

**DETERMINING REQUIREMENTS OF HUMAN RESOURCES
EMPOWERMENT
(CASE STUDY: GAS COMPANY OF MARKAZI PROVINCE, IRAN)**

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Abstract: Employees are the most valuable assets of any organization. Organizations' evolutionary trends and dynamics strongly depend on its human resource capabilities. The present study aims at examining enabling requirements of employees in Gas Company of Markazi province Iran. The study population includes all 207 employees of Gas Company of Markazi province and the sample volume is determined as 125 staff using Cochran's formula. Random sampling is employed to select subjects from educated employees. According to previous studies, a researcher made questionnaire is prepared with 32 questions based on Likert scale. The present descriptive-analytical study measures the assumed relationships between structural, behavioral and contextual variables as independent variables and enabling variable as the only dependent variable on the research. Using Cronbach's alpha, reliability and internal consistency of the questionnaire items are confirmed. Using SPSS software, the coefficient obtained for the entire questionnaire is 0.91. Data analysis is undertaken employing T-statistics and Spearman correlation method. Results of hypotheses testing using Spearman correlation coefficients reveal that there are significant relationships between all structural, behavioral and contextual variables and employees enabling variable except physical ability.

Keywords: Enabling; Human resources, Skills; Behavior.

1. Introduction

Human resources are one of the greatest capitals of every organization and despite the past, today's competitive advantage of organization is no longer depends on its technology and advanced equipments rather the biggest organizational advantage relies on hiring creative and skillful employees. Nowadays, organizations need capable and resolving staffs who pave the way for organizational effectiveness using their knowledge, skill and commitment. In 1960, Theodor Shultz believed that the empowerment of human capitals was the reason of progress in development countries (Mirkamali, 2003). It is also stated that the poor quality of

products and services are not always the results of the limitation of budget and equipments; but misusing of human resources is the main reason (Saebi, 2002).

Enabling means empowering people i.e. helping work force to improve his/her self-confidence. At the present time, we live in the knowledge economy and despite the past, the main spotlight of modern organizations is not a machine-based focus rather, they emphasis on intelligence, skills and experiences. Although harnessing knowledge workers' capacity and commitment are among the contemporary challenges but unfortunately it has not been resolved yet. In fact, in recent years organizations are less bureaucratic and people are more independence than ever but empowering is partial and participation in decisions is limited to organizational departments, so people are not able to decide about the overall direction of organization (Manvile et al, 2007).

1.1 Empowerment: According to compact Oxford dictionary, empowerment is defined as “to empower”, “licensing”, “providing power”, and “being able”. Some researchers have defined empowerment as a form of decentralization that involves transfer of key decisions to subordinates. Empowerment is fundamentally a motivational process of an individual's experience of feeling enabled (Corsun & Enz, 1999). Empowerment enables employee to participate in management and so its definition is beyond self-controlling abilities. Empowerment also refers to a set of motivational skills resulting in higher level of employees' participation and ultimately their performance improvement. The main feature of employee empowerment is alignment of individual and organizational goals (Vecchio, 2000). Empowerment deals with teaching people how to do their tasks with less reliance on management.

Regarding empowerment principles, employees not only need authorization but also require adequate training, financial support and basic information to assure accountability about their decisions (Tubbs et al, 2000). The empowerment means the collapse of traditional hierarchical structures. From service perspective, empowering enables employees to make decisions about customer services. Bowen and Schneider argued that an empowered workforce is better able to provide high quality customer service. Therefore, to obtain a competitive advantage and to differentiate a company from others, employees empowered by supportive managers are a key to success in a competitive world (Bowen & Schneider, 1985).

Generally speaking, a committed and enable workforce is vital for effective functioning of modern organizations. In fact, empowering is proposed to facilitate the organization's commitment. Eylon proposed that empowerment is an energizing process such that it

increases individual confidence with and control for her/ him and organization resulting in personal growth and satisfaction (Eylon et al, 2009). Empowerment aims at providing the best intellectual resources for various areas of organizational performance. Empowerment can help organizations keep their best employees through better education and extending their area of responsibility (Gal-Or et al, 1998). Based on empowerment, the most qualified employees exert maximum influence in the most appropriate way. The purpose of empowerment is more participation of people in organizational decision making process along with utilization of employee ideas to find better ways for reaching superior decisions.

Organization and development of teams are not focal points in empowerment process, but it tries to increase employees' competence for creating new ideas and solving problems through interaction and team members' synergism. The long-term objective of empowering is continuous improvement in organizational performance as a whole and in short-term it tries to use existing capabilities of organization members. As a matter of fact, empowerment certainly will lead to higher freedom in choice and action, but these targets only act as a mean for achieving the real end which always manifests itself as performance improvement. In summary, employee empowerment aims at:

- a) Giving continuous job analysis responsibility to all people to develop and implement effective work practices focusing on customers and beneficial;
- b) Assigning responsibility to work teams with regard to performance objectives, performance strategies and performance measures related to customers and beneficial;
- c) Making organization involved in important management decisions such as developing strategic plans, personnel policies and working programs.
- d) Making staff involved directly in working process along with continuous process improvement.

1.2 Empowerment Aspects. Empowerment in today's workplace has been a popular issue for managers and academics to implement and study. Harari defined empowerment as giving freedom (Harari, 1994). This definition is related with the behavior of a supervisor, which is the one aspect of empowerment (Lee et al, 2001). However, the act of empowering subordinates is not enough for effective empowerment. Therefore, employees should also be felt empowered, which is the second aspect of the empowerment called psychological state of a subordinate. Thus, empowerment can be defined as the motivational concept of self-efficacy (Conger et al, 1988).

Depending on the work of Conger and Kanungo, Thomas and Velthouse characterized a cognitive model of empowerment as intrinsic task motivation that is psychological empowerment, which consisted of four dimensions such as meaningfulness, impact, competence, and choice (Thomas et al, 1990). Finally, Spreitzer developed a four-dimensional scale by using the Thomas and Velthouse model. She renamed meaningfulness as meaning and replaced choice with self determination (Spreitzer, 1995; Velthouse 1990). Mishra (1992) also added another dimension i.e. “trust” to the above dimensions (Hancer et al, 2003).

Empowering employees affect employee satisfaction, loyalty, performance, and service delivery (Fulford & Enz, 1995). Empowerment is closely related to people’s perceptions about themselves in relation to their work environments (Bandura, 1990). Empowered people have a strong sense of personal control over work. They believe that they can influence environment or the work results. Acceptance of these individuals results in a period of time to create change in the desired direction. Powerful people do not believe that the barriers will control the external environment of their activities, but these are unable to control themselves. This sense allows them to actively control the environment in line with the demands of their hood Empower people not only feel the sense of competence, but they are sure that to be capable enough to do their required duties (Argote et al, 2003; Tohidi et al, 2006). They feel superior and believe that they can grow and learn new ways to meet the challenges (Jacobs et al, 1995; Tohidi et al, 2011). Empowered Individuals are equipped with confidence. They are assured that they are treated fairly and equally. They are also assertive about the final outcome of their work. They often feel that their power protects them from harm. However, even insinuations that they do not show the flexibility, still maintain their sense of personal confidence (Daft, 1984). Empowered personnel are responsible and they feel the sense of ownership to their behavior (Miles et al, 1987). They see themselves as active person, who are able to take actions creatively, decide independently and experience new ideas (Roberts, 1992). The factors of employee empowerment are divided in two categories: Factors which increase motivation and improve the proficiency of employees, Factors which provide the facilities for the quality improvement of customer services (Shafi, 2006).

2. Problem Statement

As the depth and speed in change of today’s business environment is accelerating due to globalization, technological innovation, and the knowledge-based economy, jobs have

become more complex, challenging, and empowering (Joo & Shim, 2010). To survive and thrive in such a world, an organization must always be ready to adapt. Thus, many organizations strive to have a learning culture to create and transfer knowledge for survival (Garvin, 1993). Since human resources are the most important factors in organizations, equipping and preparing such resources are vital for dealing with potential changes (Littrell, 2007). All organizations with any mission should devote the greatest investment, time and planning to various dimensions of human development. Many organizations have found that the only solution for the problem is empowerment programs and have attempted to provide necessary conditions for developing competent personnel. Organizations should work in today's highly competitive environment with remarkable changes. In such circumstances, managers get little opportunity to control the employees and they should spend most of their time and resources to identify organization's external and internal environment and delegate other tasks to their staff. Employees can assume their responsibilities if they have necessary skills, knowledge and abilities and also know the organizational goals.

One of the tools in hand of managers is empowerment process. In fact, employees' empowerment is one of the effective tools to increase staff productivity and efficient use of their individual and group capacities and abilities in line with organizational objectives. Empowerment is a process that helps performance continuous improvement through development and expansion of influence and capabilities of individuals and groups. In other words, empowerment is a strategy for organizational development and prosperity.

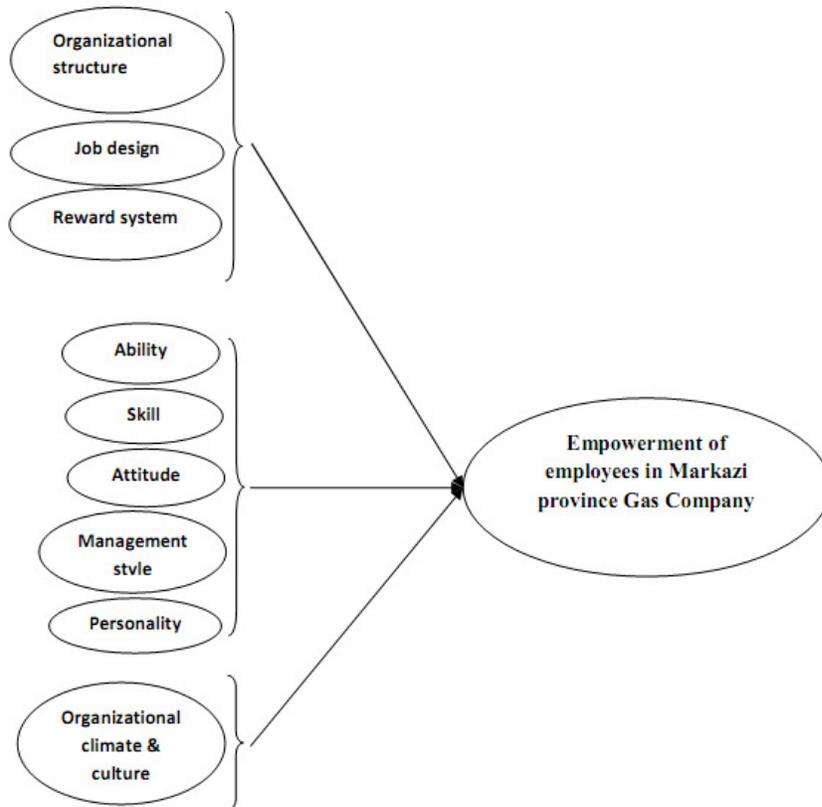
Due to many reasons including vague organizational goals, lack of proper definition of working and personal relationships, lack of suitable performance evaluation system, lack of definition for appropriate indicators in measuring productivity of human resources and some other market-related factors stemmed from non-competitive business environment and economic structures, there isn't any definite mechanism for improving human resources quality and even such mechanisms are not treated seriously.

The main question in this research is how it is possible to maximize employees' empowerment in Gas Company of Markazi province and how it is possible to enhance their potential such that it results in improvement of their decision making power and responsibility about their own affairs and works and also development of their skills, creativity and innovation. Given the breadth and size of Gas Company of Markazi province and its important mission in merely providing services, undoubtedly it plays an important role in promoting the society level; it is thus necessary to focus on human resources and to utilize

staff capabilities in order to offer more valuable and attractive services. In this respect, the research main question is that whether there is a significant relationship between organizational variables and employee empowerment? Finding an appropriate answer for this question and using its scientific and statistical findings along with generalization to the considered population and other similar organizations, it is possible to provide a useful model for employees' empowerment and optimum utilization of employees' power, intellect and creativity.

In this way, the researchers tries to examine behavioral variables (ability, skill, attitude, management perspective, personality), structural variables (organizational structure, job design, reward systems) and underlying variables (climate and organizational culture) as well as their relationship with employees empowerment in Gas Company of Markazi province; and also it examines above mentioned variables in the course of achieving the desired capabilities in the Company.

3. Conceptual Model of Research



4. Research Hypotheses

H1 (a) There is a significant relationship between employees' physical abilities and their empowerment.

H1 (b) There is a significant relationship between employees' technical skills and their empowerment.

H1 (c) There is a significant relationship between employees' human skills and their empowerment.

H1 (d) There is a significant relationship between employees' job satisfaction and their empowerment.

H1 (e) There is a significant relationship between employees' organizational commitment and their empowerment.

H1 (f) There is a significant relationship between managerial attitudes and employees empowerment.

H1 (g) There is a significant relationship between employees' personality locus of control and their empowerment.

H2 (a) There is a significant relationship between organizational structure and employees empowerment.

H2 (b) There is a significant relationship between job design and employee empowerment.

H2 (c) There is a significant relationship between company reward systems and employee empowerment.

H2 (d) There is a significant relationship between organizational climate and employee empowerment.

H2 (e) There is a significant relationship between organizational culture and employee empowerment.

5. Research Methodology

With regard to objective, the present research is an applied research; its data collection method, hypotheses testing and conclusions, place it in descriptive researches classification and in terms of data collection, it uses a combination of literature review and field research, so it is known as a descriptive survey research. Data collection instrument is questionnaire which was designed based on the research model. Finally a standardized questionnaire was developed with 32 questions. To measure the answers provided by employees of Gas Company of Markazi province, the five-point Likert scale is applied which ranges from "strongly agree" to "strongly disagree".

To validate the standardized questionnaire, the researchers distributed 40 questionnaires with 33 questions among specialists and experts of Gas Company of Markazi province. Iran; the final revised questionnaire consisting of 32 questions was prepared. To evaluate the validity of the questionnaire, alpha coefficient is used. Forty questionnaires were distributed among the specialists and experts in Gas Company and its reliability was calculated using SPSS software. The value obtained is higher than acceptable values for practical purposes i.e. 0.70, so it can be claimed that the questionnaire has acceptable reliability. The research population includes 207 employees of Gas Company of Markazi province with 16 female and 191 male potential participants. Using Cochran sampling formula, the sample volume is 125 considering 0.055 errors. As a result, 125 employees were included in the sample and were selected using random sampling method. Educated employees were selected for the purpose.

5.1 Hypothesis Testing. Using spearman correlation coefficients obtained between the considered independent variables and the dependent variable i.e. empowerment, following table shows the result of hypotheses testing.

$$\begin{cases} H_0 = \rho \leq 0 \\ H_1 = \rho > 0 \end{cases}$$

		Org. structure	Job design	Reward	Physical ability	Technical skill	Human skill	Job satisfaction	Org. commitment	Personality	Leadership style	Org. culture	Org. climate
Empowerment	Spearman correlation coefficient	/4070	/4260	/1920	1200/	/2440	2490/	0/288	0/459	0/379	0/472	/4600	0/592
	Sig. level	/0000	/0000	/0340	1890/	/0060	0060/	0/001	0/000	0/000	0/000	/0000	0/000

Given the significant level lower than 0.05 for the considered variables excluding physical ability, all hypotheses are supported except the significant relationship between physical ability and empowerment.

6. Recommendations

Given the above mentioned facts, some recommendations for employees' empowerment are proposed as follows:

-Setting clear objectives, responsibilities and authority in the organization: Employees should be aware of their responsibilities, job description and organization mission as well as work processes and procedures.

-Job enrichment and job promotion: organizations should carry out the measures needed for updating employee technical information and expertise and enhancing their job content. According to succession principle in organization, job rotation techniques should be implemented.

-Feelings and sense of organizational bond: In order to meet the condition, organization should respect its employees and help them to solve their personal problems. To inspire invention, innovation and creativity in employees, appropriate grounds are required and senior management should be ensured that employees tend to do their tasks as expected.

-Trust, sincerity and honesty: Organization should provide positive atmosphere and friendly working relationship between staff and increase mutual trust between managers and staff.

-Recognition and appreciation: Relevance of salary and bonuses received by employees to their works, appropriate distribution of welfare facilities in organization and relevance of promotion with employee competences, all improve the empowerment.

-Participation and teamwork: Use of employees' comments and ideas in decision-making and as well as their cooperation in improving organizational tasks, employees empowerment at various levels and encouragement of employees to propose ideas for better doing of tasks are effective in promoting participation and teamwork in organizations.

-Communications: It includes communication and easy access of employees to managers and supervisors, transparency and clear communication between staff and managers and supervisors and informing employees about current working situations etc.

-Working environment: One of the emphasized factors in any organization is working environment. The importance of employee health and safety at work, creating opportunities for career promotion and reducing workplace stress and tensions are factors that are related to working environment.

-Improving processes and working methods: Transparency and clear information about organization's workflow, documentation of work procedures, periodic reviewing and revising of procedures and simplification of tasks are effective factors on improvement of processes and working methods.

-Information, knowledge and job skills: To achieve the goal, it is beneficial to provide opportunities for developing job skills, effective and efficient training and good communication about technical and professional information in relation to variety of job positions.

-Formation of working groups: One of the managers' responsibilities is forming of empowered working groups. For this purpose, designing and development of several factors at workplace are necessary which managers and employees contribute in their achievement. Some of them are respect, intelligence, control, decision making, responsibility and skills.

-Creating and applying appropriate systems for performance evaluation and recognition of model employees in specific time intervals.

-Employee training in order to enhance their knowledge, skills and abilities through:

- Offering a combination of formal and on-job training for employees,
- Training about new ways of activity in teams and team-building,
- Focusing on investment in education at any point of time.

-Empowering through:

- Eliminating some of the supervisory levels and making it possible for managers to focus on problems and organizational policies.

-Implementing recommendations and feedback systems in organization.

-Employee involvement in planning and sharing performance information through:

- Creating a mechanism for employee participation in the planning process,
- Providing functional information across the organization through various methods such as charts, graphs and newsletters,
- Communicating performance information through meetings,
- Surveying employees about organizational routine changes.

-Focusing on customer orientation and customer satisfaction as the main axis of important organizational decisions.

Conclusion

Undoubtedly, strengthening the capability of individuals can play an important role in improving the quality of services provided by organizations because changes in the

contemporary organizations have altered their attitude toward labor force. Organizational advantages are not due to outpacing in new technology utilization but rather lie in high self-esteem and commitment to organizational goals. Under such circumstances, employees do not act as a means for managers' achievement rather they are known as the vital capital of organization with high involvement in work flows and participation as organization partners. Subsequently, leadership skills are not sufficient for managers; and employees require learning self-governance methods.

To achieve these features, organizations should empower their most important sources and competitive factors i.e. human resources. Given the extent and scope of Gas Company of Markazi province and its important mission for providing services, the use of human resources and its capability for delivering more useful and desirable services is an unavoidable necessity. Achieving the goals necessitates applying related appropriate and scientific strategies. Empowerment is one of the most important strategies for inspiring these features in individuals and a new motivational factor in dynamic working environment. Employee empowerment has positive effects on their attitudes and behaviors. In the current turbulent environment, organizations have no choice other than proper utilization of manpower as a competitive advantage. In the empowering organization, a successful manager is one who has the ideas and abilities needed to lead staff towards a common organizational goal and also tries to improve employees' work efficiency which increases the deployment of human resources' full capabilities and means employee empowerment.

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