

The Survey of the Relationship between Employee's Empowerment with Organization's Agility

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Abstract

Nowadays, human resource empowerment is the one of the noteworthy attitudes of new age which has been applied by organizations these days. On the other hand the Agility is new approach in organization's management. It is also a conscious and comprehensive response to the constantly changing needs of an organization and the success of the opportunities that the company acquired. Therefore the purpose of this research is the study of the Relationship between Empowering Employees with Organization's Agility. In this context, the questionnaire included four indicators relating to the capabilities of organizational agility and five dimensions of empowerment among the 90 employees of the Registry of Deeds and Properties Organization of Sistan and Baluchistan Province distributed. Data were analyzed by statistical software, which ultimately results suggest a relationship of empowerment with organizational agility.

Keywords: Empowerment, Agility, Sistan and Baluchistan

1- Introduction

Nowadays, human resource empowerment is the one of the noteworthy attitudes of new age which has been applied by organizations. Empowerment is the process of development, it is a process that increase staff's ability to enhance their political and social vision and enables them to identify environmental factors and control them (Cartwrith, 2002:6).

Empowerment is to give employees authority and the power of decision-making in order to increase their efficiency and useful role in the organization (Erstad, 1997:71). Empowerment means that staff can understand their roles well before they are told what to do (Savery & Luks, 2001:97).

However, organizations face issues which had previously been of less attention like quick technological developments, increasing access to technology and growing competition over development, Technology, The increasing risk, changes in the level of wages and job skills, the globalization of markets and fierce competition, social and environmental responsibility, limited resources and increased expectations of customers. (Crocitto & Youssef, 2003., Huang & Nof, 1999).

In this context, organizations tend to take different forms, one of the best and most modern form is an agile organization.

Foundation of agile organization defines as integration of information technology, people (employees), business processes and equipment in a coordinated and flexible organization to respond quickly to events and changes in the environment. Almost old ways of doing things that fit static condition of traditional operations has been rejected by Agility. Agility is a response to challenges created in a working environment, through change and uncertainty. Agility includes aggressive and growing changes and it seeks succeed in profits, market shares and gaining more customers in competitive markets that many organizations are afraid of entering because of the turmoil and turbulence of the markets. Agility continually focuses on personnel and organization performance, products value and services and permanent changes in order to achieve the opportunities that attract customers. Agility improves the competitiveness of organization and lead to Lower production costs, increasing market share, satisfying the needs of customers, Facilitate the rapid introduction of new products and elimination of non-value added activities

(Huang & Nof, 1999., Lin & etal, 2006., Zain& etal, 2005., Yusuf, 1999).

In Iran country, there are both public and private organizations that considered empowerment and agility approaches. Therefore, according to the key role of this subject for the Registry of Deeds and Properties Organization of Sistan and Baluchistan Province in order to provide better services and regarding the fact that there wasn't any experimental study about relationship between empowerment and agility in this bureau, we decide to deal with it in this study.

So, the main question of this study is whether there is any relationship between employee's empowerment and organization agility or not?

2- Literature

2-1 Empowerment

Today empowerment is considered as one of the useful tools for improving the quality of staff and increased organizational effectiveness. Change management and improvement of the organization's experts introduced empowering human resources as a strategic impact on the performance and improvement of human resources. They believed empowering human resources is one of the New Age Attitudes that is used by organizations in response to the urgent need of modern management (Kneale, 2004).

Empowerment is one of the most effective techniques to improve employees` productivity and optimal use of their capacity and capabilities in the field of organizational goals. Hence empowering human resources is psychological concept that relates to the states, feelings and beliefs of the people toward their jobs. This view as Abdullahi (2006) believes, will be included five dimensions of competency (self- Efficiency), perceived autonomy (Having the right of choice), and feeling of effectiveness (impact), the significance of being meaningful (valuable) and trust (security). In general, capable and committed workforce is that who can be claimed the most important factor in the performance of the organization in the modern organization (Kneala, 2004). The different definitions of the word empowerment offered by the experts as to Raiple it is a concept, a set of behaviors and an Organizational program. As a concept, it is the subordinate authorization decision, as a se t of behavior it is contribution of self autonomous

groups and people in their professional self-determination and as an Organizational program, it gives workforce more opportunities for freedom, knowledge and potential power and improving and applying their skills (Abdullahi, 2006). Bugler and Sumesh believe that empowerment is personal belief by which people's skills and knowledge improve and act accordingly (Nauman& etal, 2010:74). Short & et al believe that empowerment is the process in which participants improve their competences and Professional development and solve their problem (Short & etal, 1994:38).

2-2 Organization`s Agility

Many definitions have been proposed for agility. In the dictionary, it means "fast moving, agile, and proactive" and agility means "to be able to move fast and easy" and "being able to think quickly and with a clever method" (Hornby, 2000). The etymology of agility comes from agile manufacturing, and agile manufacturing is a concept which becomes popular in recent years and it has been accepted as a successful strategy by producers who prepare themselves for a significant increase in performance. The term "agile" describes the quickness and responsiveness in the face of organization`s internal and external events. Agile organizations must not only be able to respond to existing changes, but with a suitable arrangement must also be able to gain competitive advantages. Since the agility is new concept, there is no approved definition. For the first time in 1991, the concept of agility was published and presented to the public officially by Yakuka research institute at the University of Li Hy in a report entitled "The strategy of manufacturing firms in the twenty-first century: the perspective of industry experts". Later, Peter Drucker introduced the concept of enterprise agile to the business world for the first time in order to explain the need to increase the flexibility and responsiveness of contemporary organizations (Nagel& Dove, 1991). Since then, many researchers worked in this field and each of them looks through specific aspects of agility and it came to the emergence of the many definitions of agility.

Some of them are:

1. The ability to react quickly and appropriately to sudden and unpredictable changes (Christopher, 2000 – Kidd, 2000 – Bottani, 2009 – Katayama& Bennett, 1999 – Goldman& et al, 1995).
2. The ability to profit from the environment (Goldman& etal, 1995 – Naylor, 1999 – Riis & Johanson, 2001).
3. The organization's ability to feel, understand and predict changes in the workplace (Sharifi& Zhang, 1999).
4. The ability of a business unit in order to survive and thrive in a competitive environment that changes constantly and is unpredictable. Agile organizations are flexible and quick when there is necessity to respond to changing market conditions (Maskell, 2001 - Meade& Sarkis, 1999).
5. Agility is called the ability to establish a balance between flexibility and stability (Hormozi, 2001).
6. Flexibility is a response to the planned changes while being agile perceives the limitation of changes so minimized and consider each changes (Unpredictable and planned) probable (Highsmith, 2004).

Several key features are considered for organizational agility. Agility's Features are the abilities that provide strength point for organization to make the appropriate responses to occurred change. These capabilities are the basis for maintaining and developing agility (Bottani, 2009_ Lin& et al, 2006). These capabilities include **Accountability** which refers to the ability to identify changes, Quick response to them and benefit from them And **Competence** which refers to the ability to achieve the organization's goals and objectives effectively and efficiently and also **Flexibility** which is the ability of the various processes and business goals using the same facilities and **Quickness** which is the ability to carry out activities in the shortest possible time (Lin& et al, 2006). So if an organization is looking for agility, it requires that considers these abilities and capabilities and strengthen and develop them as much as possible.

3-Research Framework

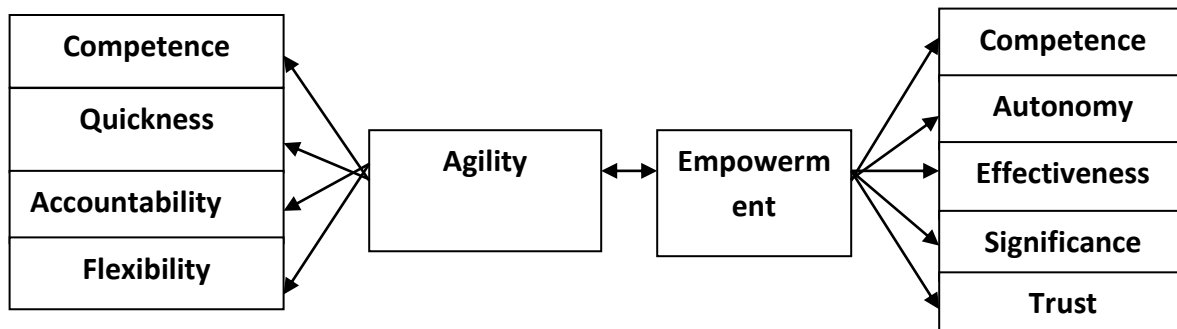


Figure1: Research Framework

4- Research assumptions

Given the purpose of this study, the following assumptions have been considered:

4-1- The main hypothesis

There is a relationship between employees empowerment with Organization's Agility.

4-2- The Sub assumptions

- There is a relationship between employees empowerment with competence dimension of Organization's Agility.
- There is a relationship between employees empowerment with Quickness dimension of Organization's Agility.
- There is a relationship between employees empowerment with Accountability dimension of Organization's Agility.
- There is a relationship between employees empowerment with Flexibility dimension of Organization's Agility.

5- Research Methodology

The main objective of this study is to identify the relationship between employees empowerment with organization's agility. The present study has functional nature based on the classification of the purpose and benefit from survey correlation method. The study is cross-sectional because the study was conducted within a specified time horizon. The population for this study includes all employees of state organization for registrations of deeds and properties of Sistan and Baluchistan. Using random sampling, statistical sample size based on the table krejcie and Morgan (1970) is estimated to be about 92 people. Given the nature of this study, a questionnaire was used for data collection. To measure empowerment, Spreitzer Empowerment Scale (1995) which was composed of 20 questions and set based on the Likert scale of 5 options was used. The scale is built of five dimensions of competence, autonomy, effectiveness, significance and trust. And to measure the agility of the organization, Nikpour scale (1389) which was composed of 16 questions and set based on the Likert scale of 5 options was used. The questionnaire is made of competence, quickness, responsiveness and flexibility. The survey questionnaire validity was evaluated by content and external validity methods after carrying out the reforms required, the validity of the questionnaire was confirmed. The Cronbach's alpha was used to check the reliability of data collection after collection and distribution some of the questioners as the prototype of the population and the ratio of 0/849 and 0/87 obtained respectively which indicates high reliability of the survey questionnaire. The statistical method used to analyze data is Pearson correlation test and all operations have been performed using the statistical software SPSS17.

6- Results

The results of research assumption expressed as follows:

6-1- Checking hypothesis 1:

H0: There is a relationship between employees empowerment with competence dimension of Organization's Agility.

H1: There isn't a relationship between employees empowerment with competence dimension of Organization's Agility.

Table 1- Pearson correlation test statistics for the hypothesis 1

| competence dimension of agility | | | | | | variable |
|---------------------------------|----------------------|---------------------------|------------|-------------|-------------------------|-------------|
| R2 | Type of relationship | existence of relationship | Pearson | | | empowerment |
| 0.416 | Direct | exist | population | significant | Correlation coefficient | |
| | | | 90 | 0.000 | 0.635 | |

According to Table 1, it was found that The correlation coefficient between two variables of empowerment and competence in agility is 0/635 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. So at this level the assumption of H_0 which means lack of relationship is rejected and as result there is a relationship between empowering employees and competence dimension of agility.

6-2- Checking hypothesis 2:

H0: There is a relationship between employees empowerment with Quickness dimension of Organization`s Agility.

H1: There isn't a relationship between employees empowerment with Quickness dimension of Organization`s Agility.

Table 1- Pearson correlation test statistics for the hypothesis 2

| Quickness dimension of agility | | | | | | variable |
|--------------------------------|----------------------|---------------------------|------------|-------------|-------------------------|-------------|
| R2 | Type of relationship | existence of relationship | Pearson | | | empowerment |
| 0.547 | Direct | exist | population | significant | Correlation coefficient | |
| | | | 90 | 0.000 | 0.740 | |

According to Table 2, it was found that The correlation coefficient between two variables of empowerment and Quickness in agility is 0/740 and significant measure is equal to 0/000 which

significant is smaller than the significance level of 0/05. So at this level the assumption of H_0 which means lack of relationship is rejected and as result there is a relationship between empowering employees and Quickness dimension of agility.

6-3- Checking hypothesis 3:

H0: There is a relationship between employees empowerment with Accountability dimension of Organization`s Agility.

H1: There is a relationship between employees empowerment with Accountability dimension of Organization`s Agility.

Table 3- Pearson correlation test statistics for the hypothesis 3

| Accountability dimension of agility | | | | | | variable |
|-------------------------------------|----------------------|---------------------------|------------|-------------|-------------------------|-------------|
| R2 | Type of relationship | existence of relationship | Pearson | | | empowerment |
| 0.502 | Direct | exist | population | significant | Correlation coefficient | |
| | | | 90 | 0.000 | 0.709 | |

According to Table 3, it was found that The correlation coefficient between two variables of empowerment and Accountability in agility is 0/709 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. So at this level the assumption of H_0 which means lack of relationship is rejected and as result there is a relationship between empowering employees and Accountability dimension of agility.

6-4- Checking hypothesis 4:

H0: There is a relationship between employees empowerment with Flexibility dimension of Organization`s Agility.

H1: There is a relationship between employees empowerment with Flexibility dimension of Organization`s Agility.

Table 4- Pearson correlation test statistics for the hypothesis 4

| Flexibility dimension of agility | | | | | | variable |
|----------------------------------|----------------------|---------------------------|------------|-------------|-------------------------|-------------|
| R2 | Type of relationship | existence of relationship | Pearson | | | empowerment |
| 0.428 | Direct | exist | population | significant | Correlation coefficient | |
| | | | 90 | 0.000 | 0.655 | |

According to Table 4, it was found that The correlation coefficient between two variables of empowerment and flexibility in agility is 0/655 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result there is a relationship between empowering employees and flexibility dimension of agility.*

6-5- Checking main hypothesis: result

H0: There is a relationship between employees empowerment with Organization`s agility.

H1: There isn't a relationship between employees empowerment with Organization`s agility.

Table5- Pearson correlation test statistics for the hypothesis 5

| Organization`s agility. | | | | | | variable |
|-------------------------|----------------------|---------------------------|------------|-------------|-------------------------|-------------|
| R2 | Type of relationship | existence of relationship | Pearson | | | empowerment |
| 0.628 | Direct | exist | population | significant | Correlation coefficient | |
| | | | 90 | 0.000 | 0.793 | |

According to Table 5, it was found that The correlation coefficient between two variables of empowerment and Organization`s agility is 0/793 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result there is a relationship between empowering employees and Organization`s agility.*

7- Discussion and Conclusion

The purpose of this study was to identify the relationship between empowering employees with organization agility. The results compared with other studies in this area show a high overlap and In fact it suggests that empowering employees at all four dimensions of competence, autonomy, significance and effectiveness have connection with more agility of organization. In addition, researchers at other studies have been considered improving and developing the capabilities of employees and executive managers as a key element in achieving the organization`s agility. This result is perceptible in this study and Senior manager`s support for staff empowerment courses is very important and essential. When executive managers decided to hold their empowerment courses appropriate to the needs of employees, they will be able to accelerate organizational agility components which is vital for organizations in today`s turbulent and troubled conditions. Achieving this matter is very difficult and vain without regarding the characteristics of each organization and staff`s strengths and weaknesses. So if empowerment programs are exploited in a favorable manner in an organization, it can play important role in capturing aspects of the flow advantage and achieving competence, quickness, responsiveness and flexibility in the organization and in short term it is agility. So it can be concluded that in the current variable and turbulent world, the only thing that does not change is changing itself. In a business world that is increasingly dominated and driven by customer, competition and changes, Organizations are seeking a way to survive and progress. Today's situation is such that the organization can be found at least in a period of three to six months or a maximum one-year of changing in their internal and external environment. While in the past most of the organizations were aware of the importance of quick response to the unstable market, but they never have been able to react quickly and appropriately to changes. On the other hand, using traditional methods to deal with environmental changes is not efficient and effective anymore. Hence the organizations are looking for innovative and appropriate solution in this area. The best and most modern way to survival and success in this area is to focus on the empowerment of human resources and increasing organizational agility. According to what have been mentioned above, our suggestions is that, firstly, the Chief Executive Officers take special care of the factors affecting the agility of organization Particularly in the area of using capable employees in different periods and in different situations and contexts and facilitate empowerment employees fields. Secondly it is necessary to organize training courses in the area due to employees` need . Perhaps identifying the true needs of the organization is more important than organizing training courses.

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