

THE RELATIONSHIP BETWEEN EMPOWERMENT AND PERFORMANCE OF EMPLOYEES IN THE BRANCHES OF BANK CITY OF SARI

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ABSTRACT

The main objective of this study was to investigate the relationship between empowerment with employees performance of Mellat bank branches in Sari. Given the nature of the subject, the research method was descriptive and correlational. The population consisted of all the employees of Mellat bank branches in Sari (166 people) that. 118 people have been selected using simple random sampling method and with the help of krejcie and Morgan table. Data were collected by employees empowerment Standard questionnaire and job performance questionnaire. Findings showed that feeling of empowerment and employees job performance of Mellat bank has been above average and has been satisfactory. Also, there is a positive and significant relationship between empowerment and four dimensions of self- efficacy, significance, influence and trust with employees performance of Mellat bank but there was no relationship no relationship between the sense of autonomy and performance. Also, regression analysis indicated that four factors, i.e., “self- efficacy”, “significance”, “influence” and “trust” can explain and predict employees’ performance. In addition, there is a significant difference between the comparison between male and female employees empowerment, effectiveness and trust mean. There was significant difference between average scores of significance and trust dimension of employees according to age group and there was no significant difference between other dimensions and score of empowerment. In addition, the comparison between the groups according to level of education showed that only in significant and effectiveness dimension there was significant difference between people but there was no significant difference in total Score of empowerment and other dimensions. Also, a comparison between the average scores obtained according to employees work experience showed that there was significant difference in in trust and significance dimension and there was no significant difference in other dimensions and total score of empowerment.

Keywords: *Empowerment, Job Performance, Mellat Bank*

INTRODUCTION

Equip an organization with Capable human resources is a vital principle. Undoubtedly, a sign of the efficiency of any organization and functioning of its staff to deal with the rapid changes resulting from developments, public attitudes and reduce the level of government support is the change in the organizational structure and the empowerment of human resources (Anderwood, 2002).

Organizations seeking to gain competitive advantage and increase their productivity in today's competitive world, need to increase the performance of their employees.

It is only through increased knowledge and technical skills of employees through various means that it is possible.

So, one of the most important strategies of organizations and companies especially financial institution and credit banks are empowerment of employees.

The present chapter deals with the problem statement, the importance and necessity of the research, the conceptual model of research, research objectives, and the research Hypothesis, definition of words and expression and study variables.

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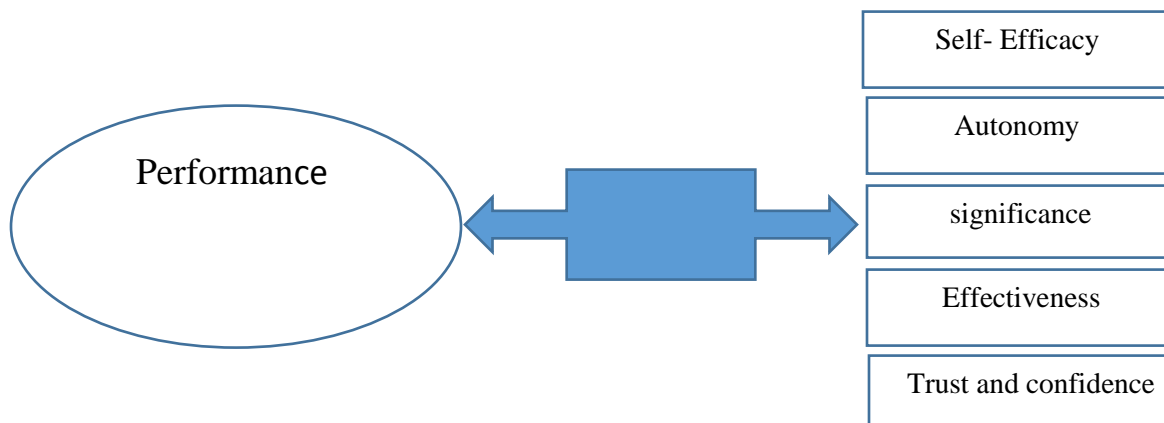


Figure 1: The conceptual model of study (Adapted from Gohori pourettd,1392)

The Concept of Empowerment

In this age, the explosion of organizations knowledge and information keep pace with technological, scientific, technological, political, social, cultural and especially globalization movement continuously consideration should be given to action and keep their knowledge up to date and train Journal practitioners and specialists to solve the problems of today's world and create feature-oriented organization. Since human society is out of the subsistence economy and divided into two groups of workers and employers, how to increase efficiency is also taken into consideration. Sometimes money, sometimes forcefully, sometimes deception has been enhanced productivity tools. Once public awareness had increased and the law and relevant provisions of the law came up, satisfaction and motivation were raised and there is now talk of human forces (Ardalan, 1390). Management has concluded that the driving force must be transferred into him from outside of human, and gave him conscious, clear goals for him and was given a choice.

Instead of telling people what to do and how and when to do so, should give them the ability to solve their problems and decide for themselves, feel confident and take management responsibility All ited listed above are called empowerment (Whetten & Cameron, 1387).

The concept of performance and performance evaluation:

Today's, the main custodians and organization real administrators are people and organization without people will have not only a concept, but it was also not possible to control it. Even with the development of technologies in organizations and becoming them a lot of hardware in the future, the role of human as a vital and strategic in the survival organization never will be lost (Seyed and Moshefegh, 1387).

Trait-based evaluation used to evaluation personal characteristics.

This type of evaluation focuses on one's own and his traits and mental. Based on the tendency to measure the performance of the manager is focus on measuring his traits and attitudes. By the some token, the theories of (leadership attributes) are based on performance evaluation.

Therefore, the subject of measuring manager's personality that shows his habits and behaviors and ability to play a role is important.

Although in the design of evaluation based on the individual characteristics the subjective methods are used. One of the weaknesses of this type of evaluation is using subjective methods during the evaluation. But it seems, according to the progress of scientific research in this field, including Ghislli, Yukl, Bennis, Kirkpatrick, cock and stagdill. In evaluating management performance, should consider these features.

So, one of the dimension of management performance assessment is his personality characteristics (Hersey & Blanchard, 1993).

Background Research

Kazlauskaite *et al.*, (2012) in a study investigated the relationship between organizational and psychological empowerment with human resources performance. The study sample consisted of 211 employees of 30 hotels in Lithuania. The result of study showed that there is a positive relationship

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between organizational and psychological empowerment with job satisfaction and emotional commitment of employees. Mgerson & Dewettinck (2012) in a study investigated the effect of empowerment on employees performance. In this study they have to collect information by doing the pre- test before empowerment period and post- test after the period. To this end 266 employees of telecom in the united states of American were selected. Findings showed that there was a significance relationship between employees performance investigated before and after empowerment period.

Also management, company encouragement and reward to employees was effective on performance improvement.

Hechanava & Regina (2006) to determine the relationship between empowerment with job satisfaction in different sectors investigate 954 employees and supervisors and concluded that there is a positive relationship between psychological empowerment with job satisfaction and performance. Also, results showed that means have more empowerment than women even when they controlled for the level of work and performance.

Greasley & King (2005) in a study concluded that there was clear relationship between empowerment and self respect and the empowerment practical results is that we can feel more subtle moral responses.

MATERIALS AND METHODS

Research Methodology

The method according to the nature of the subject is descriptive and correlational, because the researcher wants to obtain information using research findings and describes them without no changes and measure the relationship between the empowerment of human resources with employees performance of Mellat bank branches in Sari.

Statistical Population

The populations of this study include all employees of Mellat bank branches in Sari that are a total of 166 people.

Research Purposes

The main purpose: identify the relationship between empowerment with employees' performance of Mellat bank branches in Sari.

Secondary purposes:

1. Identify the relationship between self- efficacy feelings with employees' performance of Mellat bank branches in Sari.
2. Identify the relationship between self- determination feelings with employees' performance of Mellat bank branches in Sari.
3. Identify the relationship between significance feeling with employees' performance of Mellat bank branches in Sari.
4. Identify the relationship between effectiveness feelings with employees' performance of Mellat bank branches UN Sari.
5. Identify the relationship between trust and confidence feeling with employees performance of Mellat bank branches in Sari.
6. Identify the empowerment and its dimensions in employees of Mellat bank branches in sari.
7. Identify the empowerment of mellat bank employees due to demographic characteristics (gender, age, education, job experience).

Sample Size and Sampling Method

In this study 118 people of the employees of Mellat bank branches in Sari were selected using simple random sampling method and with the help of korjeki and Morgan table.

Data Collection Method

In this study, field and library method used collect information in the present study, data collection tools is questionnaire and two questionnaires were used to measure the Variables.

Employees empowerment questionnaire: this questionnaire is a standard one that designed by spritzed and consists of five option 20 question that is classified in likert range.

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Job performance questionnaire: it is a standard questionnaire designed by Patterson. The above questionnaires have 15 questions with five range option (never, rarely, sometimes, often, and always).

Data Collection Method

For the analysis of research data both descriptive and inferential statistics were used. Descriptive statistics were used to describe data relate to study variables and information relate to demographic of mean and standard deviation, frequency, frequency percent and frequency tables were used.

Inferential Statics

To test the study hypotheses, first Kolmogorof- Simranof test to measure the distribution of research data and variables were used.

Because data distribution was normal, person correlation test to test the main hypothesis and first, second, third, fourth and fifth hypotheses have been used.

Table 1: Kolmagorof- simiranof test

Test result	Level error (a)	p- value	parameters
Normal data	0/05	0/078	Self- efficacy
Normal data	0/05	0/093	Self- determination
Normal data	0/05	0/069	significance
Normal data	0/05	0/112	effectiveness
Normal data	0/05	0/108	Trust and confidence
Normal data	0/05	0/081	empowerment
Normal data	0/05	0/061	Job performance

As can be seen in table 1, in all the amount of p- value is larger than error level (0/05), in other words, the distribution of data relate to all items is normal.

Test hypotheses

Study main hypothesis: there is relationship between the empowerment of human resources with the employees performance of Meelat bank branches in Sari.

Table 2: The relationship between the empowerment of human resources with employees

Performance					Dependent variable
					Independent variable
Significance level		Correlation coefficient	Sample number		
0/083	0/086	0/000	0/2700	118	The empowerment of human resources

According to table 2, significance level between performance and empowerment variable is equal to 6000 and this amount is smaller than 0/05. So, there is relationship between performance and empowerment variable. Based on the results obtained the correlation coefficient is equal to 0.27 which represent the direct and weak relationship between the two variables. Also, the coefficient determation and adjusted coefficient of determation between two variables is equal to /85 and 0/083.

Accordingly, can predict 8/3% of variation in performance by empowering human resources.

First minor hypothesis: there is relationship between employees self- efficacy feeling with job performance.

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Table 3: The relationship between self- efficacies with employee's performance

Performance					Dependent variable
Significance level			Correlation coefficient	Sample number	Independent variable
0/120	0/123	0/019	0/135	118	
					The empowerment of human resources

According to table 2, significant level between self- efficacy and performance variable is equal to 0/019 and this amount is smaller than 0/05. So, there is relationship between performance and self- efficacy variable. Based on the results obtained the correlation coefficient is equal to 0/135 which represent between the two variables.

Also, the coefficient determination adjusted coefficient of determination between two variables is equal to 0/123 and 0/120 and accordingly, can predict 12% of variation in performance by employees' self- efficacy.

Second minor hypothesis, there is relationship between determination feeling with job performance.

Table 4: The relationship between employees with performance

Performance			Dependent variable
Significance level	correlational coefficient	Sample number	Independent variable
0/096	-0/094	118	

According to table 4, significance level between performance and self-determination is equal to 0/096 and this amount is higher than 0/05. So, there is not relationship between performance and self-determination. Third minor hypothesis: there is relationship between employees significance feelings with job performance.

Table 5: The relationship between significance feelings with employees' performance

Table 1: The Relationship between Significance feelings with employees' performance					
Performance					Dependent variable
Significance level			Correlation coefficient	Sample number	Independent variable
0/015	0/018	0/000	0/234	118	Significance feeling

According to table 5 significance level between performance and significance feeling variable is equal to 0/000 and this amount is smaller than 0/05.

So, there is relationship between performance and significance feeling variable. Based on the results obtained the correlation coefficient is equal to 0/234 which represent the direct and weak relationship between the two variables.

Also, the coefficient determination and adjusted coefficient of determination between two variables is equal to 0/018, 0/015 and accordingly, can predict 1/8% of variation in performance by human significance feeling.

Fourth minor hypothesis: there is relationship between employees effectiveness feeling with job performance.

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Table 6: The relationship between effectiveness feelings with employees performance

Performance					Dependent variable	Independent variable
Significance level			Correlation coefficient	Sample number		
0/031	0/034	0/000	0/286	118	Effectiveness feeling	

According to table 6, significance level between performance and effectiveness variable is equal to 0/000 and this amount is smaller than 0/05. So, there is relationship between performance and effectiveness variable. Based on the results detained the correlation coefficient is equal to /286 which represent the direct and weak relationship between the two variables. Also, the coefficient determination and adjusted coefficient of determination between two variables is equal to 0/34 and 0/031 and accordingly, can predict 314% of variation in performance by Effectiveness feeling variable.

Fifth special hypothesis: there is relationship trust and confidence of employees with their job performance.

Table 7: The relationship between trust and confidence with employees performance

Performance					Dependent variable	Independent variable
Significance level			Correlation coefficient	Sample number		
0/084	0/087	0/000	0/509	118	Trust & confidence feeling	

According to table 7, significance level between performance and trust and confidence feeling is equal to 0/000 and this amount is smaller than 0/05. So, there is relationship between performance and trust and confidence feeling variable. Based on the results obtained the correlation coefficient between two variable is equal to 0/509 which represent that direct and relatively strong relationship between two variables. Also, the coefficient determination and adjusted coefficient of determination between two variable is equal to 0/084 and accordingly, can predict 8/7% of variation in performance by trust and confidence feeling variable.

Sixth special hypothesis: Empowerment and its dimensions is above average in employess of Mellat bank branches in Sari.

Table 8: Statas of empowerment and its dimensions in employess

Test result	Significance level	Degrees of freedom	t	parameters
Reject H_0	0/000	117	66/260	Self- efficacy
Reject H_0	0/000	117	48/787	Self- determination
Reject H_0	0/000	117	53/848	significance
Reject H_0	0/000	117	38/679	effectiveness
Reject H_0	0/000	117	53/178	Trust and confidence
Reject H_0	0/000	117	61/940	empowerment

As can be seen in table 8, according to significance level (0/000) that is smaller that its critical value, i.e, 0/05, the score obtained from respondents indicate a significant difference between the mean dotoined with the theoretical mean namely 3 in Likert range. Since the mean scores obtained in all the variables is

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more than theoretical mean and this difference is statistically meaningful. In all dimensions, the status of employees empowerment in Mellat bank have been higher than Average, therefore the study hypothesis is confirmed.

Seventh minor hypothesis:

There is difference between the amount of empowerment in employees of Mellat bank due to demographic characteristics(gender, age, education, job experience).

Table 9: The difference between empowerment in the basis of gender

Statistics test		Women		Men		parameters
SO	M	SO	M	SO	M	
0/288	-1/064	1/36	18/33	1/68	18/07	Self- efficacy
0/077	-1/774	1/64	17/70	1/96	17/19	Self- determination
0/075	-1/787	1/21	18/22	2/01	17/71	significance
0/000	-3/856	1/76	17/70	2/17	16/49	effectiveness
0/000	-3/301	1/11	18/07	1/83	17/22	Trust and confidence
0/003	-2/958	5/40	90/04	7/97	86/67	empowerment

According to table 9 and obtained significant levels it can be stated that there is a significant difference in the empowerment total score and two dimension of effectiveness and trust and confidence between examined groups and there is not a significant difference in other dimension between obtained scores of men and womens.

In the total score of empowerment, effectiveness and trust and confidence dimensions due to obtained significance level (0/003, 0/001,0/000) that is smaller than critical value namely 0/05, the null hypothesis is rejected and the study hypothesis is confirmed.

So, we can say with 95% confidence that there is difference between obtained mean with obtained total mean of empowerment and effectiveness and also trust and confidence ce dimensions between men and women employees. Interestingly, in all three cases, women have won higher score than men that statistically this obtained mean difference was significant.

Table 10: The difference between empowerment in the basis of age

Statistics test		than 40	35-39		30-34		parameters	
P	F	SO	M	SO	M	SO	M	
0/579	0/547	1/57	18/16	1/72	18/09	1/83	17/84	Self- efficacy
0/675	0/394	1/91	17/33	1/73	17/44	3/36	17/39	Self- determination
0/036	3/356	1/81	17/98	2/04	17/58	2/09	17/13	significance
0/093	2/388	2/32	16/53	1/72	16/90	2/41	17/35	effectiveness
0/013	4/416	1/54	17/55	2/20	17/18	2/25	16/61	Trust and confidence
0/75	0/288	7/04	87/44	7/26	87/20	9/45	86/32	empowerment

According to table 10 and obtained significance level can be stated that there was significant difference between only two dimensions of trust and confidence between groups studied and there was no significance difference between the mean obtained with respect to age.

In obtained mean of different age groups of significance, trust and confidence dimension due to obtained significance levels (0/013, 0/036) that is smaller than critical value namely 0/05, the null hypothesis is rejected and the study by hypothesis is confirmed.

So, we can say with 95% confidence that there there is difference between obtained mean of each of two dimensions and obtained mean of age groups older than 40 years group have been allocated higher score mean to themselves than other groups.

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Table 11: The difference between empowerment in the basis of education

Statistical test		Master pr higher degree		Bachelor		Advanced Diploma		Diploma		parameters
P	F	SD	M	SD	M	SD	M	SD	M	
0/231	1/441	1/78	18/38	1/58	18/10	1/12	17/47	1/73	18/07	Self- efficacy
0/454	0/876	1/73	17/57	1/93	17/25	1/15	16/79	2/23	17/24	Self- determination
0/029	3/050	2/02	18/30	1/93	17/74	0/98	18/29	1/79	17/31	significance
0/023	3/233	1/83	17/22	2/29	16/70	1/18	15/47	3/05	16/50	effectiveness
0/166	1/704	1/92	17/45	1/75	17/22	0/88	18/17	1/78	17/48	Trust and confidence
0/297	1/236	7/42	88/92	7/78	8701	2/77	86/18	8/54	86/61	empowerment

According to table 11 and obtained significance levels, there is significant difference only in diffectiveness and significance dimensions between studied groups and there is no significant difference between individuals obtained means due to their education level in other dimensions.

Employees obtained means with different level showed that in the significant and effectiveness dimensions due to obtained significance levels (0/023, 0/029) that are smaller than critical value namely 0/05, the null hypothesis is rejected and study hypothesis is accepted.

So, mw can say with 95% confidence that there is a significant different between obtained mean of two dimensions between employees obtained mean with different education level.

There is no significant difference between other groups in empowerment total score and the study hypotheses in these cases are rejected. Individuals with master's degree and higher degree obtained higher mean than other individual in significance and effectiveness dimensions. There is significant difference between obtained means.

Table 12: There difference between empowerment in the basis of jib experience

Statistical test		Higher than 20		15-19		10-14		5-9		parameters
P	F	SD	M	SD	M	SD	M	SD	M	
0/069	2/383	1/57	18/01	1/66	18/24	1/42	18/35	3/26	16/67	Self- efficacy
0/225	1/492	2/02	17/13	1/81	17/59	1/78	17/08	2/04	17/17	Self- determination
0/000	6/766	1/89	17/73	1/86	18/27	1/47	17/20	3/26	15/67	significance
0/927	0/154	3/15	16/65	2/26	16/70	1/96	16/79	2/04	17/17	effectiveness
0/009	3/936	1/50	17/47	1/75	17/40	2/23	17/28	2/45	15/00	Trust and confidence
0143	1/824	7/78	8/98	7/43	88/39	6/52	86/71	13/06	81/67	empowerment

According to table 12 and obtained significance levels, there is significant difference only in significance and trust and confidence between studied groups and there is no significant difference between individuals obtained means due to job experience in other dimensions.

Employees obtained means with different level showed that in the significance and trust and confidence due obtained significance levels (0/000, 0/009) that is smaller than critical value namely 0/05, the null hypothesis is rejected and study hypothesis is accepted. So, we can say with 95% confidence that there is a significant different between mean of two dimension between employees obtained mean with different job experiences.

There is no significance difference in empowerment total score and other dimensions and the study hypothesis is rejected in these cases.

In significance dimension, individuals with job experience between 15-19 year and in trust and confidence dimension, individual with job experience higher than 20 years obtained highest means that obtained difference was significant.

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RESULTS AND DISCUSSION

The ability of workforce is considered the requirements of today's competitive environment that is supplied in the form of empowerment process. Factors such as increase motivation and improve employee productively and improve the quality of services that offered, are resulting individual's performance that have necessary capabilities and personality characteristics appropriate with it (Ghahari *et al.*, 1392). In fact, the result has shown that empowerment and its five dimensions can affect people's performance and somehow improve performance of individual and the performance of organization. However, empowerment can cause significant behavioral can sequences and can lead to initiative, effort and perseverance: because freedom and empower employees lead to rapid reaction of them against obstacles. In addition, freedom of work, a sense of confidence and other factors associated with empowerment can provide motivation and improvement. Also, research shows that effective sense of empowerment creates a sense in people that there are deaf ears to their views. For this reason, they feel they have a role in determining their own business affairs and must show a better performance. In fact, as people have more opportunities in their career choice and have competence sense and significance, they feel more empowerment (Molla & Arsalan, 1388) and can exhibit better performance according to their abilities. So, in organization, in particularly, his performance will be perfect and if someone does not have the necessary ability, his performance has been weak and the duties will not be successful. Accordingly, managers should pay special attention to strategies of increasing employees empowerment in the form of five dimension of empowerment in order to increase a to – date human resource capabilities in the organization till having empowerment employees and better performance enhance the efficiency, effectiveness and productivity in their organizations.

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