due to employee loyalty to their organization is increased, they consider their company recognition and support for the current and future development of the business. Thus, employee can create more impressive design and higher quality buildings infrastructure for their clients. In this way, the company have good exposure among their clients and developers for the business.

Finally, in order to encourage innovative behavior of the employees in SPA Design and Project Services Co., Ltd, the company should notice employee perspectives of employee empowerment. The company should continuously monitor and emphasize the employee empowerment process with the way of employee perception to how meaningful of the job for the employees, how competent level for the job, how confident

level of the employee to make their own decision and then how impact of the employee contribution for the organization.

5.3 Needs for Further Research

This study mainly focuses on employee empowerment practices of SPA Design and Project Services Co., Ltd. For the further research, employee empowerment could be studied other perspectives (behavioral empowerment and social and structural empowerment) for this study. Besides, this study mainly focus on SPA Design and Project Services Co., Ltd which is part of the Yoma Group of companies. Hence, this study does not cover other business sector of Yoma Group. In the future, the study should be conducted other sectors of business in Yoma Group including banking sector, healthcare sector, tourism sector, F&B sector and so on) to find out different implications of employee empowerment of the organizations.

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Second Section

Questionnaire

Please read each statement carefully and choose one response that best represents your opinion.

Strongly Disagree- 1

Disagree- 2

Neutral- 3

Agree- 4

Strongly Agree-5

Sr.No.	Employee Empowerment	1	2	3	4	5
Meaning						
1.	The work that I do is very important to me.					
2.	My jobs activities are personally meaningful to me.					
3.	I enjoy what I am assigning for my job.					
4.	My work at this company also contributes to community development.					
5.	I think that my jobs objectives are meaningful to me					
6.	I feel that I regularly act on behalf of my organization to be greater good.					
7.	The task assigned to me in my organization is compatible with my value systems.					
Competence						
8.	I am confident about my ability to do my jobs.					
9.	I am self assured about my capabilities to perform my work activities.					
10.	I have sufficient skills necessary for my job.					
11.	I have adequate knowledge of how I can perform					

	my work tasks.					
12.	I can handle all new situation at work with confidents and effectiveness.					
13.	I think I have enough experience to handle my job.					
14.	I know exactly what is expected of my responsible leaderto make decision regarding with this job.					
15.	I have competence to try to solve the problems of working environment.					
16.	I have the required competency to perform the task effectively					
Self-determination						
17.	I have significant autonomy in determining how I do my job.					
18.	I have considerable opportunity for independence and freedom on how I do my job.					
19.	I can choose between the alternatives options to do the job.					
20.	I can identify my work priorities in line with work needs.					
21.	I can determine work needs and goals without an intervention of others.					
22.	I can oriented thoroughly on achievement organization goals and objectives.					
23.	I can decide on my own how to go about doing my work					
24.	All of my suggestions are effectively taken by the responsible leader for implementations.					
25.	My responsible leader allow me to participate in his decision making process.					

26.	My responsible leader believe the way of I do the job.					
Impact						
27.	I can see largely my impact of what happens in my department .					
28.	I have a great influence on my subordinates I work with directly.					
29.	I have a significant influence over what happens in my department.					
30.	My role contributes to achieving the company's goals.					
31.	I think I can make better for my department.					
32.	I think I can make my organization to be well recognized.					
33.	I think I can influence the system in which I embedded in my organization development.					
34.	I think I can influence organization strategy, administrative or operating outcomes at work.					
35.	Employees in my organization also feel that they could perform better and have significant influence in the organization.					
II	Employee Loyalty					
36.	I speak positively about my company when talking to friends and relatives.					
37.	I can recommend the services of our company to other.					
38.	I will endure relationship with my company.					
39.	I would to stay with this company also in the future.					
40.	For me, this is the best of all possible organization for which to work					

41.	I really care about the fate of this organization					
42.	I would not change immediately to another company if I got a job offer.					
43.	I would accept almost any type of job assignment in order to keep working for this organization					
III	Innovative Behavior					
44.	I think I creates initiative ideas, or the first of a kind idea at my work.					
45.	I think that I create new ideas frequently.					
46.	I think I am deterring problems clearly.					
47.	I think that I am aware about the needs for the new approaches at work					
48.	constantly promote and champion to my subordinate improvement.					
49.	I constantly search out new working methods, techniques or instruments.					
50.	I have increased my acquisition of new knowledge.					
51.	My new ideas contribute my organization's work done efficiently					