



EMPLOYEE EMPOWERMENT AND REAL-TIME PERFORMANCE FEEDBACK IN INDIAN BANKS: A CONCEPTUAL FRAMEWORK LINKING GROWTH MINDSET AND ORGANISATIONAL COMMITMENT

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ABSTRACT-----

Indian banks are undergoing rapid digital and organisational change, increasing the importance of human resource practices that support employee capability, adaptability and commitment. This conceptual paper develops an integrated framework linking employee empowerment and real-time performance feedback with employees' growth mindset and organisational commitment in public- and private-sector banks in India. The paper uses a focused narrative review of published research and conceptual synthesis; it does not report primary data or claim original statistical findings. Prior research in Indian banking has associated psychological and structural empowerment with positive employee outcomes, while recent work has examined growth mindset as a mechanism connecting internal marketing practices with affective commitment. Building on these strands, the paper proposes that empowerment may strengthen employees' sense of autonomy, competence and impact, while timely, specific and developmental feedback may support learning-oriented responses to performance information. Growth mindset is proposed as a potential explanatory mechanism, and organisational commitment as a key attitudinal outcome. The framework also recognises that feedback quality, psychological safety, workload, digital-system fairness and differences between public- and private-sector governance may shape these relationships. The paper offers propositions for future empirical testing and practical guidance for responsible, employee-centred digital HRM in banking. Its contribution is an integrated, testable framework rather than an empirical validation of causal effects.

KEYWORDS: Employee Empowerment; Real-Time Performance Feedback; Growth Mindset; Organisational Commitment; Digital HRM; Indian Banking; Public and Private Sector Banks.-----

1. INTRODUCTION

Banks depend on employee judgement, service quality, regulatory compliance and the ability to respond constructively to changing customer expectations. Alongside digital banking and data-driven operations, human resource management is also changing: performance information can be captured more frequently, learning can be delivered through digital platforms, and employees may be given greater discretion to resolve customer problems. These developments create an important management question: how can banks use empowerment and timely performance feedback to encourage learning and strengthen employees' attachment to the organisation?

Employee empowerment is more than delegating tasks. It includes structural access to information, resources and decision authority, as well as psychological experiences of meaning, competence, self-determination and impact. Research involving Indian public- and private-sector bank employees found that structural and psychological empowerment were positively associated with job satisfaction (Arathy & Biju, 2022). Research on employees of Indian banks has also reported a positive relationship between psychological empowerment and affective commitment (Gahlawat & Kumar, 2021). These findings make empowerment a relevant foundation for examining commitment in the banking context.

At the same time, digital performance systems may deliver frequent feedback. Such feedback can support improvement when it is timely, specific, understandable and oriented towards development. However, frequent feedback can also be experienced as surveillance or pressure when it is punitive, opaque or disconnected from employees' control over outcomes. Therefore, the effect of feedback should not be assumed to be uniformly positive.



This paper brings empowerment and real-time performance feedback together with growth mindset and organisational commitment. It is designed as a secondary-source conceptual paper relevant to a broader doctoral investigation of innovative HRM practices in Indian public- and private-sector banks.

2. OBJECTIVES

1. To synthesise relevant literature on employee empowerment, performance feedback, growth mindset and organisational commitment in banking and related organisational settings.
2. To propose an integrated conceptual framework linking empowerment and real-time performance feedback with growth mindset and organisational commitment.
3. To identify organisational conditions that may strengthen or weaken the proposed relationships.
4. To offer practical recommendations and a research agenda for future comparative studies of public- and private-sector banks in India.

3. METHODOLOGY

The paper adopts a conceptual, secondary-source approach based on a focused narrative review. It draws on published peer-reviewed studies that directly address empowerment and commitment in Indian banking, recent research on growth mindset and commitment among private-bank employees, and broader theory concerning feedback and employee development. The sources were selected for conceptual relevance rather than through a systematic-review protocol. No survey, interview, experiment or bank-level dataset was collected for this paper. Accordingly, no sample size, statistical test, causal estimate or empirical result is claimed. The propositions below are theoretical expectations to be tested in future research.

A limitation of this approach is that a narrative review may not capture every relevant publication and does not estimate an overall effect size. A subsequent systematic review could define databases, search strings, inclusion criteria and a transparent screening process. Future empirical work could use a comparative design across public- and private-sector banks, with appropriate ethical approval and informed consent.

4. REVIEW OF LITERATURE AND CONCEPTUAL FOUNDATIONS

4.1 EMPLOYEE EMPOWERMENT

Empowerment can be understood through two connected dimensions. Structural empowerment concerns the organisational conditions that enable action, including access to information, resources, support and opportunities. Psychological empowerment concerns the employee's experienced meaning, competence, self-determination and impact. Arathy and Biju (2022), using data from 400 employees of public- and private-sector banks in India, reported positive relationships between structural and psychological empowerment and job satisfaction. Gahlawat and Kumar (2021) found a positive relationship between psychological empowerment and affective commitment among 208 Indian bank employees. Together, these studies support the relevance of empowerment, while not establishing the full framework proposed in this paper.

4.2 REAL-TIME PERFORMANCE FEEDBACK

Real-time performance feedback refers here to timely information about work progress or outcomes, delivered close enough to the relevant activity to support adjustment. In banking, examples may include service-resolution updates, quality indicators, compliance reminders, customer-service dashboards and coaching conversations. The value of these systems depends on how the information is interpreted and used. Feedback that identifies a specific behaviour, explains its relevance and offers a feasible next step may promote learning. By contrast, rankings without context, automated alerts with no explanation, or targets employees cannot reasonably control may undermine trust. Thus, the proposed framework treats feedback quality and perceived fairness as important conditions, rather than assuming that more frequent feedback is always better.

4.3 GROWTH MINDSET

A growth mindset is the belief that abilities can be developed through learning, effort, appropriate strategies and feedback. In workplace settings, this orientation may help employees treat performance information as an opportunity to improve rather than as a fixed judgement of personal worth. Kaur and Mandeep (2025) examined growth mindset as a mediator between internal marketing dimensions and affective commitment among private-bank employees in



Punjab. Their work signals the relevance of growth mindset to banking HRM, although it does not directly test the complete empowerment–real-time feedback framework developed here.

4.4 ORGANISATIONAL COMMITMENT

Organisational commitment describes an employee's psychological attachment to and identification with the organisation. This paper focuses particularly on affective commitment—the desire to remain because an employee feels connected to the organisation—while recognising that commitment can also involve perceived costs of leaving and a sense of obligation. Empowerment may support commitment when employees experience trust, meaningful responsibility and the ability to contribute. Feedback may support commitment when it communicates investment in employee development; it may weaken commitment when it is experienced as constant monitoring or unfair evaluation.

4.5 RESEARCH GAP

The reviewed literature provides evidence on separate links: empowerment and employee outcomes in Indian banking, psychological empowerment and affective commitment, and growth mindset in relation to internal marketing and commitment. The focused review identified a need for an integrated framework that considers empowerment and real-time performance feedback together, places growth mindset as a potential explanatory mechanism, and examines organisational commitment across public- and private-sector banks. This is a provisional conceptual gap based on the sources reviewed, not a claim that no prior study anywhere has examined these relationships.

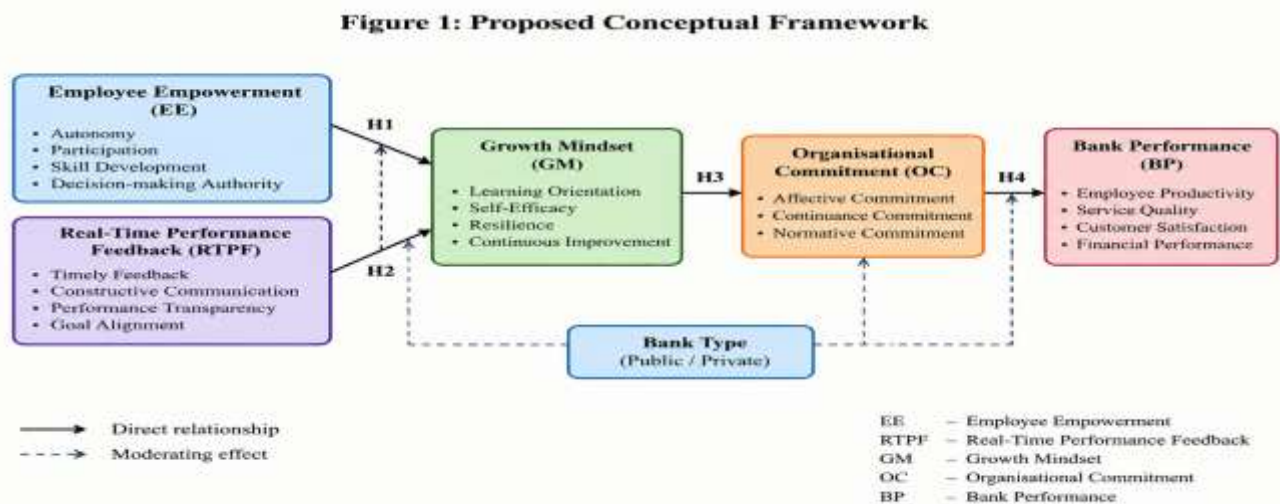
5. PROPOSED CONCEPTUAL FRAMEWORK

The proposed framework contains four principal constructs:

- Employee empowerment: structural access to information, resources and decision authority, together with psychological meaning, competence, autonomy and impact.
- Real-time performance feedback: timeliness, specificity, developmental usefulness, transparency and perceived fairness of feedback.
- Growth mindset: an employee's orientation towards learning, effort, improvement and constructive use of feedback.
- Organisational commitment: especially affective attachment, identification and willingness to contribute to the organisation.

The proposed pathway is: employee empowerment and developmental real-time feedback → growth mindset → organisational commitment. Direct paths from empowerment and feedback to commitment are also proposed. The framework allows for contextual influences such as psychological safety, supervisor support, digital literacy, workload, perceived algorithmic fairness and public/private-sector organisational arrangements.

Figure 1. Proposed conceptual model (text representation)





6. RESEARCH HYPOTHESIS

H1: Employee empowerment is positively associated with employees' growth mindset in banking organisations.

H2: Developmental real-time performance feedback is positively associated with employees' growth mindset when feedback is specific, fair and actionable.

H3: Employee empowerment is positively associated with organisational commitment.

H4: Developmental real-time performance feedback is positively associated with organisational commitment when employees perceive the system as supportive rather than punitive.

H5: Growth mindset mediates the relationship between employee empowerment and organisational commitment.

H6: Growth mindset mediates the relationship between developmental real-time performance feedback and organisational commitment.

7. THEORETICAL IMPLICATIONS

The conceptual model positions employees as active interpreters of HR practices rather than passive recipients of technology. Empowerment can provide the discretion and resources needed to act on performance information. Feedback can indicate where improvement is possible, while a growth mindset may influence whether the employee interprets that information as a developmental challenge. Organisational commitment may be more likely when employees experience both meaningful discretion and fair support for learning.

The framework also cautions against equating digitalisation with effective HRM. A dashboard can increase information availability without increasing empowerment if employees cannot make decisions based on it. Similarly, frequent feedback may not promote learning if employees fear punishment, cannot challenge inaccurate metrics, or are evaluated on factors outside their control. Banks should therefore pair digital performance tools with coaching, transparent criteria, employee voice and opportunities to develop skills.

For comparative research, public- and private-sector banks should not be treated as internally uniform categories. Differences may exist between branches, roles, managerial practices and digital maturity. Future studies should measure actual HR practices and employee perceptions rather than use ownership alone as a proxy for organisational culture.

8. MANAGERIAL SUGGESTIONS

1. Combine feedback technology with coaching: digital alerts should lead to constructive conversations and clear improvement actions.
2. Make performance criteria transparent: explain how indicators are calculated, what employees can influence and how errors can be challenged.
3. Increase meaningful empowerment: provide role-appropriate decision authority, access to information and resources, and clear accountability boundaries.
4. Build a learning-oriented culture: offer training, peer learning and opportunities to practise new skills without treating every mistake as evidence of inability.
5. Protect employee dignity and data: limit unnecessary monitoring, clarify data access and use, and apply consistent safeguards against unfair automated evaluation.
6. Evaluate outcomes responsibly: monitor employee perceptions of fairness, learning, commitment and workload alongside service quality and compliance measures.
7. Compare implementation, not just ownership: document differences in policy, technology, supervision and branch-level practice when comparing public- and private-sector banks.

9. CONCLUSION

This conceptual paper proposes an integrated framework connecting employee empowerment and developmental real-time performance feedback with growth mindset and organisational commitment in Indian banking. Existing research supports the relevance of empowerment to employee outcomes and suggests that growth mindset warrants attention in banking HRM. However, the complete model remains a set of propositions and has not been empirically tested in this paper. Its central practical implication is that digital feedback is most defensible when supported by employee autonomy, clear and fair criteria, developmental coaching and a psychologically safe learning environment. Future



comparative research should test the direct and indirect relationships, assess contextual moderators, and distinguish supportive feedback from surveillance-oriented performance control.

10. AREAS FOR FURTHER RESEARCH

Future research may: (a) test the proposed model using validated scales and a transparent sampling strategy; (b) compare public- and private-sector banks; (c) examine whether growth mindset mediates the proposed relationships; (d) assess whether feedback fairness and psychological safety moderate them; (e) use longitudinal designs to establish temporal order; and (f) investigate whether digital HR systems improve employee experience as well as operational performance.

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