# Investigating the Condition of Human Resources Empowerment (Case Study: An Iranian Service Provider Organization)

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#### Abstract

The purpose of this study was to study situation of human resources empowerment in an Iranian service provider organization. Research method was a mixed one (the descriptive type). The population of the study included all the managers and the employees in 2011 totaled 1329 which 220 of the employees and the directors of the organization were selected using stratified random sampling to determine the required sample for the questionnaire. For the interview with the top executives interviewed according to their department and work experience (5 to 30 years); furthermore, in the case of documents, all of the available documents in the organization studied. For the data collection, questionnaire, interview and analysis of documents were applied. The questionnaire was designed by the researcher. Its validity was evaluated by factor analysis as 0.904 and its reliability by Cranach's Alpha at 0.946 in this study. The interview was Semi-Structured type that its questions were set based on theories of human resources empowerment. Moreover, documents available were studied through content analysis. The main findings of research were as following: 1- There was a gap between the current and desired empowering of human resources in the organization in question. In other words, human resources empowerment in the Organization in question has focused more on training and motivational issues. **Keywords:** empowerment, human resources, an Iranian service provider organization

#### 1. Introduction

The concept of empowerment was first introduced in 1980s (Blanchard & et al, 2000; Whetten and Cameron, 1998) and became prevalent in the Management Studies in 1990's (Bowen & Lawler, 1995; Conger and Kanungo, 1988; Thomas and Velthouse, 1990; Farhangi and Eskandari, 2003; Abdullahi, 2005). Empowerment is defined based on people's perceptions and their personal beliefs. Bogler & Somech (2004) in this regard say that empowerment is a personal belief that improves knowledge and skills of people and finally their performance. Thomas & Velthouse (1990), Whetten & Cameron (1998) and Speritzer (1995) have defined empowerment as a process of internal motivation to perform the duties. Furthermore, Benis (1989), Block (1987), Kanter (1977) and Mackelland, (1975) have called employees empowerment the approach that based on which the leaders empower subordinates as the key components of organization's effectiveness (cited in Hounald, 1997, p 202). According to Hounald's survey (1997), in the history of Empowerment concepts and terminologies such as control to working duties, authority on job, teamwork variety and pay system eurhythmic with performance has been referred to as empowerment. Moreover, other studies show that empowerment is a multi-dimensional concept (Rynhert and Short, 1993; Dee & Dumer, 2001; Somech, 2005; Abdullahi and Nave Ebrahim, 2007).As the studies of Thomas & Velthouse (1990), Whetten & Cameron (1998) and Speritzer (1995) showed empowerment consists of five cognitive dimensions; sense of self-effectiveness, sense of autonomy, sense of effectiveness, sense of meaningfulness of the job and sense of trustworthiness; whereas, these dimensions reflect people's individual orientation in relation to their jobs and their roles in the organization.

In order to study the rate of human resources empowering in organizations, different models and patterns has been designed. The model being used in this research is the humanistic and Iranian one designed and introduced by Iran's human Resources Empowerment Foundation in 2008. This model was analyzed and evaluated in the Academy of American Human Resource and the characteristics of Iranian organizations have been considered in it. This model is extracted from European Foundation of Quality Management (EFQM) which provides the opportunities for the human resources management sections to identify their human resources needs, and to let it ring in their empowerment requirements and regularities in the management processes. Iran's Model of Human Resources consists of seven components including leadership, policy and strategy, the empowerment processes, encouragement and motivation, participation, creativity and innovation, and the key functions of human resources, which would be evaluated by environmental conditions as well as societal, economic, legitimate, political, cultural and geographical along with technological and global conditions.

Due to the research studies so far, and due to the need of strategic manpower enhancement, organizations are obliged to empower human resources. Therefore, it's very important to understand the rate of

empowering human resources and their situation in organization for doing empowerment actions. In this regard, present research tries to study the current condition of the empowering human resources in the organization in question.

#### 2. Research questions

1- What is the current situation of human resources empowerment in the organization in question based on Empowerment Foundation Model of Iran's human Resources?

2- What are the activities which have taken place on human resources empowerment in the organization in question?

#### 3. Research Methodology

Considering the nature and the purpose of the research, its method is a mixed one (descriptive type). The population of the study includes all of the managers and employees in 2011, who were 1329 people. As far as the method of the research concerned, questionnaire, interview and the analysis of the document at hand were used. In order to select the required sample 220 people of the staff were selected through a stratified random sampling. To obtain the interview parts, the top managers were selected through non-random (purposive) sampling and by considering their departmental position along with their occupational experience of 5 to 30 years. Process of interview continued to reaching to the theoretical saturation. Furthermore, for analyzing the documents no sampling took place rather all of the available documents in the organization were examined.

The questionnaire, which contains six categories and has 35 items, was designed by the researcher based on Iran's Human Resources Empowerment Foundation Model, where the cut-off point is the sum of the mean and standard deviation for each component on any axis. Validity of the questionnaire was calculated through Cranach's Alpha as 0.946, where the validity for the factor leadership was 0.775, policy and strategy was 0.833, empowerment processes was 0.820, encouragement and motivation was 0.572, participation was 0.759, and finally for creativity and innovation 0.701. Apart from these, its reliability has been analyzed through factor analysis as 0.904. The findings have been analyzed using SPSS 18 software. The second instrument of the study was the semi-structured interview. The questions of the interview were designed based on principles of empowerment theories especially EFQM. The third tool of the study was to analyze the documents while in order to do so, all of the documents and activities concerning human resources empowerment within the past few years which have taken place by the Ministry of Energy, the organization in question and subsidiary companies were studied, and the information obtained has been analyzed via content analysis.

#### 4. Results

#### The Analysis of the First Objective

The first objective of the research was to study the current situation of human resources empowerment in the organization in question based on Iran's Human Resources Empowerment Foundation Model. To study this objective interview and questionnaire have been used.

The results of the interview revealed that on the leadership dimension there exist no codified and systematic plan for the empowerment of human resources. Members of the organization believe that if the senior management of the organization commits to the empowerment of human resources and designs or implements plans to develop such notions the organization would be benefiting empowered manpower that are satisfied and would be willing to pursue their career. The politics and strategically boundaries of human resources empowerment of the organization followed by that a codified and preplanned activity seems to be missing, hence anything has ever happened in this area has been due to the regulations or the demand of the authorities. In the processes of empowerment devolution has been done based on personal preferences and instead of autonomous teams advisory teams are formed for some decision-making procedures. Also motivating the staff most of the time happens to be honoring by rewards or welfare facilities such as loans, clothes voucher, providing fiscal backing for religious pilgrimages, and boardinghouses provided by special conditions etc. In participation dimension the organization decisions are often centralized and top-down in a way that the employees are not involved in the decisions concerning their main responsibilities; although, some of the heads of some units due to their own beliefs or characteristics to some extent involve their employees in decision making or consult with them. In addition, surveys showed that the participation act has been notified by the Ministry of Energy, but still it hasn't been implemented in the organization. In the creativity and innovation dimension the organization welcomes research activates related to occupational projects; however, in this regard the latest act by the organization is noticeable where the employees are banned to take organizational projects. It is interesting to hear that the ideas of the employees on professional area have been neglected. To obviate this problem a system of polling has been designed which hasn't been applied so far.

In addition, in order to obtain the first goal of the research the following question has been analyzed: Is there any difference between current and desired situation of activating human resource empowerment in the

organization in question according to the six factors proposed by Iran's Foundation Model of Human Resources as leadership, policy and strategy, the empowerment processes, encouragement and motivation, participation, creativity and innovation?

In order to answer this question one sample T-test has been applied. The cut-off point of the test is the sum of the mean and standard deviation for each of those six components and the overall capability of the employees where the scores beyond the cut-off point are the obtained scores and those below that point would be the current condition. The result of test showed that there is a meaningful different between the current and the desired situation of manpower empowering in this organization on the six categories mentioned as well as their overall capability, meaning that manpower empowering scores in all of the six components and also their overall capability score have been lower than the average (Tables 1 and 2).

Table (1): descriptive analysis of the findings of the organization manpower based on empowerment model categories (by considering the scale for each dimensions)

Indicators dimensions of empowering	Average of rating assessment	Overall Rating Criteria	Distance to optimum
leadership	88.13	150	61.87
Policy and strategy	52.36	100	47.64
Empowering process	76.22	150	73.78
encouragement	56.25	100	43.75
participation	119.08	200	80.92
creativity and innovation	72.50	150	77.50
aggregate	464.54	850	385.46

Statistical Indicators dimensions of empowerment	mean	Standard deviation	Test Value	DF	Т	Significance level
leadership	88.13	20.21	108.34	199	-14.135	0.000
policy	52.36	13.93	66.29	195	-13.991	0.000
Empowering process	76.22	19.42	95.64	190	-13.813	0.000
encouragement	56.25	15.68	71.93	198	-14.096	0.000
participation	119.08	27.16	146.24	188	-13.745	0.000
creativity and innovation	72.50	24.86	97.36	199	-14.139	0.000
aggregate	464.54	99.50	564.04	169	-13.796	0.000

#### The Analysis of the Second Objective

The second objective of research was to study the activities having been done regarding the factors affecting the manpower resources in the organization in question. In order to study this purpose the analyses of documents and interview have been used.

The investigation of the documents at hand concerning the second objective of the study revealed that the strategies of the human resources seem to be codified, however prior to that such strategies have been devised; nevertheless, none of the strategies having been designed seem to be applied politics or practical plans, moreover, there exists no comprehensive plan of the empowering the human resources. The only activities on the area of organizational employees' empowerment have been training courses and motivating through rewarding and providing welfare facilities. The training courses being held in the Organization include public, social and cultural empowering; English language courses; ICDL computer skills; and the courses of comprehensive training system such as general health issues at the workplace, preserving the properties, familiarity with financial concepts, administrative correspondence and so on; professional courses of comprehensive training system such as the principles of economics, organizational rights, familiarity with contracts and housing laws, the implementation of the irrigation system and so on; professional-research training courses of comprehensive system such as underground drainage principles, efficiency methods and procedures of administrative in the workshop, geo-technological issues, negotiation management skills etc.; workers training courses, seminars, conferences; and training workshops.

### 5. Discussion and Conclusion

The results of the study in regard to the first objective showed that there is a difference between current and desired conditions of human resources empowerment. In other words, employee's empowering scores in all the dimensions of the model are lower than the average. These findings are different from Zaraematin's & et al findings (2007) and are similar to Monfared's & Zamani's findings (2005). Moreover, the results of Enkomo's (1987), Delanei's & et al studies (1989) showed that there is no relationship between planning and human resources activity with those of business and financial performance. On the contrary, Yulrij & et al (1984) found a positive relationship between specific human resources activity and business outcomes. In addition Gerhart & Milkovich (1992), Ichnioeski & et al (1995) found that there is a high positive correlation between training courses and using advanced management activities of human resource with business and financial performance (cited in Kouhy & et al. 2009, p. 247). In this regard, Skat & Zhafeh assert that organizations have been attacked either from within or from without. The attacks from without would be severe global competition, rapid unbelievable changes, new demands on quality and on services, resource constraints, which require rapid responses on the behalf of the organization. From within the organization the employees feel that they haven't been treated with honesty, which leads to disappointment and disbelief which leads to more frequent unfair expectations (cited in Naveh Ebrahim. 2007). Accordingly, it is suggested that the organization's senior managers by establishing human resources unit pay more attention to its importance and role as a competitive tool and a mere advantage of the organization, and also try to codify and implement it as well as its processes such as information sharing, devolution, and developing self-independent teams. The participation code and suggesting system should be activated and be assessed in a specific period of time as well as necessary remodifications. It has been suggested that the method of rewarding the employees be modified and the rewards be conferred based on true qualified values; moreover, organizational communications should be extended to diminish the managers' and employees' distance. It should be considered that some from without pressures like outsourcing the services and privatization, and subsidies projects etc. have influenced the proper order of the things and has slowed the improvement down; moreover, the frequent changing of top echelons, who would do things based on their beliefs or personal preferences, affects the outcomes, while commitment to the organization vision and strategic plans could lead to stability and excellent.

Investigating the activities having been done concerning the factors which affect empowerment in the organization in question revealed that such activities are bound to training courses, developing motivation by conferring accolades, providing welfare services; moreover, in order to have employees' participation a participation declaration has been provided by the Ministry of Power and also to raise the creativity of them or innovation a system of suggestions and providing ideas has been designed which its mechanisms and its professional committee has already been established, but it hasn't been activated. In this case it could be understood that although training and learning are of the essential factors on empowering human resources, some other factors such as devising the panorama and goals of the organization, supporting the individuals, developing the sense of rapport, considering the individual values all play roles on its empowering. The factors of empowerment are complementary de facto. Therefore, it has been suggested the empowerment of human resources be planned and implemented comprehensively, for training the employees without involving them in making decisions or neglecting their ideas will not lead to beneficial outcomes. However, apart from the training dimension on empowering i.e. participation, creativity and innovation, and key functions the other factors such as the leadership dimensions i.e. policy and strategy, empowerment processes, and encouragement and dialectic between these dimensions be taken into consideration and prepare the foreground to implement a comprehensive empowerment plan in a long run. A successful organization should be able to empower the human resources and also maintain its employees. Generally employees need to feel that they are effective in the workplace and are important in achieving the organizational goals. Therefore, adequate information should be given to them as well as the devolution of responsibilities should be done to provide them by decision making opportunity and doing ability.

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