



# Psychological climate and psychological empowerment: An exploration in a luxury UK hotel group

Received (in revised form): 16th May, 2008

## Edem K. Amenumey

is a lecturer in the Department of Geography and Tourism, University of Cape Coast, Ghana. He recently completed his PhD at the Faculty of Management and Law, University of Surrey, on the relationship between perceptions of psychological climate and psychological empowerment. He has other publications in the areas of hospitality and special events (kwsilarge@yahoo.com).

## Andrew Lockwood

is the Forte Professor of Hospitality Management, Associate Dean (Learning and Teaching) for the Faculty of Management and Law, and Head of the Division of Hospitality and Tourism Management at the University of Surrey, where he teaches undergraduate and postgraduate courses in international hospitality management, operations management and operations analysis. He has developed and taught short courses for the hospitality industry in the UK, Bali, Bulgaria, Crete, Cyprus, Ireland and Mauritius. He has written or edited ten books and well over 100 articles, chapters and conference papers on the management of hospitality operations. His longstanding research interests lie in the fields of service quality management, hospitality education and managerial activity in the hospitality industry.

**ABSTRACT** *The purpose of this study was to identify aspects of employees' work environment that were related to their feelings of psychological empowerment in a luxury hotel group. Data were collected through the administration of a self-completed questionnaire. Exploratory and confirmatory factors analyses were run to purify the scales measuring the two constructs before testing the relationship using structural equation modelling. The results here, which form part of a larger study, suggest that the four dimensions of psychological climate identified (Managerial Support, Customer Orientation, Internal Service, and Information/Communication) positively influenced employees' feelings of psychological empowerment, conceptualised as a three-dimensional construct (Meaning, Influence, and Competence), with clear implications for managerial policy and practice.*

*Tourism and Hospitality Research* (2008) **8**, 265–281. doi:10.1057/thr.2008.34; published online 20 October 2008

**KEYWORDS** empowerment, psychological climate, hotels

## INTRODUCTION

The abundance of information, its sources and the possible alternatives available to maximise the needs of customers is increasing the complexity of the interaction between the service encounter employees and customers. This complexity demands not only a workforce/

employee that can respond to these complexities, but also a work environment that facilitates this kind of response. Jong and Ruyter (2004: 459) argue that due to 'the atypical, complex, and disturbing nature of service recovery problems, employees need to show flexibility in their contact with customers'. Gronroos (1994) also notes that a distinct service culture is needed that tells employees how to respond to new, unforeseen, and awkward situations. Empowerment is thought to be necessary because it gives contact employees the needed

---

A. Lockwood  
Faculty of Management and Law, University of Surrey,  
Guildford, Surrey GU2 7XH, UK  
Tel: +44 (0)1483 686351; Fax: +44 (0)1483 686306;  
E-mail: a.lockwood@surrey.ac.uk

flexibility to make on-the-spot decisions to satisfy customers (Hartline and Ferrell, 1996).

Koberg *et al.* (1999) identify two core antecedents to employee empowerment. These are personal factors and environmental/organisational factors. Thomas and Velthouse (1990) suggest that environmental factors such as leadership, delegation, job design, and reward systems influence the feeling of empowerment. Psychological empowerment, according to Robbins *et al.* (2002), is a reflection of the ongoing ebb and flow of people's perceptions and attitudes about their work environment in relation to themselves, and they posit that employees' attitudes and perceptions of the work environment are a necessary intervening variable in any model of the empowerment process. Woodard *et al.* (1994) also note that the work environment has long been recognised as a potent source of influence on human behaviour and that employees tend to respond primarily to their cognitive representations of situations rather than the situations *per se*.

Carless (2004) makes the point that even though there have been numerous studies on different aspects of both the psychological climate and empowerment, there has been a lack of research on the relationship between psychological climate (individual perception of work environment variables) and empowerment. Siegall and Gardner (2000) investigated the effects of organisational factors on psychological empowerment, with a focus on lateral and organisation communication. Gange *et al.* (1997) tested the links between particular job characteristics and aspects of psychological empowerment. While the Siegall and Gardner (2000) study was set within a manufacturing company, Gange *et al.* (1997) set their study in a telephone company. The current study sought to identify the dimensions of psychological climate that are related to feelings of psychological empowerment within the hotel environment. A better understanding of the relationship between these organisational factors and employees' experience of empowerment would help organisations better manage

their support for an empowering workplace (Siegall and Gardner, 2000).

## PSYCHOLOGICAL CLIMATE

Psychological climate can be defined as the 'shared perceptions of employees concerning the practices, procedures, and kinds of behaviour that get rewarded and supported in a particular setting' (Schneider *et al.*, 1998: 151). It is a perceptual medium through which the effects of the environment on attitudes and behaviour pass (Schneider, 1990). The literature identifies three approaches to the study and conceptualisation of work climates. These, according to Payne and Pugh (1976) are as follows:

1. the Structural Approach, which advocates that climates develop from the objective aspects of the work context
2. the Selection Attraction Attrition (SAA) Approach, which argues that organisational and individual processes combine to produce relatively homogenous memberships in organisations
3. the Social Behaviourism Approach, which postulates that the social context of behaviour can explain identity and meaning. Organisational members and the environment are supposed to mutually determine each other.

The Social Behaviourism Approach was adopted for this study because between the three alternatives, it best explains situations where members of the same department or organisation evolve different perceptions of their work environment, as a result of the different levels of interaction. This is demonstrated in the following studies:

1. Newman (1977) found significant variance in perceptions of work environments accounted for by age, sex, education, and position, a scenario supported by Gavin (1975).
2. Schneider and Snyder (1975) also found perceptions of work environments to be influenced by position variables.

3. Jones and James (1979) established the influence of age, education, and position on some climate dimensions.
4. Joyce and Slocum (1984) follow the same trend, finding that climate was significantly influenced by work experience and age.
5. Moussavi *et al.* (1990) also noted that position variables influence climate perceptions.

Related to the issue of the formation of climates is the issue of the type of climate. There is some conceptual uncertainty regarding climate perceptions that has been perpetuated by the use of a variety of terms such as psychological climate, collective climate, organisational climate, and organisational culture, when referring to an individual's perceptions of their work environment (Parker *et al.*, 2003). They are of the view that the confusion over the construct can be resolved by defining clearly one's level of theory, measurement, and analysis. Following from this, this study limits itself to the concept of psychological climate, defined as the 'psychologically meaningful description of contingencies and situational influences that are used to apprehend order, predict outcomes and gauge the appropriateness of behaviour' (Jones and James, 1979: 204).

There is also a lack of agreement as to

- the number of dimensions that make up the psychological climate construct
- the names/titles and scope of definitions of these dimensions.

For example, while Newman (1977) labels one of the dimensions 'co-worker relations', James and Sells (1981) name their's 'characteristics of work group', and Koys and DeCotiis (1991) choose to use the term 'cohesion' for essentially the same thing. In another vein, Newman (1977) uses 'supervisory style', James and Sells (1981) prefer 'characteristics of leader', and Koys and DeCotiis (1991) use 'support' for essentially the same dimension. In addition, while Newman (1977) has 'performance-reward relationships', Koys and DeCotiis (1991) choose to separate

this into 'recognition' and 'fairness'. These, among others, have contributed to the debate and controversy over what constitutes the dimensions of the psychological climate construct.

This debate is somewhat resolved by Schneider (1975), who sees organisations as being made up of subunits and work units, each of which is likely to have its own climate and therefore the need to talk of climate within a specific context. Hackman and Oldham (1975) also opine that any measuring device is based on some underlying theory of 'what is important' regarding the phenomenon under consideration. This is not dissimilar to Koys and DeCotiis' suggestion that a subset of core dimensions salient to the study should be chosen. Schneider (1975) further argues for climate dimensions to have a specific focus and not to assess an overall climate, a position echoed by Jones and James's (1979) call for dimensions of climate to be context driven (criterion-oriented), by noting that

1. organisations can have different climates within subunits and work groups and across the units/groups for say innovation, creativity
2. all climate dimensions are not equally represented by an individual's perception of a work environment.

### **Dimensions of psychological climate**

Seven dimensions were elicited from the literature as follows.

#### ***Work facilitation***

Robbins *et al.* (2002) indicate that better-trained employees are more likely to understand the specific demands of the job and perceive that they have the support needed to effectively exercise their power and authority. Chebat and Kollias (2000: 79) also note that, 'training in adaptability, managing ambiguity and multiple role demands can ensure empowered employee decisions are in the best interest of the organization'. Robbins *et al.* (2002) go further to postulate that training has the effect

of enhancing feelings of support, shows a willingness of the company to invest in the employee and consequently enhance commitment and psychological empowerment. Spreitzer (1996) suggests that training employees in the skills and abilities needed to feel competent enhances the feeling of psychological empowerment.

### **Customer orientation**

Peccei and Rosenthal (2001: 566) describe customer-oriented behaviour as the extent to which employees engage in continuous improvement and exert effort on the job on behalf of customers. Nwanko (1995) defines customer orientation as putting customers at the heart of an organisation's product market. Saxe and Weitz (1982: 344) note that it is characterised by among others, such as

1. a desire to help customers make satisfactory purchase decisions
2. helping customers assess their needs
3. offering products that will satisfy those needs
4. describing products accurately
5. adapting sales presentations to match customer interests.

### **Feedback**

Spreitzer (1995b: 1447) is of the view that, 'Performance feedback is fundamental to reinforcing a sense of competence and believing one is a valued part of the organisation'. Words of encouragement, verbal feedback, etc, are used by leaders/managers and group members to empower subordinates and co-workers, etc (Conger and Kanungo, 1988: 479). Waldersee and Luthans (1994: 84) indicate that performance feedback is an accepted human resource management tool to improve employee performance.

### **Role ambiguity**

Spreitzer (1995a) is of the view that when employees do not know the extent of their decision-making authority or what is expected

of them and the basis upon which they would be judged, they would hesitate to act and therefore feel powerless and disempowered. Chebat and Kollias (2000: 78) warns that 'when unsure about how to perform their jobs, contact employees show lower levels of adaptability' and this, rather than being empowering, is seen as being chaotic. Seibert *et al.* (2004) observe that clear goals, responsibilities, and procedures facilitate effective teamwork, cohesion, coordination, and conflict resolution. Quinn and Spreitzer (1997: 45) posit that a 'clear vision and challenge will make employees feel they have the capacity to act autonomously in their work rather than wait for permission and direction from top management'.

### **Internal service**

This is the 'dyadic interaction between an internal customer and an internal service provider' (Gremler *et al.*, 1994: 35). It has also been described as 'the services provided by distinctive organisational units or people. A strong service-oriented culture creates an environment where the internal customer needs, which cannot always be standardised or predicted, are met, even if that means adapting or modifying the internal service offering' (Gremler *et al.*, 1994). Boshoff and Allen (2000: 67) caution that, 'Although it is the frontline staff who ultimately deliver the service to the customer, they need the full support of those in the backroom in order for the service encounter to run smoothly'. Quinn and Spreitzer (1997: 46) note that empowered employees must feel that their work unit 'can work together to solve problems' related to other departments or other units or employees within the organisation.

### **Managerial practice**

Boshoff and Allen (2000: 65) observe that 'employees take their lead from top management and, if they believe that managers are not fully committed to the goal of service excellence, they will not commit themselves to providing it'. Hancer and George (2003) indi-

cate that relationships with supervisors have an impact in fostering empowerment. Quinn and Spreitzer (1997) are of the view that to feel empowered, employees need a sense of social support from bosses, peers and subordinates, and efforts to take initiative should be reinforced not punished. Chebat and Kollias (2000: 78) also points out that 'managers who show commitment to quality, are more likely to take initiatives that help contact employees deliver high quality service'. Management behaviours such as systematic customer care training, management/supervisor commitment to customer service, support of subordinates, and greater control of work decisions by front-line staff, according to Peccei and Rosenthal (2001), enhance customer-oriented behaviour.

### *Information/communication*

Randolph (1995: 22) suggests that without information people cannot possibly act responsibly, when informed, however, they are almost compelled to act with responsibility (Quinn and Spreitzer, 1997). Robbins *et al.* (2002) are of the view that information sharing engenders greater feelings of commitment through enhanced feelings of responsibility and role involvement. Siegall and Gardner (2000) also found that communications with supervisors and general relations with the company were related to meaning, self-determination, and impact. Information provides the framework to guide the actions of employees. It tells them what is expected of them, what they can/not do, what is rewarded and punished. Information reduces ambiguity and doubt over initiating actions or not in response to job contingencies. With adequate information, employees are more confident to act autonomously, boundaries are clearly spelt out guiding actions and subtly forcing prescribed behaviour.

## **PSYCHOLOGICAL EMPOWERMENT**

Empowerment is to be seen as a generic term that encompasses a wide range of initiatives in the management of human resources and

reflects a wide range of managerial intentions and concerns (Lashley, 1996). The concept can broadly be viewed from two perspectives. One perspective is empowerment as a relational construct, dealing with managerial style (the individuals' power and control relative to others and the sharing or transmission of power). There is also the motivational/psychological state that results from the empowering (relational) activities of the individual's superiors, supervisors, managers, etc. Menon (2001) notes that the word empowerment can be used to

1. characterise the cognitive state of the employee or subject of the empowerment effort
2. denote an act that leads to the empowered state (leadership/managerial style)
3. denote a process or sequence of actions that ultimately leads to the empowered state.

Definitions of empowerment should therefore be seen as emanating from one or a combination of these perspectives and if comparisons are being made between definitions and/or initiatives, care should be taken that like is being compared with like (Conger and Kanungo, 1988; Thomas and Velthouse, 1990; Brymer, 1991; Jones and Davies, 1991).

Empowerment can be seen as the psychological state of a subordinate perceiving four dimensions, namely meaningfulness, competence, self-determination, and impact, and is affected by the empowering behaviours of the supervisor (Hancer and George, 2003; Lee and Koh, 2001; Robbins *et al.*, 2002). Implicit in this definition is the notion that empowerment cannot take place between equals, and the combination of both the relational (relationship between the supervisor and subordinate) and motivational aspects of empowerment. This definition is adopted because of its embracing nature and linkage between some antecedents of the construct and outcomes. The researcher can choose to focus on the dimensions, empowering behaviours of the supervisor among other interpersonal and/or environmental antecedents

or both. In limiting the study to this particular aspect of the debate on the types/forms/process of empowerment, the authors are seeking to concentrate on the central figure (the empowered individual). The argument is that irrespective of the forms/types/process, there should be an individual whose mental state informs him/her that the one is empowered.

### **Dimensions of empowerment**

Thomas and Velthouse (1990) conceptualise empowerment in terms of changes in cognitive variables that they call task assessments. Spreitzer (1995b) identifies a similar set of dimensions to conceptualise psychological empowerment. These dimensions are as follows:

- *Meaning*: the degree of fit between the needs of one's work role and one's beliefs.
- *Competence or self-efficacy*: the belief in one's capability to perform work activities with skill.
- *Self-determination*: autonomy over initiation and continuation of work behaviour and processes.
- *Impact*: the degree to which one can influence strategic, administrative, or operational outcomes in one's department/work unit.

### **Meaning**

Work is seen as meaningful when the task or job is congruent with the beliefs, attitudes, and values that employees care about and see as important (Spreitzer, 1995a; Quinn and Spreitzer, 1997). It is also described as intrinsic caring about a given task. When employees perceive their job/task as meaningful, they are likely to be more committed, involved, and concentrate their energies on their work, while those who perceive their jobs/tasks to be less meaningful are likely to exhibit feelings of apathy and detachment from significant events in the workplace (Thomas and Velthouse, 1990). According to Hackman and Oldham (1975), meaning is one of the three critical psychological states for intrinsic task motivation.

### **Competence**

Competence is seen as the capability to perform a task successfully (Spreitzer, 1995a) and has been described by Conger and Kanungo (1988) as 'a can do attitude'. Employees feel competent when they are confident about their ability to do their work well and know they can perform (Quinn and Spreitzer, 1997). This dimension is seen as similar to Bandura's (1989) use of self-efficacy in clinical psychology. Bandura (1989: 408) suggests that it is the 'belief in one's capabilities to mobilise the motivation, cognitive resources and courses of action needed to meet given situational demands'. The higher an individual's level of self-efficacy, the more committed they are to achieving difficult goals, the more persistent they are to succeed when they fail to achieve a task, and the more they strive to achieve greater performance levels (Goodale *et al.*, 1997). They also exhibit initiative, high effort, and persistence in the face of obstacles (Bandura, 1977), a necessary trait in dealing with customers demanding a participatory experience.

### **Self-determination**

Spreitzer (1995b) defines self-determination as autonomy in performing one's job/task and the ability to choose how to behave in various job-related situations, without employees feeling that they are being micro-managed (Quinn and Spreitzer, 1997). Self-determination leads to 'greater flexibility, creativity, initiative, resilience and self-regulation' (Thomas and Velthouse, 1990: 673). Employees with feelings of self-determination in their work role are more likely to exhibit quicker and more appropriate responses in service recovery efforts on a consistent basis (Goodale *et al.*, 1997).

### **Impact**

Impact is seen as the extent to which one can influence events in an organisation (Spreitzer, 1995b), influence the conduct of the work unit, and get others listen to ideas (Quinn and Spreitzer, 1997). Similarly, Thomas and Velthouse (1990) view impact as the ability to

produce intended effects in one's task environment. While self-determination is control over one's behaviour, impact is seen as control over one's environment (Thomas and Velthouse, 1990). Workers who think they have an impact in their work unit would expect to be able to use information about customer preferences and the organisation's ability to meet customer needs, to impact departmental operations and perceived service quality (Goodale *et al.*, 1997).

Although Spreitzer's (1995a,b) conceptualisation and four dimensions have been widely used in the literature, a few authors (Fulford and Enz, 1995; Hancer and George, 2003) have started with the four dimensions and ended up with three, while others like Menon (2001) have taken a completely different track in evolving a 'new' set of dimensions. Menon (2001: 161) defines empowerment as a 'cognitive state characterised by a sense of perceived control, competence and goal internalisation'. Three dimensions that capture this conceptualisation of psychological empowerment are subsequently derived, namely

- *Perceived control* — defined as choice over means (decision-making authority) to achieve goals. This bears close resemblance to the 'choice' dimension of Thomas and Velthouse and 'self-determination' in Spreitzer's models.
- *Perceived competence* — defined as belief in one's capabilities to meet given situational demands. By the author's admission, 'a major component of the Thomas and Velthouse model' (p. 160) and also Spreitzer's.
- *Goal internalisation* — defined as feelings of significance, community and enjoyment/fun, and ownership of organisational goals.

Menon (2001) claims goal internalisation is a unique feature of this conceptualisation; however, it does bear close similarity to the meaning dimension of Spreitzer's model. In addition, Spreitzer makes a distinction between the individual's ability to influence and control

his/her individual work actions as opposed to strategic and administrative outcomes. This is an important distinction, which is lost in the Menon model, but deemed to be necessary as the two dimensions are not conceptually the same and capture different aspects of the feeling of psychological empowerment.

## DATA COLLECTION

This study adopts realism as its philosophical paradigm and this ties in with the adoption of the Social Behaviourism Approach to the formation of work climates (Healy and Perry, 2000). It also adopts a survey methodology coupled with structural equation modelling as the statistical technique (Healy and Perry, 2000).

The research instrument, a questionnaire, was in three parts. The first section concentrated on psychological climate and had seven dimensions which were extracted from previous studies that had variously explored a climate for service, antecedents to psychological empowerment, and psychological climates (see Amenumey, 2007 for a fuller discussion).

The second section of the instrument dealt with the concept of psychological empowerment. The literature revealed a questionnaire instrument consisting of standard multi-item scales that had been validated and previously shown to be reliable by other researchers (Goodale *et al.*, 1997; Koberg *et al.*, 1999; Konczak *et al.*, 2000; Kraimer *et al.*, 1999; Mathews *et al.*, 2003; Seibert *et al.*, 2004; Siegall and Gardner, 2000; Spreitzer, 1995b, 1996). This instrument was used subject to slight modifications to make the statements relevant and meaningful to the context within which it was being used.

The first and second sections of the instrument were all Likert-type items (five-point scale). The final section of the survey instrument asked questions on respondents' sociodemographic background.

The data collection was conducted in a single UK luxury hotel group made up of three individual hotels (the first time these

instruments have been used in the UK). A census-type survey was conducted to capture all employees irrespective of their position in the hotel. It has been argued that internal service is key to psychological empowerment and so employees working behind the scenes in ‘back of house’ also need to feel empowered to serve their colleagues at the ‘front of house’.

**Table 1: Sociodemographic background of respondents**

	<i>Frequency</i>	<i>Percentage</i>
<i>Gender</i>		
Male	76	53.1
Female	67	46.9
Total	143	100
<i>Work station</i>		
Front of house	79	53.7
Back of house	68	46.3
Total	147	100
<i>Contact with customers</i>		
Yes	109	74.1
No	38	25.9
Total	147	100
<i>Mode of employment</i>		
Full-time	127	86.4
Part-time	20	13.6
Total	147	100
<i>Age</i>		
Under 20 years	1	0.7
20–30 years	81	55.1
31–40 years	29	19.7
41–50 years	21	14.3
51–60 years	10	6.8
60 plus	5	3.4
Total	147	100
<i>Education</i>		
NVQ	13	9.8
GCSE	29	22
AS	14	10.6

**Table 1: Continued**

	<i>Frequency</i>	<i>Percentage</i>
AL	28	21.2
Undergraduate	35	26.5
Masters	13	9.8
Total	132	100
<i>Nationality</i>		
Asian Indian	2	1.4
Asian Pakistani	2	1.4
Asian Bangladeshi	2	1.4
Black Caribbean	3	2.1
Black African	2	1.4
Black Other	1	0.7
White	130	90.9
Other	1	0.7
Total	143	100
<i>Hotel group</i>		
Hotel A	70	47
Hotel B	55	36.9
Hotel C	24	16.1
Total	149	100

**RESULTS**

Table 1 provides the sociodemographic breakdown of the respondents, showing a total of 143 responses from the three hotels. The table shows that the respondents were slightly more predominantly male (53 per cent), mainly in the 20–30 age category (55 per cent), and had completed AS/A2 level examinations (67 per cent). While 54 per cent worked in the front of house in their hotels, some 74 per cent had contact with customers and 86 per cent were employed full-time.

The two core concepts were individually subjected to a principal components analysis. The results of the analysis with varimax rotation showed that for the psychological climate construct, five dimensions were extracted from the initial set of seven (Table 2) and explained 56.2 per cent of variance. As can be seen from the table, there was a reloading of some items on dimensions different from the original ones,



**Table 2: Factor loadings of the psychological climate scale**

	<i>Component</i>				
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>WF4</i> : My manager takes time to help new employees learn about our work unit/team/department and the company	0.73				
<i>MP1</i> : My manager is very committed to improving the quality of my work unit/team/department work and service	0.75				
<i>WF7</i> : Overall, my manager does a really good job	0.79				
<i>WF1</i> : My manager is responsive to my requests for help or guidance	0.78				
<i>MP3</i> : My manager removes obstacles which prevent us from producing high quality work and service	0.70				
<i>WF2</i> : I have sufficient staff in my work unit/team/department to deliver quality service	0.58				
<i>MP2</i> : My manager recognises and appreciates high quality work and service	0.76				
<i>MP4</i> : I have established clear standards for the quality of work and service in my work unit/team/department					
<i>WF6</i> : In my work unit/team/department, we have the right supplies and equipment we need to do our work					
<i>WF5</i> : In my work unit/team/department, employees are given enough work hours to deliver quality service					
<i>IS5</i> : The people in this other unit do things right the first time		0.83			
<i>IS4</i> : The people in this other unit have a helpful attitude		0.80			
<i>IS2</i> : This other unit provides speedy service to your unit		0.76			
<i>IS3</i> : This other unit keeps the commitments it makes		0.73			
<i>IS6</i> : People in other unit are knowledgeable about their job		0.67			
<i>IS1</i> : This other unit provides quality service to your unit		0.74			
<i>IS7</i> : People in this other unit are cooperative		0.73			
<i>CO4</i> : The policies and procedures in Hotel X make it easy to deliver excellent service to our customers			0.68		
<i>CO6</i> : Hotel X does a good job educating its customers about our products and services			0.67		
<i>CO5</i> : Quality and customer needs are considered when products and policies are developed and/or changed			0.66		
<i>CO2</i> : Top management in Hotel X commit resources to maintaining and improving the quality of our work			0.65		
<i>CO1</i> : Hotel X does a good job keeping customers informed of changes that affect them			0.64		
<i>CO7</i> : Hotel X does a good job educating its customers about our products and services			0.51		
<i>CO3</i> : Top management in Hotel X have a plan to improve the quality of our work and service			0.56		
<i>CFB2</i> : I am informed about customer evaluations of the quality of service delivered by my work unit/team/department			0.58		
<i>WF3</i> : The quality of my work is measured on things over which I have some control			0.59		

**Table 2: Continued**

	<i>Component</i>				
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>CFB3</i> : My work unit/team/department collects information on customer suggestions and complaints					
<i>IC1</i> : I have access to strategic information I need to do my job well					0.51
<i>IC2</i> : I understand management's vision of the organization					0.66
<i>CFB1</i> : My work unit/team/department asks our customers to evaluate the quality of our work and service					0.36
<i>WF8</i> : People in my work unit/team/department are adequately trained to handle the introduction of new products and services					0.72
<i>IC3</i> : I understand the strategies and goals of the organisation					
<i>MP5</i> : My work unit/team/department has the authority to make decisions that will enhance customer satisfaction					
<i>RA1</i> : Lines of authority are not precisely defined					0.80
<i>RA2</i> : Most tasks performed at the lower levels of my department/unit are not well defined					0.80
<i>RA3</i> : Goals are not well defined for my department/unit					0.80
Percentage of variance explained (Total=56.17%)	33.8	7.35	5.81	5.34	3.78

with the result being that some dimensions were renamed to reflect their new composition. Given the selection of the Social Behaviourism Approach which advocates that levels of interaction between employees and their environment do influence climate formation, and the acceptance of different climate perceptions by members of the same organisation, this result is not unexpected. The five dimensions extracted are called Managerial Support, Internal Service, Customer Orientation, Information/Communication and Role Ambiguity.

The psychological-empowerment scale was also subjected to a principal components analysis with varimax rotation. This resulted in the extraction of a new psychological-empowerment scale with three dimensions (Table 3) explaining 67.8 per cent of variance. Previous studies (Fulford and Enz, 1995; Sigler and Pearson, 2000; Hancer and George, 2003; Dimitriades, 2005; Kim and George, 2005) have also achieved a three-factor solution.

The appropriateness of Factor Analysis as determined by the Kaiser–Meyer–Oklin's measure of sampling adequacy and the Bartlett's test of sphericity were all met and Cronbach's alphas for all dimensions were higher than the 0.70 threshold. The mean value for the overall feeling of being empowered was 1.75 on a five-point Likert scale with 1 representing feeling very empowered and 5 not feeling empowered.

The extracted dimensions for each construct were further analysed using AMOS to run a set of Confirmatory Factor Analyses to ensure the unidimensionality of the scale measuring each dimension. Partial disaggregation was employed in the forming of homogenous parcels (Coffman and MacCallum, 2005). The items that passed this test were then used to test the structural model (Figure 1). At this stage, the Role Ambiguity dimension of psychological climate was completely removed from the solution as suggested by the modifica-

**Table 3: Factor loadings of the psychological empowerment scale**

	<i>Component</i>		
	<i>1</i>	<i>2</i>	<i>3</i>
<i>C1</i> : I am confident about my ability to do my job	0.78		
<i>C2</i> : I am self-assured about my capability to perform my work	0.72		
<i>C3</i> : I have mastered the skills necessary for my job	0.78		
<i>SD1</i> : I have significant autonomy in determining how I do my work	0.73		
<i>SD2</i> : I can decide on my own how to go about doing my work	0.79		
<i>SD3</i> : I have considerable opportunity for independence and freedom in how I do my job		0.79	
<i>I1</i> : My impact on what happens in my department is large		0.85	
<i>I2</i> : I have a great deal of control over what happens in my department		0.77	
<i>I3</i> : I have significant influence over what happens in my department		0.79	
<i>M1</i> : The work I do is meaningful			0.85
<i>M2</i> : The work I do is very important to me			0.81
<i>M3</i> : My job activities are personally meaningful to me			0.78
Percentage of variance explained (Total=67.8%)	39.9	17.4	10.4

tion indices. The final psychological climate construct therefore has four dimensions, namely Managerial Support, Customer Orientation, Internal Service, and Information/Communication.

The overall fit of the structural model was Goodness-of-Fit-Index (GFI) = 0.90, Normed Fit Index (NFI) = 0.89, Incremental Fit Index (IFI) = 0.97, Comparative Fit Index (CFI) = 0.97, and Tucker Lewis Index (TLI) = 0.97. Further, the indicators of Residuals Root Mean (RMR) and Root Mean Square Error of Approximation (RMSEA) were both 0.03. These measures all indicated that the model had a more than acceptable fit.

## DISCUSSION

The main purpose of the study was to test the relationship between psychological climate and psychological empowerment. The results suggest a positive relationship between psychological climate and psychological empowerment (Koberg *et al.*, 1999; Hemingway and

Smith, 1999; Robbins *et al.*, 2002; Spreitzer, 1996). The results also suggest that the following psychological climate dimensions are key to creating an environment in which employees feel that they are psychologically empowered:

1. Customer Orientation (Schneider *et al.*, 1998; Siegall and Gardner, 2000)
2. Internal Service (Newman, 1977; James and Sells, 1981; Spreitzer, 1996; Schneider *et al.*, 1998; Koberg *et al.*, 1999; Seibert *et al.*, 2004)
3. Managerial Support (James and Sells, 1981; Koys and DeCotiis, 1991; Brown and Leigh, 1996; Spreitzer, 1996; Schneider *et al.*, 1998; Koberg *et al.*, 1999; Siegall and Gardner, 2000; Robbins *et al.*, 2002)
4. Internal Communication (Spreitzer, 1996; and Schneider *et al.*, 1998; Siegall and Gardner, 2000; Robbins *et al.*, 2002; Seibert *et al.*, 2004).

For the particular hotel group studied, these dimensions provide clues to management as to

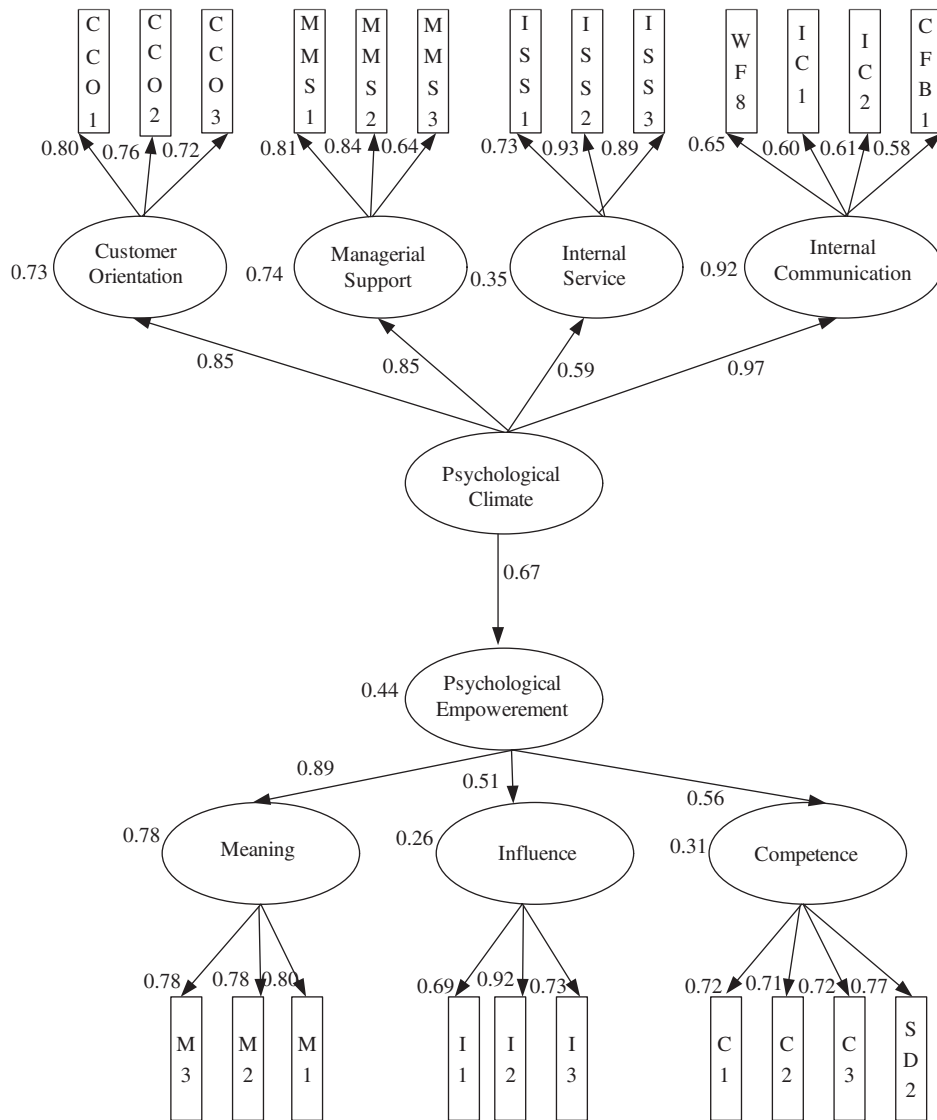


Figure 1 Structural model

which environmental factors can be used to enhance the feelings of psychological empowerment of their staff. The results indicate that in order of importance the level of internal communication in the organisation, customer orientation, managerial support, and internal service are critical factors in how employees perceive their work environments. In the first instance, if management were to address issues of improving communication within the organ-

isation, this would provide the greatest improvement in employees' feelings of empowerment.

The new psychological climate scale breaks from the mould of general climate scales to criterion-oriented/driven scales (psychological empowerment and service industry). Significant to the reconceptualised scale was the absence of the Role Ambiguity dimension. One reason for this could be the size of the organisation under study. It is likely that in small organisations with

smaller numbers of employees, departments/units, and hierarchies, there is a closer knit between departments and people and better-defined roles and responsibilities such that each employee knows what s/he and each other is responsible for. Under such conditions, personal and group accountability may make issues of Role Ambiguity superfluous.

The psychological empowerment construct as reconceptualised from the results of the study, condensed the original 12 statements into three factors, producing results similar to those of Fulford and Enz (1995), Sigler and Pearson (2000), Hancer and George (2003), and Dimitriades (2005). In the various studies that have resulted in a three-factor solution, there has almost always been a merging of the self-determination and impact constructs. Boudrias and Gaudreau (2004) note that 'the Self-Determination and Impact dimensions have something in common that is not shared with other dimensions...' (p. 875). It would seem that in some organisations, employees do not distinguish between their influences at the work/departmental level as opposed to their influence at the organisational level. Fulford and Enz (1995) suggest that the type and size of the organisation studied can contribute to the merging of the two factors. This could be the case for small organisations or an organisation with a smaller workforce.

The only studies identified that achieved a similar conceptualisation (three-dimensional construct) were Fulford and Enz (1995), Sigler and Pearson (2000), Hancer and George (2003), and Dimitriades (2005). Eighteen other studies, however, achieved a four-dimensional solution and one study (Kim and George, 2005), a two-dimensional solution. This result brings back the issue of Menon's (2001) three-dimensional conceptualisation and the question of which of the two instruments better captures the psychological-empowerment concept.

Sociodemographic and workplace variables were used to test for differences in perception (see Amenumey, 2007). Gender emerged as the only sociodemographic variable to influence

perceptions of some of the dimensions. When workplace variables were used, work pattern (full-time/part-time), workstation (front/back of house), customer and non-customer contact positions, and level in the organisational hierarchy (front line, mid-level, and supervisors/managers) were used to test for difference, and variously influenced perceptions. There were also differences in perception between two of the hotels in the group on one hand and the third member of the group on the other (Amenumey, 2007).

At the theoretical level, the study has been able to show that

1. The psychological-empowerment instrument does work in a UK context. This was the first empirical test of this instrument in the UK.
2. Employees in an organisation offering customised service to customers felt psychologically empowered.
3. A criterion-oriented psychological climate scale has been conceptualised and tested.
4. There is a relationship between psychological climate and psychological empowerment.
5. Not all work environment factors affect equally different aspects of employees' cognition of their working conditions.

For the management of the hotel group, the study showed that

1. Employees felt they worked in an environment that was conducive to feeling empowered (though this perception may not necessarily be what management envisaged or intended).
2. The work environment factors that influenced their feelings of psychological empowerment in order of importance were Internal Communication, Customer Orientation, Managerial Support, and Internal Service.
3. Employees felt they were psychologically empowered.
4. There were perceptual differences between and within the individual hotels.

The identification of the psychological climate variables that positively influence feeling being empowered should enable management to better understand the local work place dynamics and their effects. Variability in employees' perception and appreciation of their work environment and its subsequent effect on their feeling of psychological empowerment, should also signal to management that employees in the hotels, departments, and units within the hotels are not homogeneous and therefore have different training needs and management skills to enhance their productivity.

The educational background of respondents was relatively high, however given that the sampled hotel group is a 'luxury' one, it is possible that they employ relatively higher educated employees or higher educated employees are attracted to the type of hotel.

The study was limited by a number of factors including the sample frame and the research design.

The sample frame for the study was restricted to a relatively small hotel group, partly by design but also by the willingness of hotel groups to participate in the study. The results of the study, although shedding light on the factorisation of the constructs and possible relationships, is specific to a particular geographical region of the UK and to one luxury hotel group.

The cross-sectional nature of the research design does not lend itself to strong conclusions regarding casual direction between the constructs. Rather inferences can be drawn which can be later tested by a longitudinal or experimental research design.

The study concentrated on psychological empowerment in particular and its use as a quality initiative tool, rather than the more general empowerment constructs and/or its use as human resource management tool. As a result, the issue of the type/form of empowerment practised in the sampled hotel was not studied; however, it is argued that whatever the initiative, it would be meaningless if it did not translate into a state of psychological empowerment in the recipient(s).

Another limitation of the study was the lack of cultural influences in the study. The decision was taken at the beginning of the study to exclude organisational culture and hence the limitation of the study to one hotel group. Ethnicity/cultural background of respondents could have yielded some insights; however, the ethnic background of respondents was heavily skewed towards one group and this was not explored.

Further studies in other areas of the UK service industry would further enhance understanding of the some of the constructs, especially psychological empowerment. In addition, studies that compare psychological climate in hotel groups and independent luxury hotels are also suggested and psychological empowerment in international hotel groups to explore the relationship between expatriate and local staff perceptions is encouraged.

A number of studies have used the Spreitzer scale and achieved a three-factor solution similar to the Menon scale. Further studies to compare the Spreitzer and Menon scales in order to identify the settings and industries they work best in, are also encouraged to better understand the psychological empowerment concept.

## REFERENCES

- Amenume, E. K. (2007) 'Psychological Climate, Psychological Empowerment and Empowered Behaviour: A study in a Luxury Hotel Group', PhD, Surrey, UK.
- Bandura, A. (1977) 'Self-efficacy: Toward a unifying theory of behavioural change', *Psychological Review*, **84**, 2, 191–215.
- Bandura, A. (1989) 'Multidimensional Scales of Perceived Self-efficacy', Unpublished Thesis, Stanford University, Stanford, CA.
- Boshoff, B. and Allen, J. (2000) 'The Influence of Selected Antecedents on Frontline Staff's Perceptions of Service Recovery Performance', *International Journal of Service Industry Management*, **11**, 1, 63–90.
- Boudrias, J. and Gaudreau, P. (2004) 'Testing the Structure of Psychological Empowerment:



- Does gender make a difference?', *Educational and Psychological Measurement*, **64**, 5, 861–877.
- Brown, S. P. and Leigh, T. W. (1996) 'A New Look at Psychological Climate and its Relationship to Job Involvement, Effort and Performance', *Journal of Applied Psychology*, **81**, 4, 358–368.
- Brymer, R. A. (1991) 'Employee Empowerment: A guest-driven leadership strategy', *Cornell H.R.A. Quarterly*, **32**, 58–68.
- Carless, S. A. (2004) 'Does Psychological Empowerment Mediate the Relationship between Psychological Climate and Job Satisfaction?' *Journal of Business and Psychology*, **18**, 4, 405–425.
- Chebat, J. and Kollias, P. (2000) 'The Impact of Empowerment on Customer Contact Employees' Role in Service Organisations', *Journal of Service Research*, **3**, 1, 66–81.
- Coffman, D. and MacCallum, R. (2005) 'Using Parcels to Convert Path Analysis Models into Latent Variable Models', *Multivariate Behavioural Research*, **2**, 235–259.
- Conger, J. A. and Kanungo, R. N. (1988) 'The Empowerment Process: Integrating theory and practice', *Academy of Management Review*, **13**, 471–482.
- Dimitriades, Z. (2005) 'Employee Empowerment in the Greek Context', *International Journal of Management*, **26**, 1, 80–92.
- Fulford, M. D. and Enz, C. (1995) 'The Impact of Empowerment on Service Employees', *Journal of Managerial Issues*, **7**, 2, 161–175.
- Gange, M., Senecal, C. B. and Koestner, R. (1997) 'Proximal Job Characteristics, Feelings of Empowerment, and Intrinsic Motivation: A multidimensional model', *Journal of Applied Social Psychology*, **27**, 14, 1222–1240.
- Gavin, J. F. (1975) 'Organizational Climate as a Function of Personal and Organizational Variables', *Journal of Applied Psychology*, **60**, 135–139.
- Goodale, J., Koerner, M. and Roney, J. (1997) 'Analyzing the Impact of Service Provider Empowerment on Perceptions of Service Quality inside and Organisation', *Journal of Quality Management*, **2**, 2, 191–215.
- Gremler, D. D., Bitner, M. J. and Evans, K. R. (1994) 'The Internal Service Encounter', *International Journal of Service Industry Management*, **5**, 2, 34–56.
- Gronroos, C. (1994) 'From Scientific Management to Service Management: A management perspective for the age of service competition', *International Journal of Service Industry Management*, **5**, 1, 5–20.
- Hackman, J. and Oldham, G. (1975) 'Development of the Job Diagnostic Survey', *Journal of Applied Psychology*, **60**, 159–170.
- Hancer, M. and George, T. R. (2003) 'Psychological Empowerment of Non-supervisory Employees Working in Full Service Restaurants', *Hospitality Management*, **22**, 3–16.
- Hartline, M. and Ferrell, O. (1996) 'The Management of Customer-Contact Service Employees: An empirical investigation', *Journal of Marketing*, **60**, 52, 52–70.
- Healy, M. and Perry, C. (2000) 'Comprehensive Criteria to Judge Validity and Reliability of Qualitative Research within the Realism Paradigm', *Qualitative Market Research: An International Journal*, **3**, 3, 118–126.
- Hemingway, M. A. and Smith, C. S. (1999) 'Organisational Climate and Occupational Stressors as Predictors of Withdrawal Behaviours and Injuries in Nurses', *Journal of Occupational and Organisational Psychology*, **72**, 285–299.
- James, L. and Sells, S. (1981) 'Psychological Climate: Theoretical perspectives and empirical research', in Magnusson, D. (ed), 'Towards A Psychology of Situations: An interactional perspective', Erlbaum, Hillsdale, NJ, pp. 275–295.
- Jones, P. and Davies, A. (1991) 'Empowerment: A study of general managers of four-star properties', *International Journal of Hospitality Management*, **10**, 3, 211–217.
- Jones, A. P. and James, L. R. (1979) 'Psychological Climate: Dimensions and relationships of individual and aggregated work environment perceptions', *Organisational Behaviour and Human Performance*, **23**, 201–250.
- Jong, A. and Ruyter, K. (2004) 'Adaptive versus Proactive Behaviour in Service Recovery: The role of self-management teams', *Decision Sciences*, **35**, 3, 457–491.
- Joyce, W. and Slocum, J. (1984) 'Collective Climate: Agreement as a basis for defining aggregate climates in organisations', *Academy of Management Journal*, **27**, 721–742.
- Kim, B. and George, R. (2005) 'The Relationship between Leader-Member Exchange (LMX) and Psychological Empowerment: A quick casual restaurant employee correlation study',

- Journal of Hospitality & Tourism Research*, **29**, 468–483.
- Koberg, C. S., Boss, W. R., Senjem, J. C. and Goodman, E. A. (1999) 'Antecedents and Outcomes of Empowerment', *Group and Organisational Management*, **24**, 1, 71–91.
- Konczak, L., Stelly, D. J. and Trusty, M. L. (2000) 'Defining and Measuring Empowerment Leader Behaviours: Development of an upward feedback instrument', *Educational and Psychological Measurement*, **60**, 2, 301–313.
- Koys, D. J. and DeCotiis, T. A. (1991) 'Inductive Measures of Psychological Climate', *Human Relations*, **44**, 3, 265–285.
- Kraimer, M., Seibert, S. and Liden, R. (1999) 'Psychological Empowerment as a Multidimensional Construct: A test of construct validity', *Educational and Psychological Measurement*, **24**, 5, 54–64.
- Lashley, C. (1996) 'Research Issues for Employee Empowerment in Hospitality Organisations', *International Journal of Hospitality Management*, **15**, 4, 333–346.
- Lee, M. and Koh, J. (2001) 'Is Empowerment Really a New Concept?', *International Journal Human Resource Management*, **12**, 4, 684–695.
- Mathews, R. A., Diaz, W. M. and Cole, S. G. (2003) 'The Organisational Empowerment Scale', *Personnel Review*, **32**, 3, 297–318.
- Menon, S. T. (2001) 'Employee Empowerment: An integrative psychological approach', *Applied Psychology: An International Review*, **50**, 1, 153–180.
- Moussavi, F., Jones, T. and Cronan, T. (1990) 'Explaining Psychological Climate: Is perceptual agreement necessary?', *Journal of Social Psychology*, **130**, 2, 239–248.
- Newman, J. E. (1977) 'Development of a Measure of Perceived Work Environment (PWE)', *Academy of Management Journal*, **20**, 4, 520–534.
- Nwanko, S. (1995) 'Developing a Customer Orientation', *Journal of Consumer Marketing*, **12**, 12, 5–15.
- Parker, C. P., Baltes, B. B., Young, S. A., Huff, J. W., Altmann, R. A., Lacost, H. and Roberts, J. E. (2003) 'Relationships between Psychological Climate Perceptions and Work Outcomes: A meta-analytic review', *Journal of Organisational Behaviour*, **24**, 389–416.
- Payne, R. and Pugh, D. (1976) 'Organisational Structure and Climate', in Dunnette, M. (ed), 'Handbook of Industrial and Organisational Psychology', Rand McNally, Chicago.
- Peccei, R. and Rosenthal, P. (2001) 'Delivering Customer Oriented Behaviour through Empowerment: An empirical test of HRM assumptions', *Journal of Management Studies*, **38**, 6, 831–837.
- Quinn, R. and Spreitzer, G. (1997) 'The Road to Empowerment: Seven questions every leader should consider', *Organizational Dynamics*, **26**, (2, Autumn), 37–51.
- Randolph, A. W. (1995) 'Navigating the Journey to Empowerment', *Organizational Dynamics*, **23**, 4, 19–50.
- Robbins, T. L., Crino, M. D. and Frededall, L. D. (2002) 'An Integrated Model of the Empowerment Process', *Human Resource Management*, **12**, 419–443.
- Saxe, R. and Weitz, B. (1982) 'The SOCO Scale: A measure of the customer orientation of sale people', *Journal of Marketing Research*, **19**, 3, 343–351.
- Schneider, B. (1975) 'Organisational Climate: An essay', *Personnel Psychology*, **31**, 281–297.
- Schneider, B. (1990) 'The Role of Climate in Productivity', in Schneider, B. (ed), 'Organisational Climate and Culture', Jossey-Bass, San Francisco, pp. 283–318.
- Schneider, B. and Snyder, R. A. (1975) 'Some Relationships between Job Satisfaction and Organizational Climate', *Journal of Applied Psychology*, **60**, 318–328.
- Schneider, B., White, S. S. and Paul, M. C. (1998) 'Linking Service Climate and Customer Perceptions of Service Quality: Test of a causal model', *Journal of Applied Psychology*, **83**, 2, 150–163.
- Seibert, S. E., Silver, S. R. and Randolph, A. W. (2004) 'Taking Empowerment to the Next Level: A multiple model of empowerment, performance, and satisfaction', *Academy of Management Journal*, **47**, 3, 332–349.
- Siegall, M. and Gardner, S. (2000) 'Contextual Factors of Psychological Empowerment', *Personnel Review*, **29**, 6, 703–722.
- Sigler, T. and Pearson, C. (2000) 'Creating an Empowering Culture: Examining the relationship between organisational culture and perceptions of empowerment', *Journal of Quality Management*, **5**, 27–52.
- Spreitzer, G. M. (1995a) 'An Empirical Test of a Comprehensive Model of Intrapersonal Empowerment in the Workplace', *American Journal of Community Psychology*, **23**, 5, 601–629.



- Spreitzer, G. M. (1995b) 'Psychological Empowerment in the Workplace: Dimensions, measurement, and validation', *Academy of Management Journal*, **38**, 5, 1442–1465.
- Spreitzer, G. (1996) 'Social Structural Characteristics of Psychological Empowerment', *Academy of Management Journal*, **39**, 2, 483–501.
- Thomas, K.W. and Velthouse, B.A. (1990) 'Cognitive Elements of Empowerment', *Academy of Management Review*, **15**, 4, 666–681.
- Waldersee, R. and Luthans, R. (1994) 'The Impact of Positive and Negative Feedback on Customer Service Performance', *Journal of Organisational Behaviour*, **15**, 83–95.
- Woodard, G., Cassill, N. and Herr, D. (1994) 'The Relationship between Psychological Climate and Work Motivation in a Retail Environment', *International Review of Retail, Distribution and Consumer Research*, **4**, 3, 297–314.