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## ***The Paradox of Empowerment: A SEM-Based Study on How Job Satisfaction Mediates Empowerment and Quit Intention***

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### **Abstract**

Article Info

**Purpose:** Globally, employees' sustainability and retention of competitive manpower are major issues across industries. The paper aims to examine the impacts of empowering employees, both direct and indirect, on the intention of banking staff in Nepalese A-class banks to quit their jobs.

Received:

**Methods:** A systematic survey grounded in questionnaires is applied to gather firsthand information from 483 purposefully selected banking staff. SEM was applied to investigate the projected hypothesis and model.

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**Results:** SEM revealed powerful repercussions of employee empowerment indirectly on intention to quit jobs through job satisfaction, but showed an insignificant direct impact on quitting intention. It exposed that job satisfaction fully mediates the link between empowering employees and their job quitting intentions.

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**Conclusion:** It concludes that, psychologically empowered workers are more likely to receive favorable performance evaluations and be reluctant to quit jobs they enjoy, thereby reducing the desire to quit. Further, for gaining more insights a longitudinal data and mixed-method approach may also be taken into consideration. Concerned bank authorities may find the information of this paper useful in formulating strategic choices on employee empowerment. Study outcomes align with the social exchange theory.

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**Keywords:** Banks, Employee empowerment, Intention to quit, Job satisfaction

**JEL Classification:** M51, M54, M12

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### **I. Introduction**

Globally, managing talent and keeping competitive has become increasingly difficult for management over time, as employee attrition remains a major issue for firms, including the banking sector in Nepal (Gautam, 2019; Gautam & Gautam, 2022). The recent developments in the corporate environment have led to a shortage of talent due to the declining availability of a competitive workforce. Even though the organization has talented manpower, it also reveals the risk of losing that manpower (Murray & Holmes, 2021). Workers intending to quit

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organizations have become liabilities for organizations due to their tendency to become less committed to the organization (Xiong & Wen, 2020). So that optimum utilization of abilities and retention of competitive employees in the organization is considered an important managerial function for a manager (Hasan, 2020).

Employee turnover intention is an important field of study, with a focus on how it affects organizational costs (such as hiring costs and lost productivity) and is well-studied in both theory and practice (Ganji & Johnsen, 2020). Therefore, it is critical for firms to comprehend the various factors inducing an employee's intention to quit (Lin & Liu, 2017). The job happiness of employees is among the major elements that determines the degree of employees' absenteeism and turnover intention (Ganji & Johnsen, 2020; Chen & Wang, 2019; Li et al., 2019). Furthermore, Ganji et al. (2021), Murray and Holmes (2021), Chen (2020); and Gan and Yusof (2018) contended that many variables, including job happiness, organizational commitment, working environment, employee empowerment, and leadership styles, affect a lower employee turnover rate.

Empowering employees is a procedure for encouraging staff to be more self-reliant and proactive in order to improve performance (Murray & Holmes, 2021; Sardana, 2019). A sense of trust and belonging is fostered by employee empowerment, which makes workers feel like valuable contributors to the success of the company (Chen, 2011; Kim & Fernandez, 2015; Ukil, 2016). Further, Chinomona et al. (2017) endorse a substantial favorable correlation between job happiness and employee empowerment. Academics have noted that in addition to material considerations, job satisfaction also depends on individuals' ability to make decisions for themselves at work, which arises from employee empowerment (Idris et al., 2019). Many studies have highlighted employee empowerment as an influencing factor in job satisfaction and employees' turnover intentions (Sandhya & Sulphrey, 2019). Therefore, it makes sense to assume that empowered workers will be happier in their positions and be less inclined to leave (Ahanchian & Ganji, 2017). Recent literatures on employee empowerment emphasize that retaining competitive employees is a universal organizational concern, underscoring the crucial role of talent management in navigating challenges and sustaining a skilled workforce. Studies by Kim and Fernandez (2015); Ganji et al. (2021); Murray and Holmes (2021); Ngqeza and Dhanpat (2021); and Berber et al. (2022) have found employees' turnover intention has been affected by various elements including employment happiness, ethical atmosphere, organizational dedication, employee empowerment, organizational support, working environment, and leadership styles. In brief, empowering employees enhances motivation, confidence, and job satisfaction, reducing the likelihood of leaving an organization. Globally, retaining competitive manpower is a critical industry concern. The Nepalese banking sector, a key player in the national economy, grapples with similar challenges. Acknowledging this, an in-depth study is necessary. This research aims to investigate how employee empowerment directly and indirectly influences job retention in Nepalese A-class banks, recognizing the significance of sustaining a skilled workforce in the face of global opportunities.

## **II. Reviews**

Social Exchange Theory (SET) developed by Blau (1964) and Homans (1961) provides some insightful perspectives for evaluating workplace relationships and employee behaviors. Primarily, SET is based on an implicit norm of reciprocity. It describes when workers get favorable conditions from their employer, they feel compelled to return the favor by maintaining their commitment and adopting good attitudes and behaviors. In line with a SET theory, Udin (2024) revealed that ethical leadership affects intention to leave through job happiness. Similarly, Kumar et al. (2018) indicated psychological empowerment has a negative link with quit intention and a positive link with work satisfaction through mediation of job satisfaction. Also, Zhong and Zhang (2024) shown that job satisfaction partially mediates the relation between organizational justice, commitment, and turnover intention. SET explains why empowered workers have higher job satisfaction and lower intention to quit by observing empowerment as an organizational resource that begins reciprocal accountabilities.

Organizational investments in empowerment are converted into employee commitments to retention through the rule of reciprocity. In addition to resolving the empowerment paradox, this presented framework provides useful information to the organizations looking for successful empowerment efforts.

### **Employee Empowerment**

Empowering employees is an attempt to change the employee's mindset regarding their work and working environment through effective communication and delegation of authority for day-to-day work (Akbar et al., 2011; Ngqeza & Dhanpat, 2021). Employee empowerment provides the autonomy to make decisions and allows individuals to participate in organizational decision makings related to their jobs (Murray & Holmes, 2021). Empowerment can be seen as a leadership approach which involves the behavior that give work more purpose, encourage involvement in decision-making, demonstrate self-reliance in excellent performance, and offer freedom from bureaucratic restrictions (Kim & Fernandez, 2015; Sardana, 2019). Empowerment is the psychological variable through which employees' decision-making skills improve (Brar, 2018). Employee empowerment is about sharing and transferring the power and authority from management to employees (Amor et al., 2021). Different ways can be used to empower the employees which influence the employee happiness, dedication, stress level, job quit intention and overall company's' productivity (Hasan, 2020; Murray & Holmes, 2021). Employee empowerment is extent to which an employee feels capable of carrying out a task inside a company (Gan & Yusof, 2018). Spreitzer (1995) identified four key dimensions of psychological empowerment in employees: meaning, competence, self-determination, and impact (cited from Gan & Yusof, 2018). At present, many institutions are practicing employee empowerment as a technique to minimize the turnover of labor, this will help the executives in implementation of managerial principles as empowered employees are more dedicated towards their assigned responsibilities and duties to face the competition in this dynamic business environment (Sardana, 2019; Ganji et al., 2021). Staff with a solid psychological sense of empowerment are happier at work and more inclined to stay with company (Islam et al., 2015; Nawawi et al., 2015). Similarly, Bester et al. (2015) demonstrated that highly empowered workers exhibit greater job satisfaction, loyalty, deliver better services and stayed with their organization. Islam et al. (2015) verified that turnover intention is directly or indirectly affected by the employee empowerment.

### **Empowering Employee and Job Satisfaction**

Employee empowerment enhances employees' job satisfaction through disseminating the information about objectives, responsibilities and performance (Idris et al., 2018). Empowering employees develops their job happiness by generating a sense of control over their work and making it more significant (Kim & Fernandez, 2015). How satisfied workers are with their jobs significantly depends on the employee empowerment practices (Ukil, 2016). Research suggests that empowered employees tend to experience greater job satisfaction (Ali et al., 2017; Chen, 2020). The empirical evidences show the employee job satisfaction rises when they feel empowered (Yang & Lee, 2009). Study of Sarwar and Khalid (2011) in Pakistani banks found the benefits of employee empowerment for pleasure at work. Similarly, the investigation of Fernandez and Moldogaziev (2015) pointed out that the use of empowerment techniques significantly improves job satisfaction. When employees experience empowerment, they are more satisfied with their jobs because they can quickly get answers from their superiors on the organization's policies and procedures (Chinomona et al., 2017; Ganji et al., 2021). Employees' job satisfaction has a strong association with employee empowerment, while autonomy is considered one of the elements of empowering employees (Laschinger et al., 2004; Engstrom et al., 2010) cited by Ulutas (2018). Many scholars argue that employee empowerment is very useful tool to enhance employee's morale and degree of contentment at work (GanjiNia et al., 2013; Ukil, 2016). Thus, the proposed hypothesis is as:

*H<sub>1</sub>: Empowering employees enhances their job satisfaction.*

### **Employees' Satisfaction and Job Quitting Intentions**

Employee satisfaction, commonly referred to as job satisfaction, represents the degree to which employees are pleased with their work (Abou-Elnaga & Imran, 2014). It relates to workers' overall opinion and sentiments about the work environment, which can help to lower job fatigue and employee turnover intentions (Ding & Wu, 2023). Many studies show the job satisfaction can predict turnover intention negatively (Yang & Lee, 2009; Khiye et al., 2015; Ganji et al., 2021). Employee intention to resign is strongly influenced by job satisfaction, which has a greater effect than organizational commitment and lowers the probability of job departure (Zimmerman, 2008; Yang & Lee, 2009). Highly satisfied employees have low inclination towards their turnover intention (Naidoo, 2018; Kim, 2018). The dissatisfied staff proposed to leave the organization strongly (Yang & Lee, 2009; Kim, 2018). Studies on employee turnover consider job satisfaction to be a significant anticipator of intention to quit, contending that employee dissatisfaction with their existing jobs can result in a variety of serious negative effects and ultimately result in the desire to depart (Li et al., 2019; Ding & Wu, 2023). Hence, it is possible to put up the following hypothesis:

*H<sub>2</sub>: Quitting intention is negatively impacted by employees' job satisfaction.*

### **Empowering Employee and Intention to Quit**

Employees who feel psychologically empowered show stronger organizational commitment and low degree of job quitting intentions (Lyu et al., 2019; Ganji et al., 2021). Empowering worker negatively affects the employees' intention to leave through increasing the work responsibilities and contribution in decision making (Kim & Fernandez, 2015). The empirical studies are showing that negative association between employee empowerment and intention to leave (Ingersoll, 2001; Kim, 2005; Moynihan & Landyut, 2008) cited by Yang and Lee (2009). Similarly, Sandhya and Sulphrey (2019) express that weak empowering condition of employees in the organization increases their desire to depart from the company. Earlier studies demonstrated the benefits of psychological empowerment for one's workplace environment (including professional identity, interest in one's work, and job happiness) to avoid work fatigue and reduce intention to quit (Ding & Wu, 2023). Based on these results, a hypothesis is expressed as:

*H<sub>3</sub>: Empowering employees has a negative impact on their intention to quit.*

### **Job Satisfaction's Mediating Effect**

The strong sensation among the employees that they are psychologically empowered could produce feeling of ownership about their jobs, this sensation will ultimately reduce employees' desire to quit their positions (Bester et al., 2015; Ngqeza & Dhanpat, 2021). The cross-country study of Korea, China and Japan by Kim (2018) concludes that well manage psychological empowerment, staff commitment and work satisfaction contribute to a decrease in intended staff turnover. Similarly, study of Humborstad and Perry (2011) in Chinese four- and five-star hotels conclude that employees were acknowledged for using employee empowerment techniques to show more organizational commitment and work happiness, which reduced their intention to leave the company. Likewise, Yang and Lee (2009) demonstrated that employee turnover intention is negatively affected by employee empowerment with mediating effects of job satisfaction. Spreitzer (1995) explains that psychological empowerment has to do with how capable employee feel in an empowered workplace. Employees who are more assured in their capacity to complete their job successfully exhibit greater interest in it and account higher degree of job happiness. They feel more a part of the business, which reduces their desire to quit jobs (Ding & Wu, 2023). Practices related to employee empowerment motivate employees and enhance their degree of job satisfaction, which lowers their likelihood of quitting (Wagner & Herter, 2006; Yasothai et al., 2015). Considering this literature, hypotheses can be articulated as:

*H<sub>4</sub>: Employee empowerment and intention to quit are mediated by job satisfaction.*

### III. Methodology

#### Research Design, Data Collection Procedure and Sampling

This study adopts a deductive approach, utilizing quantitative research methods. Primary data were collected through a systematic survey, employing a well-structured questionnaire based on a five-point Likert scale. The study's target audience consisted of the staff members of Nepal's 20 A-class banks. The researcher was unable to pinpoint the precise population size because there is no reliable source that discloses the precise number of workers in these banks. In order to contact respondents, the purposive sampling technique was employed. Purposive sampling, according to Rehman (2023), is the procedure of picking a sample size such that the population under study closely resembles the actual population. The study used sophisticated multivariate examination, including structural equation modeling, and included the 483 employees in the sample that was supported by Hair et al. (2016), as suggested that the sample size can be representative while it is 5 to 10 times the number of the questionnaire items used.

#### Measurement Instrument

The measurement of study variables was conducted via a 32-item questionnaire based on a five-point Likert scale. Specifically, the employee empowerment construct comprised 12 items brought from Spreitzer (1995) and Murray and Holmes (2021), whereas job satisfaction was assessed using 10 items derived from Lepold et al. (2018) and Ganji et al. (2021). Likewise, ten items were developed from Dwivedi (2015), Arasli et al. (2019) and Murray and Holmes (2021) to measure intention to quit. Table 1 displays how reliable the scales are.

**Table 1**

#### *Reliability of Scales*

Construct	Alpha value	No. of items
Employee Empowerment	0.87	12
Job Satisfaction	0.91	10
Turnover Intention	0.92	10

The alpha value of all constructs is greater than 0.7 which met the cut of limit of Nunally (1978) to consider as good indication of construct reliability.

#### Data Analysis

This study has used Microsoft Excel and SPSS version 25 and for gathering and processing the data. The existing state and practice of employee empowerment were evaluated, together with the degree of job satisfaction and job quitting intention, using percentage, mean, and standard deviation. SEM was employed to examine the mediating role of job satisfaction in the relationship between employee empowerment and job quit intention, using AMOS version 26. To address potential biases from non-normal distributions, a bootstrapping approach with 5,000 resamples was implemented to test the indirect effects in the regression model.

### IV. Results and Discussion

**Table 2**

#### *Respondents' Profile of Demographics*

Category	Sub-category	Frequency	Percentage (%)
Gender	Male	264	54.7
	Female	219	45.3

Academic Qualification	Below Bachelor	6	1.2
	Bachelor	129	26.7
	Masters	342	70.8
	Above Master	6	1.2
Type of Service	Permanent	443	91.7
	Temporary	12	2.5
	Contract	22	4.6
	Others	6	1.2
Job Position	Chief of Section/DGM	18	3.7
	Section Officer	33	6.8
	Officer	158	32.7
	Assistant I	181	37.5
	Assistant II	93	19.3
Working Experience (in years)	2 to 5	228	47.2
	6 to 10	139	28.8
	11 to 15	80	16.5
	16 to 20	25	5.2
	More than 20	11	2.3

*Note.* Survey, 2024

The survey respondents' characteristics were exhibited in table 2's demographic profile. There are more male respondents than female respondents. Given that over 70% of respondents with master's degree, the majority of respondents were academically sound. The most of respondents (91.7%) worked in employment that were permanent in nature. Officers, section officers, chief of section/DGM, and other managers made up nearly half of the respondents. Aside from having two years to more than twenty years of work experience, the responding employee pool includes both highly and less experienced workers.

### Reliability and validity analysis

**Table 3**

*Factor loadings and descriptive statistics*

Constructs	M	SD	Indicators	Loadings
Employee Empowerment (EE)	3.86	0.859	EE12	0.85
			EE11	0.88
			EE10	0.62
			EE9	0.58
Job Satisfaction (JS)	3.56	0.926	JS10	0.72
			JS9	0.74

			JS8	0.75
			JS7	0.78
			JS6	0.78
			JS5	0.74
			JS2	0.71
			JS1	0.73
Intention to Quit (IQ)	2.73	1.075	IQ10	0.74
			IQ8	0.69
			IQ7	0.79
			IQ6	0.69
			IQ5	0.77
			IQ4	0.71
			IQ3	0.76
			IQ2	0.82
			IQ1	0.74

Note. M=Mean, SD=Standard Deviation

Table 3 shows summated mean (3.86) and S.D. (0.859) indicate decent practice of employee empowerment in Nepalese A-class banks. But not every facet of psychological empowerment is applied in the same way. Likewise, the summated mean (M = 3.56) and summated standard deviation (0.926) for job satisfaction show that most of the respondents were satisfied with their banking jobs. However, the individual scales and standard deviation indicated that banking employee satisfaction levels with their banking job are neither extremely high nor extremely low. Also, the summated mean (2.73) and summated S.D. (1.075) indicate that some employees felt strongly that they should give up and some had no intention to quit their banking jobs. Particularly, the employees of government-owned banks in Nepal had a lower degree of intention to quit than those of private banks in Nepal. As part of the confirmatory factor analysis, the factor loadings for every individual item are examined. Low factor loadings (<.50) resulted in eleven items being removed (from the construct employee empowerment: eight items; job satisfaction: two items; from intention to quit: one item). The retained elements, drawn from Western frameworks, exhibit low factor loadings, suggesting a misalignment with Nepalese banking employees' conceptualization of empowerment. Given the construct's cultural contingency, these discrepancies likely reflect divergent sociocultural interpretations of empowerment. As suggested by Hair et al. (2016), in overall twenty-one items are kept in considering factor loadings more than 0.50.

**Table 4**

*Convergent and Discriminant Validity Statistics*

Constructs	CR	AVE	MSV	Job Satisfaction	Intention to Quit	Employee Empowerment
Job Satisfaction	0.908	0.552	0.326	<b>0.743</b>	-0.571	0.535
Intention to Quit	0.919	0.558	0.326	-0.571	<b>0.747</b>	-0.308
Employee Empowerment	0.827	0.553	0.286	0.535	-0.308	<b>0.743</b>

In table 4, all constructs demonstrated strong internal consistency, with composite reliability (CR) values (0.908, 0.919, and 0.827) exceeding the 0.7 benchmark (Hair et al., 2016). Convergent validity was confirmed, as CR values surpassed average variance extracted (AVE) estimates, and all factor loadings were significant (Fornell & Larcker, 1981). Discriminant validity was verified per the Fornell & Larcker criterion: the square root of each construct's AVE (bolded: 0.743, 0.747, 0.743) exceeded its inter-construct correlations.

### Analysis of Structural Model

**Table 5**

*Fit Indices for the Structural Model*

Fit Indicators	$\chi^2/df$	GFI	IFI	TLI	CFI	RMR	RMSEA
Benchmark Source	Hair et al. (2010)	Hair et al. (2010)	Hair et al. (2010)	Bentler (1990)	Bentler (1990)	Hair et al. (2010)	Hu & Bentler (1998)
Recommended Value	< 3.0	> 0.90	> 0.90	> 0.90	> 0.90	< 0.08	< 0.08
Model Values	2.669	0.907	0.945	0.938	0.945	0.057	0.059

*Note.*  $\chi^2/df$  = Chi-square to degrees of freedom ratio, GFI = Goodness-of-Fit Index, IFI = Incremental Fit Index, TLI = Tucker-Lewis Index, CFI = Comparative Fit Index, RMR = Root Mean Square Residual, RMSEA = Root Mean Square Error of Approximation

The measurement model exhibited excellent fit to the data, with all indices exceeding thresholds:  $\chi^2/df$  (2.669), GFI (0.907), CFI (0.945), TLI (0.938), RMR (0.057), and RMSEA (0.059) (Hair et al., 2010). These results suggest the model adequately represents the underlying theoretical framework.

**Table 6**

*Hypothesis Testing Results (Direct Effects)*

Hypothesis	Path	Std. Beta ( $\beta$ )	T-Statistic	p-value	Decision
H1	EE $\rightarrow$ JS	0.535	10.079	< 0.001	Supported
H2	JS $\rightarrow$ IQ	-0.569	-9.049	< 0.001	Supported
H3	EE $\rightarrow$ IQ	-0.003	-0.058	0.954	Not Supported

The hypothesized relationships among the constructs were examined using structural equation modeling. The results confirm the positive influence of EE on JS, revealing a statistically significant effect ( $\beta = 0.535$ ,  $t = 10.079$ ,  $p < 0.05$ ). Thus, H1 is supported, indicating that enhanced employee empowerment leads to greater job satisfaction. The analysis validates that JS negatively affects IQ, demonstrating a significant inverse relationship ( $\beta = -0.569$ ,  $t = -9.049$ ,  $p < 0.05$ ). Therefore, H2 is supported, suggesting that higher job satisfaction reduces employees' intention to quit. However, the findings predicted a negligible negative but insignificant direct effect of EE on IQ ( $\beta = -0.003$ ,  $t = -0.058$ ,  $p > 0.05$ ). Therefore, H3 is not supported, implying that employee empowerment does not directly mitigate turnover intentions. This is due to a number of factors, including low perceived meaningfulness of empowerment among employees who fear accountability, superficial practices in a traditionally hierarchical

banking structure, lack of essential mediating mechanism and a high power-distance cultural context where autonomy is not naturally valued over clear direction in Nepal. The study's findings indicate that while employee empowerment enhances job satisfaction, it does not exert a direct influence on reducing intent to quit. Also, empowered employees, despite experiencing greater competence and engagement, may also perceive improved external job opportunities, thereby offsetting potential retention benefits.

**Table 7**

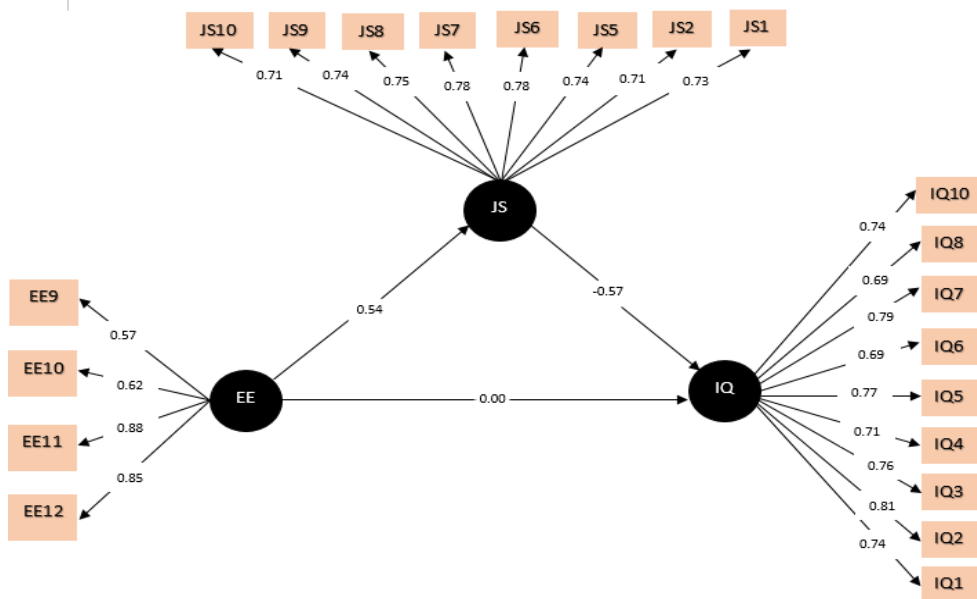
*Mediation Analysis Results: Employee Empowerment to Intention to Quit*

Relationship Path	Direct Effect (p-value)	Indirect Effect	Confidence Interval		P-Value	Conclusion
			Lower Limit	Upper Limit		
EE → JS → IQ	-0.003 (0.954)	-0.304	-0.400	-0.224	0.000	Full Mediation (Indirect only)

The mediation analysis (Table 7) reveals a significant indirect effect of employee empowerment (EE) on intention to quit (IQ) through job satisfaction (JS) ( $\beta = -0.304, p < 0.05$ ). However, when accounting for JS as a mediator, the direct effect of EE on IQ becomes non-significant ( $\beta = -0.003, t = -0.058, p = 0.954$ ). These results support Hypothesis 4 (H4), confirming that job satisfaction fully mediates the relationship between employee empowerment and turnover intention. The findings suggest that for Nepalese A-class banks, interventions targeting job satisfaction (e.g., recognition programs, career development) may more effectively reduce turnover than empowerment initiatives alone.

**Figure 1**

*Result of Structural Model*



## Discussion

This paper illustrated the empirical evidence for the idea that empowerment of employees positively affects job satisfaction in Nepalese A-class banks. The results are consistent with Akbar et al. (2011); Humborstad and Perry (2011); Kim and Fernandez (2015); Ukil (2016), Kim (2018); Ultas (2018); and Hasan (2020), who presented job satisfaction and employee empowerment are positively correlated. Also, Mathew and Nair (2021), and Choi et al. (2016) indicated that when employees feel empowered, it reduces feelings of powerlessness and job fatigue, which leads to improved job satisfaction. This implies the possibility that if an employee feels more empowered, they will be pleased with their employment and be less likely to quit their company. This research revealed a statistically significant inverse relationship between job satisfaction and turnover intentions among employees in Nepalese A-class banks. These findings are similar to those of Yang and Lee (2009), Humborstad and Perry (2011); Kim and Fernandez (2015); Ali et al. (2017); Kim (2018); Ganji et al. (2021); Bello et al. (2021); Wan and Duffy (2022); and Berber et al. (2022), who explained that a negative and notable link exists between job satisfaction and job quitting intentions. The present study revealed a negligible and statistically insignificant negative association between employee empowerment and intention to quit among employees in Nepalese A-class banks.

This finding aligns with prior research by Yang and Lee (2009) and Humborstad and Perry (2011), who similarly reported insignificant direct effects of empowerment on turnover intentions however, indirectly empowerment has significant impact on turnover intention through job satisfaction. Additionally, study results support the work of Sardana (2019) and Ganji et al. (2021), who documented a negative but non-significant relationship between empowerment and desire to leave. researches shown mixed evidence regarding this relationship. Some studies: Kim and Fernandez (2015); Ali et al. (2017); Ngqeza and Dhanpat (2021); and Murray and Holmes (2021) report a significant but minimal negative association between EE and IQ. Contrastingly, Kim (2018) found that psychological empowerment increases turnover intentions, while Choi et al. (2016) cautioned that empowerment may occasionally yield counterproductive outcomes for organizations. The inconsistency in findings suggests that it could be that work-related elements, such as organizational and job features, managerial practices, employment relations, and job attitudes may have an impact on a person's job quit intention. Also, lifestyle decisions and other non-work factors, including dedication to family and leisure, age, and health status, may be more directly correlated with the intention to quit. Therefore, the effect of empowering employees on the intention to quit were less strong or insignificant. Henceforth, it is concluded that using empowerment techniques denotes giving employees a particular level of independence and power, which is the root of this worrying situation in Nepalese A-class banks. Certain employees may become overconfident, which could lead to management losing control over particular individuals.

Hence, empowerment techniques must be properly implemented in the organization to have positive outcomes. This study shows that among the staff members of Nepalese A-class banks, job satisfaction fully mediates the association between employee empowerment and intention to quit. This study found that job satisfaction fully mediates the relationship between employee empowerment and job quit intention among Nepalese A-class bank employees. These findings align with and extend previous research by Yang and Lee (2009); Humborstad and Perry (2011); Ali et al. (2017); and Ding and Wu (2023) presenting full mediation of job satisfaction in similar frameworks of different contexts. Also, Kim and Fernandez (2015) found that empowering employees significantly reduces the plan to quit one's employment both directly and indirectly, mentioning that the direct effect is noticeably smaller than the indirect effect. Similarly, Kim (2018) stated, psychologically empowered workers are more content with their positions, which lowers their intention to quit. Inversely, Ganji et al. (2021) have demonstrated that relationship among employee empowerment and the intention to quit is not significantly mediated by job satisfaction.

## V. Conclusion and Implications

The disparate outcomes indicate that the impact of empowering employee on organizational results varies depending on the situation. Therefore, this paper concludes that employees with increased self-determination psychological empowerment helps lessen the intention to quit since people who like their professions tend to have more positive opinions of their employment and are reluctant to leave them. Also, strengthening the employee empowerment culture in Nepalese A-class banks helps to increase employees' job satisfaction, which in turn reduces intention to quit their jobs. Furthermore, this study reveals a noteworthy collateral consequence of employee empowerment on employees' intentions to quit. These outcomes may vary depending on the nature of jobs, organization types, size, and context.

Employee satisfaction rises and intentions to quit are reduced when they are empowered. However, the practice of employee empowerment alone won't help us accomplish this, other elements, such as a positive work environment, effective leadership, and other HRM procedures, are crucial for both job satisfaction and staff retention. Thus, as part of their organizational strategy for employee retention, businesses should evaluate and plan for implementing employee empowerment. The study results provide as a direction for crafting and implementing effective employee empowerment strategies to foster HR outcomes like job satisfaction and employee retention. Applying Herzberg's theory of motivation as a guide, this study looked at how employee empowerment, as a motivating factor, affected contentment with one's employment and desire to leave. This paper explored in to how job satisfaction and intention to quit an organization are influenced by employee empowerment. In line with the theory of social exchange, it asserts that psychological empowerment encourages workers to return the favour by remaining with the company.

Information derived from this investigation might be beneficial to upcoming scholars, concerned professionals, and authorities for their future employee empowerment practices. Findings from this research will be crucial in helping Nepalese A-class banks to reassess their employee empowerment initiatives in light of changing conditions. These findings could be utilized by bank executives to update their programs for empowering employees and take into account various facets of employee empowerment for strategic development. Furthermore, the study's conclusions advise Nepalese A-class bank executives to continue employee benefits programs in addition to empowerment strategies in order to retain skilled manpower. Additionally, the data from this study will be useful to academicians when they include it into the existing body of work on employee empowerment.

This study makes an important contribution to the literature by examining the relationship between employee empowerment, job satisfaction, and turnover intention in the under-researched context of Nepalese banking institutions. While the effects of empowerment have been widely studied in Western organizational contexts, empirical evidence from developing economies particularly in South Asian service industries remains limited. This research addresses this gap by providing contextual insights from Nepalese A-class banks, where unique cultural and economic factors may influence these workplace dynamics differently than in Western settings.

The paper looked at the connection between empowering employees and quitting intentions and the mediation effect job satisfaction plays. Yet, control variables for the presented relationships, such as gender, age, job positions, organizational culture and context, or other demographic characteristics that could have produced exciting results, were not applied in this paper. The use of other variables as mediators and moderators in a similar model could produce some different outcomes in future studies. The paper will clarify the application of employee empowerment by managers at the organizational level in a more concrete way. In light of the current study, future researchers may also consider different approaches to measure psychological empowerment. This suggestion is predicated upon the observation that only four of the twelve empowerment measuring items initially contributed significantly to the model. It might be advantageous to carry out the research in industries other than the

banking industry in order to facilitate the generalization of the findings. Longitudinal data would aid in tracing the development of the phenomenon over time. Hence, it is recommended that future researchers examine the causal connections between the components using the longitudinal research.

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