

A Qualitative Investigation of the Empowerment Operationalization in Malaysian Banking

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Abstract: Although empowerment is often discussed in organisational theory, how it is operationalised in practice—particularly in banking institutions—remains underexplored. This study examines the enactment of empowerment in two Malaysian banks, emphasising the viewpoints of senior managers who are pivotal in defining its significance and implementation. Using semi-structured interviews with 12 senior managers and employing thematic analysis, the study reveals four interconnected dimensions that operationalise empowerment: institutionalisation (formal policies), communication (explicit delegation and information flow), capacity building (training and readiness support), and scope and differentiation (variation according to role, rank, and proximity to operations). The findings indicate that empowerment in banking is not a uniform process but rather a context-dependent practice influenced by managerial interpretation and shaped by the specific functional realities of various job roles. Employees closer to frontline operations were found to acquire greater empowerment, indicating a strategic differentiation of authority. The study enhances theoretical knowledge by filling a significant void in comprehending the dynamics of empowerment operationalisation within structured service environments. From a pragmatic standpoint, it provides bank leaders with actionable insights to embed empowerment into career development, augment flexibility in decision authority, and conduct periodic role-specific empowerment audits to ensure alignment between empowerment design and operational demands.

Keywords: *Empowerment Operationalization, Banking, Qualitative, Managers, Malaysia.*

1. Introduction and Background

Empowerment is widely recognised as a vital management approach that facilitates organisational development in today's demanding and challenging corporate landscape. Empowerment has gained prominence due to businesses' necessity to drastically decrease overhead costs, enhance efficiency, and implement significant cost-cutting measures to maintain competitiveness (Kinlaw, 1995). Laschinger et al. (2009) assert that empowerment effectively fosters healthy work conditions within businesses. It is considered a validated idea for enhancing organisational utilisation of personnel (Kinlaw, 1995). In a parallel vein, Smith (2000) emphasises that enhancing customer proximity, optimising service delivery, fostering continuous innovation, augmenting productivity, and achieving a competitive advantage are unattainable unless organisations discover novel methods to empower their personnel, underscoring the significance of empowerment as an essential component of the contemporary business landscape driven by the need to navigate uncertainty and change. A significant body of empirical research has repeatedly demonstrated numerous beneficial consequences of empowerment at both the employee and organisational levels. The effects encompass elevated job satisfaction (Dewettinck & Ameijde, 2011; Seibert et al., 2004), enhanced organisational commitment (AlHammadi & Abu Elanain, 2024; Kuo et al., 2010; Llorente-Alonso et al., 2024), improved job performance (Hall, 2008), increased innovative behaviour (Abd. Ghani & Raja Hussin, 2008; Al Daboub et al., 2024; Alwali, 2024; Pieterse et al., 2010), heightened competitiveness (Ergeneli et al., 2007) and augmented managerial effectiveness (Spreitzer, 1995).

Despite robust claims that empowerment serves as an effective instrument for organizational development (e.g., Biron & Bamberger, 2010), some critics contend that while empowerment appears beneficial in theory, it does not practically empower employees. Smith (2000) argues that the insufficient utilisation of empowerment results in failure. Forrester (1995) asserts that numerous businesses have not realized the potential of empowerment; yet, he maintains that empowerment remains a valuable concept and emphasises the necessity for its application. Academic research has provided explanations for the causes of empowerment failure in organizations. Poor or superficial implementation of the process is identified as one of the contributing factors (Lincoln et al., 2002; Modise, 2023). Quinn and Spreitzer (1996) articulate that “executives believed workplace empowerment was beneficial; nonetheless, they experienced significant dispute regarding both the definition of empowerment and its implementation inside their organizations...such disputes frequently occur in modern

companies and constitute a principal factor for the potential failure of empowerment initiatives” (p. 6). This underscores important implications for future research on the operationalisation of empowerment, and the present study aims to address it, thereby establishing its objective.

2. Literature Review

The Concept of Empowerment: Two predominant perspectives on empowerment are emerging from the literature. Some highlight empowerment as a managerial instrument or strategy inside businesses. Common management techniques associated with empowerment include job autonomy (e.g., Hackman & Oldham, 1976), participative management (e.g., Block, 1990), job enrichment (e.g., Herzberg, 1966), employee involvement (e.g., Bowen & Lawler, 1992), self-managing teams (e.g., Seibert et al., 2004), and self-leadership (e.g., Manz & Sims, 1991). Some perceive empowerment as an individual's psychological condition, which typically pertains to their perspective and experience of being empowered (Anak Juan & Mohd Yusof, 2024; Greasley et al., 2005).

The empowerment concept in management techniques is embedded in the organisational context and is typically viewed as measures undertaken by organisations to distribute power and decision-making (Djunaedi et al., 2023; Hechanova et al., 2006). Ahearne et al. (2005) define empowerment as a method or series of procedures that involve delegating responsibilities throughout the hierarchy to enhance employees' decision-making authority about their principal work tasks. A literature analysis indicates that this perspective is frequently characterized as a structural approach to empowerment (Cho & Faerman, 2010; Evans et al., 2024; Mills & Ungson, 2003). This viewpoint is considered a traditional perspective and is occasionally referred to as the relational approach to empowerment (Ergeneli et al., 2007) or role empowerment (Logan & Ganster, 2007; Nguyen & Doan, 2023).

Kanter's (1977) ethnographic research provides a foundational theoretical basis for understanding structural empowerment (Knol & Linge, 2009). According to Kanter (1977), the structural components within the workplace have a more substantial effect on employee attitudes and behaviors than individual traits or prior socialisation (Ning et al., 2009). Kanter (1977) identifies power as a key structural factor influencing organizational behaviors and attitudes, further viewing it as an opportunity for information, support, and resources (Spreitzer, 2008). Her theory asserts that access to these critical organizational resources—such as information, support, essential resources, and learning opportunities—is central to fostering empowerment (Loughman et al., 2009).

Kanter's framework suggests that structural empowerment aims to create more democratic workplaces by redistributing power across the hierarchy, thereby extending authority to lower levels of the organization (Spreitzer, 2008). Within this framework, power is understood as formal authority or control over organizational resources (Conger & Kanungo, 1988). Menon (2001) proposes that power is the driving force behind structural empowerment, viewing it as a strategy that allocates power and decision-making authority throughout the organisation, achieved by enhancing delegation along the hierarchy. Several studies exploring the structural view of power (e.g., Ergeneli et al., 2007; Greasley et al., 2008) emphasize empowerment through employee involvement in decision-making, which aligns with the principle of shared authority (Conger & Kanungo, 1988).

In contrast, the psychological perspective on empowerment focuses on the individual's experience of empowerment, emphasizing the emotional state that employees must experience for interventions to be effective rather than on specific management practices aimed at empowering them (Dewettinck & Ameijde, 2011). This approach pertains to employees' perceptions of their own empowerment (Ergeneli et al., 2007; Orgambidez et al., 2024; Thomas & Velthouse, 1990). It is viewed as an internal mindset that employees hold regarding their organisation, rather than as a direct action taken by the organisation towards its staff (Dee et al., 2003).

Conger and Kanungo (1988) were pioneers in examining empowerment from a psychological perspective. Based on Bandura's self-efficacy theory, they define empowerment as a motivational notion aimed at assisting individuals rather than simply assigning tasks. They propose that empowerment entails more requirements beyond mere delegation and involvement. Conversely, Thomas and Velthouse (1990) argue that empowerment

is a complex concept that cannot be defined exclusively in terms of self-efficacy. Their research expands upon Conger and Kanungo's paradigm by defining empowerment as intrinsic task motivation, manifested through four cognitive characteristics that pertain to employees' attitudes toward their work (Spreitzer, 2008). The cognitive aspects encompass meaningfulness, competence (self-efficacy), choice, and impact. Spreitzer (1995) further delineates these characteristics as meaning, competence, self-determination, and influence (Chiang & Jang, 2008). The term "meaning" denotes an individual's inherent engagement with a particular task (Thomas & Velthouse, 1990) and encompasses the alignment between job requirements and one's beliefs, attitudes, and behaviors (Hackman & Oldham, 1980). Spreitzer (1995) defines competence as an individual's assurance in their capacity to execute task-related activities proficiently. The third component, self-determination, refers to an individual's perception of autonomy or choice in initiating and maintaining work behaviors and processes (Hancer & George, 2003; Pradhan et al., 2017). Carless (2004) defines impact as the level of personal control over organizational outcomes or the conviction that one can effect change at work, while Spreitzer (1995) characterizes impact as the degree to which an individual can affect strategic, administrative, or operational results within the workplace.

Empowerment and Banking: Empowerment is viewed as a crucial strategy for achieving service quality and customer satisfaction in service-oriented organizations, such as banks (Kyei-Frimpong et al., 2024; Lashley, 1996; Snipes et al., 2005). Empowerment is proposed as an effective strategy for service-oriented organizations to manage their distinctive interactions with customers (Bowen & Lawler, 1992). Empowerment equips frontline personnel with adequate responsiveness and flexibility to meet the evolving demands of consumers, hence facilitating the delivery of service excellence (He et al., 2010; Snipes et al., 2005). Holden (1999) perceives banking as an intensely competitive sector. Competitive challenges and global advancements are expected to continue influencing the evolution of the banking sector in the future (Aziz, 2007). Research indicates that businesses functioning in volatile environments, such as banking, frequently gain advantages from empowerment (Bowen & Lawler, 1992; Kim & Kleiner, 1996). Moreover, empowerment fosters committed employees who can adapt and be creative in confronting environmental changes (Ratmawati, 2007). Practitioners also recognize the significance of empowerment in banking. Aziz (2002), in her capacity as Governor of the Central Bank of Malaysia, sees successful banking institutions as those that foster a culture of empowerment. Patterson (1996), in his role as Chairman and Chief Executive Officer of the Palmetto Bank in the United States, deems empowerment essential for the survival of banks and views it as pivotal for future success. Tschohl (1998), founder and President of Service Quality in Minneapolis, emphasises the importance of empowering frontline bank personnel to address customer needs and concerns promptly and courteously. A multitude of empowerment studies are present in various service organisations (Bartram & Casimir, 2007; Chiang & Jang, 2008; He et al., 2010; Kuo et al., 2010; Tomé Pires et al., 2025). However, research within banks seems to be limited (Ratmawati, 2007; Samad, 2007; Zakaria, 2011), despite the claim that banks should emphasize empowerment to achieve their goals of enhanced performance and service quality (Ratmawati, 2007; Sarkar, 2009). This justifies the choice of banks as the organisational context for the study.

3. Research Methodology

The study is deemed exploratory and, hence, adopts a qualitative approach. Johnson (2008) emphasizes that, in addition to adhering to the general plan of the interview, the semi-structured style enables the interviewer to explore interviewees' responses more thoroughly. Crucially, it allows for the freedom to formulate further questions during the interview, thereby facilitating a comprehensive exploration of the study's aims and fostering a more informal and conversational atmosphere (Hermawan, 2005; Ruslin et al., 2022; Saunders et al., 2009). Consequently, the study employed semi-structured interviews as the research method. Sixteen interview questions were utilised; of these, eleven were sourced from D'Souza (2001), while the researcher devised the remaining five to contribute further information to the study. Following the requirements of the ethics committee, each interview schedule included a participant information sheet and a consent form. The former aimed to enlighten participants on the study's overview and emphasize the significance of the interview, while the latter indicated the interviewees' confirmation of participation.

A pilot study was executed for the semi-structured interview. Peat et al. (2002) contend that the pilot research methodology facilitates the identification of ambiguous and complex inquiries while also assuring that responses can be understood in alignment with the necessary information. Five participants, comprising

professionals in managerial positions from both the private and public sectors, were selected to assess the interview questions. The pilot project did not involve interviews; instead, the interview schedule, which comprised a participant information sheet, consent form, and interview questions, was provided to participants via email. They were requested to provide feedback regarding the clarity of the instructions and interview questions. Participants were instructed to respond to the interview questions in bullet points rather than providing extensive comments to ensure their answers aligned with the intended meaning of the questions (Peat et al., 2002). The participants stated that the interview questions were clear and did not present any difficulties in their responses. Furthermore, their answers demonstrated a pattern of similarities. Therefore, no alterations were made to the interview questions.

A formal invitation to partake in the study was dispatched to 13 domestic banks via their respective human resources department heads. The procedure culminated with two banks agreeing to participate in the study. Each human resources department selected six senior managers for the interviews, resulting in a total of 12 senior managers participating in the study. Copies of the interview schedule, participant information sheet, and consent form were sent to each interviewee before the interview. All interviews were conducted in English, in person, at the participants' workplaces. At the beginning of each interview, the interviewee was informed of the interview structure and made aware that there were no right or wrong answers to the questions. Interviewees were assured that their remarks would be entirely discreet and anonymous. Ten respondents agreed to be recorded, whilst the other two rejected (notes were documented during the interviews). The interviews ranged from thirty to ninety minutes in duration.

The collected data were subsequently transcribed and documented in the interview notes (for unrecorded interviews). To ensure comprehension of the contents, all data were reviewed twice: initially, to gain a general understanding and subsequently to grasp the essence of the interviewees' thoughts. The researcher then initiated data analysis using thematic analysis approaches (Clarke & Braun, 2016; King, 2004; Miles & Huberman, 1994; Szolin et al., 2023). King (2004) emphasizes the flexibility of thematic analysis, where the researcher typically creates a list of codes (i.e., a template) that encapsulates themes identified a priori in the textual material, subsequently refining or enhancing the template during the reading and interpretation of the texts. A list of codes denoting the designated themes was created at the commencement of the inquiry. During the analytical process, the foundational template was modified to include additional sub-themes that emerged during the categorization phase, clarifying the established themes. The completed code template served as the foundation for achieving the research objective. The study exhibits methodological rigour through its careful question design, pilot testing, and iterative data processing, hence enhancing the trustworthiness of the findings.

4. Results and Discussion

The study exhibited a majority of male participants (N=10) compared to female participants (N=2). The majority of participants were employed at the head office across several departments, including compliance, finance, audit, risk management, human resources, operations, and administration, with just three participants representing branches in three states of Peninsular Malaysia. The participants' average age spans from 45 to 53 years, which is expected given that all are in senior management positions. The Malay ethnic group constitutes the majority in the sample (N=8). All twelve participants were assigned numbers for easy identification.

The thematic analysis revealed that the implementation of empowerment in the banks was notably similar. The findings resulted in four fundamental elements that explain how empowerment was operationalized in both banks. The themes showcase the institutionalization, communication, capacity building, and scope and differentiation of empowerment, all of which will be illustrated through narrative passages.

Empowerment Institutionalisation

The theme reflects the operationalisation of empowerment through formal documentation. Senior managers articulated that empowerment is codified in memos, internal circulars, and policies disseminated via the intranet or departmental briefings. These documents that underpin empowerment delineate the permissible and impermissible actions (procedural conduct) anticipated while exercising empowerment.

"A memo is distributed to department heads, providing explicit directives on empowerment."
(Senior Manager 4, Bank 1)

"We provide circulars and make information on empowerment accessible through our intranet. Additionally, verbal communication is utilised, and we hold meetings, training courses, and seminars."
(Senior Manager 7, Bank 2)

"Empowerment is conveyed unequivocally through written documents such as memos, policies, and procedures."
(Senior Manager 1, Bank 1)

"Support and assistance are provided through memos or procedures outlining what is permissible and impermissible in empowerment."
(Senior Manager 6, Bank 1)

"We have policies that clearly outline our approach to empowerment, detailing what we can and cannot do, as well as the expected conduct."
(Senior Manager 10, Bank 2)

Erstad (1997) highlights one of the deficits of empowerment as ambiguous responsibilities, contending that formal communication of empowerment policies is essential to mitigate this issue. Likewise, Smith and Mouly (1998) and Singh (2022) emphasise that effective organisational communication promotes empowerment within the workplace. Klagge (1998) posits that explicit expectations and a transparent internal communication mechanism must complement the execution of empowerment, whilst Fawcett et al. (1994) argue that structured policy communication is crucial for promoting empowerment. Yaacob (2009) asserts that "communication is essential because empowerment will hold no significance for employees if the parameters of what is permissible and impermissible are not explicitly delineated" (p. 108), highlighting the importance of formalizing empowerment boundaries in written documentation.

Moreover, empirical research corroborates the importance of structured communication in empowerment. Melhem (2004) discovered that empowerment was more efficacious among frontline bank personnel in Jordan when information dissemination methods were robust. Ashness and Lashley (1995) found in their research of service sector employees that the efficacy of empowerment initiatives was significantly contingent upon the articulation of policies and expectations. The findings align with the current study's data, indicating that empowerment in the two banks is institutionalised through formal documentation that delineates the nature, scope, and limitations of empowerment. The findings reinforce that policy-level communication is fundamental in operationalizing empowerment.

Empowerment Communication

The theme of empowerment institutionalization emphasises the formal documentation (policy-level dissemination), whereas the second theme—empowerment communication—centres on managerial actions aimed at informing and authorising staff in practice (interpersonal communication), as illustrated by the following quotes:

"There is a written communication stating that you are empowered. It clearly outlines the specific areas where you have this authority."
(Senior Manager 3, Bank 1)

"Typically, we inform those in empowered roles verbally; additionally, we also send out memos."
(Senior Manager 11, Bank 2)

"Initially, we will inform individuals in empowered positions via memos, and then during the meeting, I will provide a further briefing to the managers regarding their responsibilities."
(Senior Manager 6, Bank 1)

"I usually hold a meeting to inform them about the specific responsibilities I am delegating."
(Senior Manager 8, Bank 2)

The aforementioned findings emphasize that managerial communication serves as a vital catalyst for empowerment, as posited by Suadnya (2023). Although written institutional frameworks establish the foundation, it is via specific, context-sensitive communication—such as briefings and in-person instructions—that managers actively confer empowerment. This corresponds with Conger and Kanungo's (1988) model, which conceptualizes empowerment as a motivating process supported by managerial reinforcement. The utilization of various communication channels, integrating formal memos with verbal directives and interactive dialogues, illustrates a deliberate initiative by managers to guarantee communicative legitimacy and contextual comprehension, as indicated by the findings. This supports Spreitzer's (1996) assertion that empowerment relies on clarity and specificity to mitigate role ambiguity, as well as Fawcett et al.'s (1994) argument that repeated and layered communication enhances employee understanding and preparedness for empowerment. A recent quantitative study by Gehrau et al. (2024) indicated that communication significantly enhances empowerment. The outcomes of this study empirically reinforce the assertion that managerial communication is a crucial component of empowerment operationalization.

Empowerment Capacity Building for Empowerment

This theme reflects the assistance and preparedness phase in implementing empowerment within both banks. The majority of participants affirmed the presence of developmental initiatives that equip personnel for empowered responsibilities. Several of the remarks are as follows:

"Our empowerment training program covers managerial skills and their connection to empowerment. This program is offered at our training centre and in collaboration with an external consultant."
(Senior Manager 12, Bank 2)

"Our management development program includes various modules, one focusing on leadership, with an additional submodule dedicated to empowerment. All of our managers across the country are required to take part in this program."
(Senior Manager 8, Bank 2)

"Our empowerment training includes a 'buddy system,' where I, preparing for retirement, pair with a colleague. If my decision-making limit is MYR 200,000 and theirs is MYR 100,000, I will let them temporarily take over my authority. During this trial period, I will provide feedback to help with improvement. Ultimately, I will assess and report to management whether they are ready for additional responsibility. This approach is applied throughout the bank, with senior managers mentoring their managers, who then train their senior executives."
(Senior Manager 2, Bank 1)

Training is regarded as essential for the advancement of empowerment (Hammuda & Dulaimi, 1997; Modise, 2023). Implementing suitable training programs ensures that frontline staff possess the necessary personal attributes and competencies to manage empowerment effectively (Rafiq & Ahmed, 1998). Sykes et al. (1997) assert that extensive training is necessary to depart from conventional work practices and cultivate empowered employees. Managers can empower people by disseminating knowledge and providing pertinent training opportunities, which are integral to the empowerment process (Quinn & Spreitzer, 1996). A study conducted by Baird and Wang (2010) on factors affecting empowerment demonstrated that training significantly bolstered empowerment practices among Australian industrial firms. The discovery that training constituted a component of the empowerment process in the two banks examined in this study aligns with existing academic literature. The study specifically further positions training as a crucial feature in operationalising empowerment.

Empowerment Scope and Differentiation

This fourth theme delineates the scope and differentiation (variation) of empowerment conferred onto staff in the two banks. The results indicate that empowerment manifests in both financial and non-financial forms, with decision-making authority allocated across a range of operational and administrative domains. The following are such expressions:

"Some are authorised to approve financial claims, while others are responsible for managing personnel, which is non-financial."
(Senior Manager 1, Bank 1)

"Along with financial duties, there are instances where individuals are authorised to determine if the bank should initiate disaster recovery mode, a decision that is purely non-financial."
(Senior Manager 2, Bank 1)

"While empowerment is often linked to financial matters, it also extends to non-financial areas. For example, branch managers have the authority to hire staff, including clerical positions."
(Senior Manager 3, Bank 1)

"Two types of empowerment: financial and non-financial."
(Senior Manager 4, Bank 1)

"We are authorised to approve loans (financial) and also to recruit, transfer, and promote staff (non-financial)."
(Senior Manager 5, Bank 1)

"Branch managers have the authority to approve loans (financial) as well as other responsibilities, like approving medical leave or granting time off (non-financial) for staff attending urgent appointments."
(Senior Manager 7, Bank 2)

"Certain individuals are authorised to oversee policies and procedures (non-financial), while others are empowered to put these policies into action (both financial and non-financial)."
(Senior Manager 10, Bank 2)

The findings also reveal that empowerment is not uniformly distributed; instead, it is differentiated based on hierarchical rank and job function. Employees in senior positions possess greater decision-making capacity, while those in junior roles have more limited empowerment.

"Empowerment is influenced by two main factors: the job function and the individual's position in the organizational hierarchy."
(Senior Manager 1, Bank 1)

"Empowerment is closely tied to two elements: one's corporate rank and job role (function)."
(Senior Manager 3, Bank 1)

"Your empowerment is defined by your rank (grade) and your job role (function)."
(Senior Manager 6, Bank 1)

"Empowerment is primarily dependent on the job function."
(Senior Manager 4, Bank 1)

"Empowerment is allocated based on one's role in the bank. Higher positions come with greater authority (empowerment)."
(Senior Manager 7, Bank 2)

"Empowerment (authorization) is determined by one's position and responsibilities, regardless of whether the employee is temporary or permanent."
(Senior Manager 9, Bank 2)

Some participants affirmed that empowerment was significantly more pronounced among individuals with regular consumer interactions compared to those with less or no customer contact.

"The nature of the job influences empowerment. Employees in branch departments and Recovery officers, who have direct interactions with customers, are granted greater empowerment to perform their roles effectively."
(Senior Manager 1, Bank 1)

"We encourage empowerment at the lowest level possible, especially for those directly involved with customer-related challenges."
(Senior Manager 6, Bank 1)

"At the head office, we have less empowerment compared to those in operational roles at the branches."
(Senior Manager 9, Bank 2)

This fourth theme enlightens two key discoveries. First, the scope (extent) of empowerment is shaped by the type of decision-making required, particularly between financial and non-financial domains. Secondly, the differentiation (variation) of empowerment is contingent upon role, rank, and proximity to operational decisions. Empowerment was observed to be more pronounced among individuals at the operational frontlines or in elevated hierarchical positions. These two key findings align with the distinction made by Honold (1997), who argued that empowerment is only meaningful when it is aligned with the employee's capacity to influence outcomes within their area of responsibility. Similarly, Bowen and Lawler (2006) assert that empowerment should be contextually relevant, granting people authority proportional to the nature of the task and the associated organisational risk. There is substantial empirical evidence that corroborates these assumptions. Seibert et al. (2011) reported the hierarchical level as a key moderator in the efficacy of empowerment practices. Laschinger et al. (2004) discovered that structural empowerment predominantly benefits individuals in roles with direct control over processes and outcomes. A study by Wu et al. (2023) indicates that customizing empowerment to task relevance improves performance and accountability in the banking sector. Poudel and Lee (2024) demonstrate that individuals who are granted empowerment aligned with their tasks and organisational roles display increased organisational engagement and psychological ownership.

5. Managerial Implications and Recommendations

This study offers several important managerial implications for how empowerment is designed, communicated, and differentiated in complex, hierarchical service organisations such as banks. First, the identification of both financial and non-financial empowerment domains suggests that empowerment should not be treated as a singular concept but rather as a function-specific, risk-differentiated process. Prior research has highlighted that the effectiveness of empowerment depends on contextual alignment (Bowen & Lawler, 2006; Wu et al., 2023). This study confirms that different types of authority require distinct management protocols, particularly in regulated industries such as banking. Second, the discovery that empowerment requires clear communication and reinforcement by managers has significant implications for leadership practices. Although policies and standards offer structural support, the lack of direct, context-specific communication might hinder empowerment initiatives (Klagge, 1998; Men & Stacks, 2013). This indicates that empowerment is both a relational and structural process, with managerial intent and trust being crucial for its effective implementation (Spreitzer, 1996; Yao et al., 2024). Third, the discerned variation in empowerment according to job status, function, and operational proximity suggests that empowerment should be tailored rather than uniform. Personnel in operational positions, particularly those with significant customer interaction, were observed to possess increased decision-making authority, reinforcing the notion that empowerment should correspond with job requirements and proximity to the role (Poudel & Lee, 2024; Seibert et al., 2011). This challenges conventional top-down delegation models and necessitates more sophisticated frameworks that accurately represent the realities of real-time work.

The study outlines several key considerations worth noting in operationalising empowerment within organisations. First, empowerment should be regarded as a competency that employees cultivate progressively through a systematic, milestone-oriented framework. These milestones should be incorporated into performance management, leadership development, and promotion criteria. This approach corresponds with Laschinger et al.'s (2004) findings that structured empowerment contributes to professional growth and role

satisfaction. Secondly, rather than conceptualising empowerment as rigid authority thresholds, banks ought to implement adaptive empowerment mechanisms- flexible authority bands that expand or contract according to employee readiness, operational demands, or performance metrics. During periods of heightened consumer demand or limited managerial presence, competent personnel may be authorised to assume temporary expanded authority. This dynamic approach corresponds with the concept of empowerment as a situational and developing resource (Honold, 1997) and facilitates more agile, decentralised decision-making (Wu et al., 2023). Third, empowerment should be reviewed not only as an organisational policy but as a lived experience across different layers and units. Banks can implement periodic empowerment audits to evaluate if employees in designated positions—such as branch operations or headquarters—comprehend, embrace, and proficiently exercise their authority. These evaluations could reveal discrepancies and facilitate precise recalibration. Seibert et al. (2011) support customising empowerment to the organisational situation, facilitating a feedback loop that connects policy and practice. These recommendations emphasise the necessity of perceiving empowerment not merely as a policy or communication issue but as a strategic capability—dynamic, structured, and integrated into employee development. By using empowerment in this manner, managers can improve decision agility, employee ownership, and organisational responsiveness in service-oriented settings.

Conclusion

This study aimed to investigate the operationalisation of empowerment within Malaysian banking, recognising that managerial interpretations and implementations of empowerment significantly influence employees' experiences. Utilising semi-structured interviews with twelve senior managers from two local banks, the study discerned four interconnected elements of empowerment operationalisation: institutionalisation, communication, capacity building, and scope and differentiation. These elements represent both the structural conditions that formalise empowerment and the social and operational dynamics through which it is enacted.

The study advances the discourse on structural empowerment by demonstrating how institutional frameworks, such as policies and guidelines, are translated into action through explicit communication and developmental support. It underscores that empowerment is not uniformly distributed but rather varies according to role, rank, and operational proximity—particularly benefiting employees in customer-facing positions. These insights are particularly pertinent to the banking sector, where a balance must be struck between responsiveness, risk sensitivity, regulatory compliance, and employee autonomy. The findings indicate that empowerment in this context is more about managing and contextualising empowerment as a flexible, layered organisational resource.

This study theoretically enhances the limited yet expanding literature on the operationalization of empowerment in banking organisations, a context that is underexplored despite its intricate structural and service dynamics (Ahmad & Oranye, 2010; Ratmawati, 2007; Samad, 2007). The study advances theoretical understanding by demonstrating that empowerment is not solely a top-down initiative or a psychological condition but rather a managerially mediated and operationally dependent process influenced by institutional design and role proximity.

This study, although carefully designed, is nonetheless limited by certain constraints. The study employed a sample of domestic banks in Malaysia; hence, its findings are limited to that particular organisational context, namely the banking sector. Consequently, one must exercise caution when extrapolating the results to other organisational contexts and sectors, including foreign banks in Malaysia. All twelve participants were selected by their HR departments; therefore, their identities were already known, which may have raised concerns about their confidentiality. Some participants occasionally requested to speak 'off the record.' Two participants expressed dissent regarding the recording of the interview and were hesitant to disclose comprehensive details. This occurrence may have resulted in the underreporting of information that was potentially significant to the study.

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