

# The Effect of Administrative Empowerment on the Organizational Effectiveness of Bank Employees

M.SALEH<sup>1</sup>, H.KABALAN<sup>2</sup>

<sup>1</sup>SYRIAN VIRTUAL UNIVERSITY, Faculty of Management Sciences, motasemsal9177@gmail.com

<sup>2</sup>University of Damascus, Faculty of Economic, Department of Business Administration, hkabalan\_b@hotmail.com

*Abstract.* This study seeks to identify the level of the impact of administrative empowerment in its dimensions on the organizational effectiveness in the banking sector in Syria. In order to verify the objectives, develop and test the validity of the hypotheses, the descriptive approach was adopted. The study found that there is a statistically significant effect of the dimensions of administrative empowerment on the organizational effectiveness of workers in banking sector.

**Keywords:** administrative empowerment, organizational effectiveness, delegation of authority, effective communication Staff training, motivation

## Introduction

Empowerment is the process of giving employees in the organization the power, authority, responsibility, resources, freedom to take decisions and solve work related problems. In order to take such initiatives and decisions, they are given adequate authority and resources. Building organizational commitment among employees is one of the important factors for ensuring organizational effectiveness. This is because committed employees can lead to favourable organizational outcomes [1].

Effectiveness of an organization depended on individual and group contributions said to be effective when its contribution is larger than the sum total of individual contribution. In this regard, organizational effectiveness also can be considered as one of the issues that concerned organizations attentions. Those organizations are likely to survive that have excellent, skilled, experienced, and dedicated manpower. To achieve this end organizations should empower their employees in the turbulent times. Empowerment is one of the useful tools for raising the quality of human resources and increased organizational effectiveness [2].

The concept of administrative empowerment:

There are numerous definitions for empowerment, where it can be defined thus: Empowering means releasing the internal power of individuals to achieve extraordinary results and it is a technique for increasing productivity and enhancing employee commitment to the organization and vice versa [3]. Administrative empowerment is also represented in paying more attention to workers by expanding their authorities or influence, enriching the amount of information given to them, increasing

opportunities given to them to take initiative and make decision and confront problems that impede their performance [4]. According to [5] Administrative empowerment is a period in which the staff's ability is improved to make decisions through collaboration, participation, training, learning, and team work.

The importance of administrative empowerment:

Several studies show that administrative empowerment has benefits for both resorts and employees as follows [6]:

- Firstly: for resorts administrative empowerment provides high productivity, low absenteeism and turnover, improvement in the quality of production or services, and achievement of a privileged position, as well as increases competitiveness, cooperation in problem solving and high innovation capabilities.
- Secondly: for employees, administrative empowerment plays important role in satisfying the individual needs of self-esteem. It provides the employees with a high resistance to work pressure, a high loyalty and affiliation to their resort and a high degree of job satisfaction and responsibility.

Administrative empowerment seeks to increase the confidence of employees at all managerial levels with a special attention to the minimum ones. This makes it possible to enhance their loyalty to the organizations and encourage the employees to achieve the competitive advantage and makes them put in their best, thereby encouraging team spirit [7].

The Elements of Empowerment:

- Delegation of authority: is delegating the manager some of the job functions responsibilities of exercising to one of his/her subordinates [8]. Consequently, delegation is a skill can help employees achieve more without burning themselves out. Moreover, delegation can be a step toward electing a successor, through stepped learning of the job specifics, thus develops high quality leaders and enables the employee to be promoted to a higher position [9].
- Effective communication: it means the effective communication between the relevant authorities through passing information between the various parties toward unifying vision [10]. Effective communication is a process to transmission and exchange of information, whereby concepts are united, decisions are taken and therefore implemented. It is the process of understanding information and passing it from person to person [9].
- Staff training: Training is one of the most significant human resource practices that impact a company's success and progress. It is of growing importance to companies seeking to gain an advantage among competitors. Training is the process of providing training programs to train staff in decision making skills, conflict management, problem solving, communication skills and working with teams [11].
- Motivation: Empowerment by itself is considered an incentive for workers, but it is not given free. It includes participation in benefits and risks as well as accountability for the results and holding responsibility. The empowerment program requires a different returns system that depends on those based on performance. When returns are linked with performance, it leads to increasing the

motivation of workers towards achieving the goals and objective of the organization by linking their gains with the success of the organization [12].

Empowerment under this perception allows teams to be able to Working from facing challenges, seizing opportunities, and continuing in continuous improvement in order to achieve overall efficiency and effectiveness, and profitability, without reference to higher management levels. Implementing a program to empower workers in any business organization is not an easy process, but rather It is a process intertwined in its elements overlapping in its components and dimensions Its success depends primarily on trust in individuals, managers Need to change traditional roles and adopt encouraging methods and behaviors Empowering employees, such as delegating responsibilities, and enhancing capabilities Subordinates to think on their own, encourage them to come up with new and creative ideas.

Organizational effectiveness:

Effectiveness is one of the fundamental concepts within some institute. In this context so as to the first vision was presented near the effectiveness was simple. Effectiveness as the amount otherwise extent that makes an institute realizes its goals. Ducker believed that effectiveness is the key to managerial success and also Robbins said the organizational effectiveness is the main subject in institute theory and believes that without the concept of organizational effectiveness is difficult in institute theory. He believes that there is not general agreement about the meaning of effectiveness [13].

Organizational effectiveness refers to locating targets and attaining them proficiently in spirited and energetic surroundings [14].

## 1. Problem and Objectives of the study

Empowerment represents an important element among the modern management concepts that organizations seek to control through intensifying work with its methods and understanding its dimensions and importance. Therefore, it was necessary to focus on developing this concept among bank employees as they considered the basic building block in achieving the desired development in the banking sector. Where the research problem lies in the weakness of administrative empowerment for these employees at various levels of employment which would weaken work methods and job performance which in turn organizational effectiveness which prompted the researcher to study the details of the problem to identify the reality of administrative empowerment and its relationship organizational by asking the following question: what is the effect of administrative empowerment on the organizational effectiveness of the banking sector in Syria?

The study seeks to achieve the following objectives:

- Learn about the concept of administrative empowerment and each of its dimensions.
- Determining the most influential dimension of administrative empowerment in organizational effectiveness.
- Provides suggestions and recommendations to improve the reality of administrative empowerment in the banking sector.

## 2. Hypotheses of the study

**H1** There is a statistically significant effect of delegation of authority on the Organizational effectiveness of bank employees.

**H2** There is a statistically significant effect of effective communication on the Organizational effectiveness of bank employees.

**H3** There is a statistically significant effect of staff training on the Organizational effectiveness of bank employees.

**H4** There is a statistically significant effect of motivation on the Organizational effectiveness of bank employees.

### Methodology

In order to verify the objectives set and test the validity of the hypotheses, the descriptive approach was adopted on the grounds that the study variables are clear in the place of the study, therefore the researcher will investigate the description of these two variables and how the effect will be between these two variables, and secondary data will be relied on through periodicals and previous studies related with the topic of study and preliminary data in terms of developing a questionnaire.

A set of statistical methods were used [15]:

First: Cronbach's alpha test to verify the stability of the study tool and its validity for statistical analysis.

Second: Pearson's correlation analysis to verify the strength of the relationship between study variables.

Third: simple linear regression analysis to verify the impact of independent variables on the dependent variable.

The study community was represented by all employees in two branches of two banks in the city of Lattakia, Syria (Alsham bank- Albaraka bank) at various levels and job grades amounting to about 160 employees. The questionnaire was distributed to a random sample of 135 employees of various job titles, and 120 valid questionnaires were retrieved for analysis statistician. The study was conducted during the period from the first month to the seventh month of 2022.

The questionnaire was used to collect data which was distributed to the study sample and was divided into three sections according to the study variables:

- The first section: the demographic variables (gender - age -level educational - years of experience).
- The second section: it includes the expressions related to the independent variable (administrative empowerment) which in turn it is divided into a number of variables (delegation of authority - effective communication - staff training – motivation).
- The third section: it includes the expression related to the dependent variable (organizational effectiveness).

The number of statements that measure the independent variable (administrative empowerment) is 20 a clause for each sub-variable has 5 phrases, while the number of phrases that measure the dependent variable (organizational effectiveness) are 5 phrases. The questionnaire was designed according to the five-point Likert scale by given a number for each answer.

### 3. Results and Discussion

#### 3.1. Reliability Test:

Variable	No. Of Items	Cronbach's Alpha
Administrative empowerment	20	0.862
Organizational effectiveness	5	0.891

Table 1. Cronbach's Alpha test

Cronbach's Alpha uses as a reliability testing tool. In table 1 every value of each variable is above 0.7, it means that these variables have high and good reliability. Where the value (0.7) is the approved measure to show the stability of the study tool used [15].

#### 3.2. Correlation analysis of administrative empowerment and organizational effectiveness.

	delegation of authority	effective communication	staff training	Motivation	organizational effectiveness
delegation of authority	1	.728**	.793**	.801**	.796**
		.000	.000	.000	.000
	120	120	120	120	120
effective communication	.728**	1	.730**	.745**	.827**
	.000		.000	.000	.000
	120	120	120	120	120
staff training	.793**	.730**	1	.862**	.855**
	.000	.000		.000	.000
	120	120	120	120	120
Motivation	.801**	.745**	.862**	1	.869**
	.000	.000	.000		.000
	120	120	120	120	120
organizational effectiveness	.796**	.827**	.855**	.869**	1
	.000	.000	.000	.000	
	120	120	120	120	120

Table 2. Correlation analysis

The relationship among all the variables was found by using Pearson's correlation coefficient. The correlation value  $r = 0.796$  shows that there is a strong relationship between organizational effectiveness and delegation of authority and the  $p$ -value  $< 0.01$  shows that the relationship is significant. For organizational effectiveness and effective communication  $r = 0.827$  which shows that there is a strong correlation between these two variables and the  $p$ -value  $< 0.01$  shows a relationship is significant. The value  $r = 0.855$  shows a strong relationship between organizational effectiveness and staff training, also  $p$ -value  $< 0.01$  shows that the relationship is significant. For organizational effectiveness and Motivation, the  $r = 0.869$  shows a strong correlation between the two variables, and the  $p$ -value  $< 0.01$  shows the relationship is significant.

### 3.3. Regression analysis of administrative empowerment organizational effectiveness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.806 <sup>a</sup>	.733	.800	.46007

*Table 3. The value of the regression coefficient and the determination*

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	25.749	1	25.749	76.938	.000 <sup>b</sup>
Residual	39.492	118	.335		
Total	65.241	119			

*Table 4. Anova test*

Dependent Variable: organizational effectiveness

Predictors: (Constant): delegation of authority, effective communication, staff training, Motivation

From table 3 the linear model was used to determine the relationship between dependent and independent variables. The value of adjusted R square is 0.733 which shows that there is 73.3% variance in organizational effectiveness of banks employees can be explained by dimensions of administrative empowerment. The 26.7 % variation in organizational effectiveness is due to some other factors. The value of the correlation coefficient  $R = 0.806$ , which means that there is a strong and positive direct correlation between the independent variable (administrative empowerment) with its four dimensions and the dependent variable (organizational effectiveness). Where the value (0.7) and above indicates that the correlation is strong, while the value (0.5 - less than 0.7) indicates that the correlation is moderate, and the correlation is weak if the value is less than (0.5) [16].

From table 4 the Anova table gives a  $p$ -value = .000  $< 0.05$  which shows that the fitted regression model is appropriate.

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.498	.228		2.931	.003
	delegation of authority	.625	.071	.796	11.154	.000
	effective communication	.685	.077	.827	15.568	.001
	staff training	.726	.075	.855	11.571	.000
	Motivation	.754	.069	.869	10.444	.000
Dependent Variable: organizational effectiveness						

Table 5. Regression Analysis

From table 5 the independent variable delegation of authority has (B= 0.625, sig = .000) which means that each single unit change in delegation of authority brought 0.625 unit change in organizational effectiveness of banks employees. The second independent variable effective communication has (B = 0.685, sig = .001) which means that each single unit change in effective communication brought 0.685 unit change in organizational effectiveness of banks employees. According to the third independent variable staff training t, it has (B = 0.726, sig = .000) which means that ever single unit change in staff training brought 0.726-unit change in organizational effectiveness of banks employees. The independent variable motivation (B = 0.754, sig = .000) caused 0.754-unit change in organizational effectiveness of banks employees by a single unit change.

Thus, it can be said, since the sig value of the independent variables is less than 0.05, we therefore accept the alternative hypotheses and refuse the null hypotheses, that is, there is a statistically significant effect for each of (delegating authority, effective communication, staff training, motivation) on organizational effectiveness.

## Conclusion

Based on the findings, a number of recommendations can be made:

The effect of effective communication as an element of administrative empowerment on organizational effectiveness was 0.685, Provide modern and effective means of communication that allow the exchange of information, and taking into account the accuracy in using the appropriate timing during the process of administrative communication between the boss and the subordinate, since the inaccuracy in timing leads to a lack of desire for communication, which leads to the communication losing its desired purpose.

With regard to the delegation of authority which has an impact value on organizational effectiveness of 0.625, which is the least influential element among the elements of administrative empowerment, we thing that it is necessary to reconsider the organizational structure within the bank so that it becomes more horizontal than hierarchical allowing employees to obtain on some of powers and specializations and show their ability and skills in a way that supports the development of work as well as care should be taken in selecting the employees who are empowered with the skills and experience determining the duration of the authorization.

Staff training ranked second in terms of impact on organizational effectiveness, the rest amounted to 0.726, and thus, translating the administration's interest in training into a training plan that takes into account practical steps in terms of identifying accurate training needs, the participation of employees from different levels and the selection of training times the appropriate staff and selection of qualified trainers in the development of training content that works to achieve desired goals and budget allocation for training, in addition to the administration's adoption of standards specific to evaluate training results and measure its effectiveness and return on employees.

The fact that motivation is the most influential element among the administrative empowerment elements, as the percentage of its impact on organizational effectiveness is 0.754 so, Paying attention to incentives and linking them to performance i.e., Evaluating employee performance according to objective criteria and then giving incentives and fairness in the distribution of incentives and promotion grants as a method motivation based on efficiency performance, the need to diversify the reward to be surprising at times and the need to provide some social services, such as health insurance have a significant impact on employee motivation.

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