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TRANSPARENCY IN ORGANIZATIONS AND ITS EFFECT ON EMPLOYEE EMPOWERMENT AND TRUST: A NORTH INDIAN PERSPECTIVE

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ABSTRACT

The present study aims to examine the role of employee empowerment in enhancing organizational performance and achieving sustainable workplace outcomes. Employee empowerment refers to the process of granting employees the authority, autonomy, and confidence to make decisions related to their job responsibilities. Such empowerment enables employees to take ownership of their work, contribute innovative ideas, and participate actively in organizational decision-making processes. The underlying objective of employee empowerment is to increase employee responsibility, strengthen morale, improve job satisfaction, and enhance the overall quality of work life.This study explores the relationship between employee empowerment and organizational performance by analyzing various dimensions of workplace engagement. It highlights how empowerment serves as an effective motivational strategy that fosters a sense of belonging, commitment, and satisfaction among employees. The findings indicate that empowered employees are more likely to exhibit higher levels of productivity, dedication, and organizational loyalty.The study further reveals that employee satisfaction is significantly influenced by factors such as training and development opportunities, personal growth programs, employee participation in organizational activities, regular staff meetings, and management’s willingness to consider employee ideas and opinions. These practices create a supportive work environment that encourages employees to perform effectively and contribute to organizational success. Overall, the research concludes that employee empowerment is a critical organizational

strategy that positively impacts employee satisfaction and organizational performance, thereby strengthening long-term organizational effectiveness and competitiveness.

KEYWORDS: Employee Empowerment, Organizational Transparency, Employee Trust, Organizational Performance, Business Performance, Employee Motivation.

1.INTRODUCTION

Employee empowerment is generating a working atmosphere where aworker is permitted to make his own verdicts in specific work-related circumstances. The decisions can be big or small, and the size and consequence of the decision is up to the employer. The logic behind employee empowerment is to upsurge the employee's accountability, to build employee morale and to improve the superiority of your employee's work life. Ideally, when an employee feels conferred in an association, he will be more productive, trustworthy and more. Empowerment is the belief that an employee has the capability to make decisions and to take exploit. For both individuals and teams, empowerment drives both employee behaviours and boldness. Empowered employees are more pleased and dedicated at work and are less expected to experience anxiety and to think about exiting the organization.Employee empowerment is a multidimensional concept that can be understood from various managerial and psychological perspectives. It refers to the process of granting employees greater autonomy, authority, and responsibility in performing their job-related tasks. Through empowerment, employees are encouraged to participate in decision-making processes, utilize their skills and knowledge effectively, and contribute meaningfully to organizational goals. As a management practice, empowerment enhances employees' ability to perform their duties efficiently while fostering a sense of ownership and accountability.

From an individual perspective, employee empowerment promotes a proactive work orientation by encouraging employees to take initiative, solve problems independently, and actively engage in organizational activities. Empowered employees are more confident in their abilities and are motivated to contribute innovative ideas that can improve organizational performance. Consequently, empowerment has become a crucial component of modern human resource management, as it contributes to organizational effectiveness, competitiveness, and long-term development.Employee empowerment is based on the principle that employees should be provided with the necessary resources, information, authority, training, and opportunities to make decisions related to their work. At the same time, employees are held accountable for the outcomes of their actions. Such an approach not only enhances employee competence but also increases job satisfaction and commitment to the organization.A workplace characterized by empowerment allows employees to exercise discretion in handling work-related situations. The extent of decision-making authority may vary depending on organizational policies and job responsibilities. The primary objective of empowerment is to improve employee morale, strengthen responsibility, and enhance the overall quality of work life. When employees feel trusted and valued, they are more likely to exhibit higher levels of productivity, loyalty, and engagement. Furthermore, empowered employees tend to experience lower levels of stress and are less likely to leave the organization. Therefore, employee empowerment serves as a powerful strategy for improving both individual performance and organizational success.

2.Organizational Transparency: Organizational Transparency

Organizational transparency has emerged as a critical factor in modern workplace management. In today's competitive labor market, employees have increasingly high expectations from their employers. As organizations compete to attract and retain talented professionals, transparency has become an essential characteristic of successful and trustworthy workplaces. Employees prefer to work for organizations that demonstrate honesty, openness, and integrity in their operations and decision-making processes. Organizational transparency refers to the practice of openly sharing relevant information with employees and ensuring clear communication across all levels of the organization. While the concept may vary slightly among organizations, its core principle is the willingness to provide employees with timely, accurate, and meaningful information regarding organizational activities, goals, policies, and performance. Transparency involves communicating both positive and challenging developments, thereby fostering an environment of trust and mutual understanding.

A transparent organization encourages employee involvement by keeping employees informed about matters that affect their work and the overall success of the organization. When employees have access to relevant information, they gain a better understanding of organizational objectives, challenges, and strategic directions. This understanding enhances their ability to contribute effectively to organizational goals and strengthens their sense of belonging and commitment.

Furthermore, transparency promotes accountability, collaboration, and trust between management and employees. It reduces uncertainty, minimizes workplace rumors, and creates a culture of openness where employees feel respected and valued. As a result, transparent organizations often experience higher levels of employee engagement, job satisfaction, and organizational commitment. Therefore, organizational transparency serves as a vital mechanism for building trust, empowering employees, and improving overall organizational performance.

3.Importance of transparency in an organization

Organizational transparency plays a significant role in fostering a positive work environment and enhancing overall organizational effectiveness. It contributes to stronger relationships between employees and management while promoting trust, engagement, and commitment. The key benefits of transparency in an organization are as follows:

Building Trust: Transparency is fundamental to establishing trust within an organization. When management openly communicates important information and decisions, employees feel valued, respected, and included. This openness strengthens employees' confidence in organizational leadership and creates a culture of mutual trust and accountability.

Attracting and Retaining Talent:In today's competitive job market, transparency has become an important factor in attracting and retaining skilled employees. Job seekers increasingly prefer organizations that demonstrate honesty, ethical practices, and clear communication. Organizations with transparent policies and business practices are more likely to develop a positive employer reputation, making them attractive workplaces for talented professionals.

Enhancing Employee Motivation:Transparency can serve as a powerful motivational tool. When employees understand organizational goals, strategies, and performance outcomes, they are more likely to align their efforts with organizational objectives. Open communication helps employees recognize the significance of their contributions, encouraging them to perform at higher levels and remain actively engaged in their work.

Strengthening Organizational Commitment:Employees who are well-informed about their organization's vision, mission, and future plans tend to develop a stronger sense of belonging. Transparency fosters emotional attachment and loyalty, motivating employees to invest greater effort in achieving organizational success. As a result, transparent organizations often experience higher levels of employee commitment, engagement, and long-term retention.

Overall, organizational transparency is a critical element of effective management that enhances trust, motivation, talent retention, and employee commitment, ultimately contributing to improved organizational performance and sustainable growth.

4.Relationship between organizational transparency and employee trust

Transparency in the workplace offers several important benefits, with the development of employee trust being one of the most significant. Trust serves as the foundation of healthy organizational relationships and contributes to improved employee engagement, commitment, and performance. The more openly an organization communicates with its employees, the more employees feel valued, respected, and trusted. This openness fosters a positive work environment where employees are confident in the intentions and actions of management.Research on organizational transparency consistently highlights a strong relationship between transparency and trust. Organizations that encourage employee participation in decision-making processes, share relevant and meaningful information, and maintain open channels of communication are more likely to gain the trust of their workforce. Employees appreciate having access to information that enables them to make informed decisions and understand the rationale behind organizational actions.

Furthermore, transparent organizations provide regular updates regarding organizational performance, goals, and challenges, while also holding themselves accountable for their commitments and actions. Such organizations are willing to accept feedback and scrutiny from employees, demonstrating honesty and integrity in their operations. This level of openness strengthens employees' confidence in leadership and promotes a culture of mutual respect and accountability.As a result, employees working in transparent organizations are more likely to exhibit higher levels of trust, job satisfaction, organizational commitment, and engagement. Therefore, transparency is not merely a communication strategy but a vital organizational practice that strengthens trust and contributes to long-term organizational success.

5.Objectives of the Study

1. To understand and examine the impact of the key dimensions of employee empowerment on organizational performance and employee effectiveness.
2. To assess the level of employee satisfaction with the existing working environment and organizational practices.
3. To identify and recommend effective measures for enhancing employee empowerment within organizations.

6.Methodology Study site and sample

The total respondents were **251** out of which 47 % are male and 42.6% female respondents. And Third Gender are 26 that is 10.4%. The percentage of male respondents is more because I collect data from industrial locations and particularly from those who are directly or indirectly associated with services sector.

TABLE NO.4. GENDER WISE DISTRIBUTION OF RESPONDENTS.

RESPONDENTS		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	118	47.0	47.0	47.0
	Female	107	42.6	42.6	89.6
	Third Gender	26	10.4	10.4	100.0
	Total	251	100.0	100.0	

Source: Self-study

6.1. Sample size

The sample for this study was**251** subjects from different areas of the country with different age groups. The study included both the sexes coming from varied family and socio-economic background.

6.2. Research Design

The studyproposal is a complete design of action for investigation. It establishes the blue print for assortment, measurement, organization and examination of the information. Historic research snaps the past to study the decorations, their influence on the current, evolutionary process and so on. In this sense, this study can be labelled as a historical research as it disposesthe credentials and explanation of various impacts of Organizational Transparency on Employee Empowerment and mutual Trust.

6.3. Research Question: Impact of Organizational Transparency on Employee Empowerment is not significant?

7.The survey mechanism and data analysis

This Research study is exploratory as well as descriptive in nature and it aims at discovering role of services in economic development and Organizational Transparency and Employee Empowerment and Trust. and various services related aspects. This study is based on both primary and secondary data, which are collected through casual interviews, and the talk and walk around target population followed by data processing, statistical analysis and report writing. Secondary data has been collected through personal interviews \visits to various sources via offices. Department of finance, ministry of industries, Indianservices development cooperation, Published and unpublished thesis, research papers. The sample for the contemporaryresearch is 251 subjects from different areas of the country with different age groups. The sample consists of respondents related to the services industry as well as others who are not directly linked with services sector. The subjects included both the sexes coming from wide-ranging family and socio-economic background.The total respondents were **251** out of which 47 % are male and 42.6% female respondents. And Third Gender are 26 that is 10.4%. The percentage of male respondents is more because I collect data from industrial locations and particularly from those who are directly or indirectly associated with services sector.

Table no.1. Impact of Organizational Transparency on Employee Empowerment.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	118	47.0	47.0	47.0
	No	107	42.6	42.6	89.6
	Can't Say Anything	26	10.4	10.4	100.0
	Total	251	100.0	100.0	

Source: Self-study

There is significant Impact of Organizational Transparency on Employee Empowerment.118 respondents i.e. 47.00 % thinks in positive way that Organizational Transparency encourages Employee Empowerment while 42.60 % are in negative mood and 10.40% didn`t reveal anything about Organizational Transparency and Employee Empowerment.

8.Position of Organizational Transparency On Employee Empowerment

Employee empowerment has stood upfront to high priority by the government as well as private organizations and they want to create a substructure, favorable working environment to promote mutual trust to achieve organizational goals. This part of questionnaire has five variable statements subsequent in a range of low-slung to high. Such asone is measuredwicked, twofordecent, threeas very decent, fourasoutstanding and five forbrilliant. The Position of Organizational Transparency On Employee Empowermentis being studied on 5 point Likert scale. Employee Empowermentpainstaking a priority by administrationand private organisations has a mean worth of 3.0171 and standard deviation of .75029. While evolvingtrust scored uppermost mean value 3.5898 and standard deviation is 0.73676, trailed by that procedure and strategy are evidentlyclarified to everybody directly allied to services score mean value 3.3766 and standard deviation as 0.66095, backing given by top management to lower division score 3.1163 and standard deviation is 0.57400. Coordination amongdiversesubdivisions in their backingexpansion score minimum mean value and standard deviation 2.9963 and 0.66820 respectively.

Table No 2. Position of Organizational Transparency on Employee Empowerment.

Position of Organizational Transparency On Employee Empowerment and trust.		Mean.	Standard deviation.	Variance.
1	An Employee Empowerment being considered as foremostsection of trust by employer?	3.0170	.75020	.562
2	Howsubstantial support is provided to subordinates by the upperadministration?	3.1164	.57300	.328
3	Is there a clearly elaborated communication between employee and management?	3.3767	.66095	.437
4	Is there sufficient coordination between various departments in their support for organizational development?	2.9961	.66830	.447
5	Does Organizational Transparency playing role in Employee Empowerment and trust?	3.5897	.73676	.543

SOURCE: SELFSTUDY

9. Results of One-Sample StatisticalTest analysis

Table no 3.Descriptive Statistics: Impact of Organizational Transparency on Employee Empowerment is not significant?

SOURCE: SELFSTUDY	**N**	**Mean**	**Std. Deviation**	**Minimum**	**Maximum**	**Percentiles**		
						25th	**50th (Median)**	**75th**
Employee Empowerment	507	3.4813	.59406	3.00	5.00	3.0000	3.0000	4.0000
Trust	507	3.4043	.75195	2.00	5.00	3.0000	4.0000	4.0000
Organizational Transparency	507	3.3748	.70682	2.00	5.00	3.0000	3.0000	4.0000

- **Assessment distribution is Normal.**
- **Calculated from statistics.**

Table no.4.One-Sample Kolmogorov-Smirnov Test.

Organizational Transparency on Employee Empowerment		**Employee Empowerment**	**Trust**	**Organizational Transparency**
N		507	507	507
Normal Parameters[a,b]	Mean	3.4813	3.4043	3.3748
	Std. Deviation	.59406	.75195	.70682
Most Extreme Differences	Absolute	.361	.289	.260
	Positive	.361	.202	.254
	Negative	-.239	-.289	-.260
Kolmogorov-Smirnov Z		8.130	6.503	5.844
Asymp. Sign. (02-tailed)		.00	.00	.00

Source: Author

A test is conducted to know that the Impact of Organizational Transparency on an Employee Empowerment is not significant? By one sample kolmogorovsmirnov test ona normal parameter.

Hypothesis: Impact of Organizational Transparency on Employee Empowerment is not significant?

The distribution of **Employee Empowerment**is normal with mean 3.48 and standard deviation 0.59.the level of significance is 0.05 and calculated Asymp significance P-VALUE 0.0001 is less than the level of significance i.e. 0.05 And kolmogorov-smirnov Z value is 8.130.

Therefore, the null hypothesis stands**rejected** and alternative hypothesis is accepted.

Key Findings and Discussions

The research findings provide information for empowering employees and recognizing the needs and challenges working managers and staff are facing. All contestantsuttered that employees want anexperiment in their work and want managers to have buoyancy in employee to complete the everyday jobsallocated to them. In addition, all contributors felt that employees should receive the essential training and resources for their jobs on or off the job. All participants uttered the necessity for employees to attain personal goals. These personal goals affect how well an employee attainshis work. Employee pledge and performance defineadministrative successThe findings of the study reveal that employee empowerment serves as an effective motivational strategy that enhances employee satisfaction, commitment, and organizational performance. Empowered employees are more likely to feel valued, trusted, and involved in organizational processes, which positively influences their productivity and workplace engagement. The study indicates that employees are generally satisfied with various organizational practices, including training and development programs, opportunities for personal growth, participation in meetings and decision-making activities, and the consideration of their ideas and opinions by management.

The research further highlights the significant role of organizational transparency in fostering employee trust. Transparent communication, open sharing of information, and employee involvement in organizational matters strengthen employees' confidence in management and create a culture of mutual trust and accountability. When employees perceive their organization as transparent, they are more likely to develop stronger organizational commitment and a greater willingness to contribute to organizational success.However, the study suggests that merely providing employees with authority and responsibility is not sufficient to achieve the full benefits of empowerment. Organizations must create a supportive work environment that encourages employees to utilize their skills, exercise independent judgment, and participate actively in organizational affairs. This requires the removal of barriers that restrict employee autonomy, the establishment of effective communication systems, and the development of a culture based on trust, openness, and collaboration.In conclusion, organizational transparency and employee empowerment are closely interconnected factors that contribute to employee trust, job satisfaction, and organizational effectiveness. Organizations that promote transparency and empower their workforce are better positioned to enhance employee performance, reduce supervision costs, strengthen workplace relationships, and achieve sustainable growth in an increasingly competitive business environment.

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