

## **The Role of Empowerment Strategies in Achieving Organizational Effectiveness**

### **(An Analytical Study of Managers' Views in a Sample of Private Banks in Erbil/ Iraq)**

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**Abstract:** This study aims to identify the role of the empowerment strategy that is represented by sharing information, freedom and independence, knowledge, and incentives in achieving organizational effectiveness that is also represented by achieving the banks' objectives and effectiveness of internal processes from the managers' views in a sample of private banks in Erbil/ Iraq. To achieve the objectives of this study, a questionnaire was constructed consisting of thirty four questions distributed among fifty managers in private banks, from which forty forms returned that were valid for analysis. The main objective of this study is to design a default model and test it in the field of study in order to understand how well they can be implemented as the empowering strategy to achieve the organizational effectiveness. This study found a correlation as well as an impact between empowerment strategy and organizational effectiveness. Based on the results, the study presented a set of recommendations among which the most important one was that private banks should adopt the empowerment strategy in a logical sequence that contributes in achieving an organizational environment supportive of an enable environment up to the practice of radical changes.

**Keywords:** Empowerment Strategy, Sharing Information, Knowledge, Incentives, and Organizational Effectiveness

#### **1. Introduction**

The current period is characterized by rapid, profound and progressive change in scientific, technological, political, economic and administrative aspects that reflects on the nature of administrative work which has become one of its most important task to achieve adaptation with these rapid and renewable changes. Besides, external and internal pressures that organizations face make it necessary to review many aspects and taking the methods of organizational change planning to be able to carry out its duties efficiently and effectively. Organizational effectiveness has become one of the most important requirements for the progress and development for today's organizations and is seen as a necessity for organizations to be able to deal with the environmental change along with the increased certainty about the requirements they need and thus, achieving growth and success. Therefore, there is an urgent need to work effectively depending on working methods, so they can keep up with the rapid development. There is no doubt that no matter how interesting is an individual's behaviour in organizations, incentive, direction systems and caring for

participation will enhance the organizational effectiveness and will continue to deliver improvement in management.

### **1.1 Study Problem**

Empowerment strategy is one of the priorities of senior management and focused on human skills and how to develop them, alongside self-commitment and also how to enhance their potential by increasing their participation in decision-making and reduce the prospects for direct supervision and use of self-censorship. The present study envisaged the adoption of this strategy as one of the strategies that gave clear indications in giving organizations the flexibility to adapt and respond to many environmental variables such as changing customer requirements, rapid volatility and competition. After this introduction, the study problem can be summarized in empowerment strategy if it is accepted in the business environment in its theoretical form and this acceptance has not been decided on the practical level of business organizations. Today's world, with its various developed and developing societies, is living in perpetual conflict with change that is also the result of the tremendous progress in science and technology and the consequential economic, social and cultural change.

Based on the above, the current study adopts the strategy of empowerment as a philosophy that activates organizational effectiveness activities within organizations that lay down the requirements of their mutual relationship. In support of this vision, the study model was based on default logic indicating the adoption of the management of private banks in the city of Erbil / Iraq to the empowerment strategy may achieve the organizational effectiveness. According to this logic, the most important question that this study attempts to find proper answers may explain as following:

1. Do the private banks possess programs to achieve an empowerment strategy?
2. Do the information availability, knowledge, freedom and independence and incentives impact the implementation promoting the empowerment strategy?
3. Is there a statistically significant correlation between the empowerment strategy and organizational effectiveness?
4. Is there a statistically significant impact of the empowerment strategy on organizational effectiveness?

### **1.2 The Objectives of the Study**

The objectives of this study can be clarified as the following:

1. Designing a default model and testing in the field of study (a sample of private banks in Erbil city / Iraq) in order to understand how well they can implement the empowerment strategy to achieve the organizational effectiveness. In addition to measuring the prospects for successful implementation of the empowerment strategy through available factors such as provision for information, freedom and independence, knowledge, formation of teamwork and incentives.
2. Provide a theoretical framework on the empowerment strategies and organizational effectiveness, along with a range of factors and dimensions that support the organization to adopt that it can be assumed as the main resources to achieve the organizational effectiveness.

3. Examine and analyze the correlation and the impact of empowerment strategies on organizational effectiveness. Furthermore, to pinpoint the strongest and weakest empowerment strategies element that impacts on the organizational effectiveness.

### 1.3 The significance of the Study

This study derives its importance from the following aspects:

1. The significance of the present study is that covering two vital topics in the field of management that play a significant role in the work and behaviour of contemporary organizations. Firstly, the empowerment strategy which is one of the modern concepts in the field of management, business, human resources and strategic management. Secondly, organizational effectiveness that is one of the subjects that organization has always been involved in through their life.
2. The significance of this study lies in the fact that it identifies and diagnoses the strengths and weaknesses of the organizational structure in the investigated organizations (private banks in Irbil city / Iraq). In addition, to determine their readiness to adopt an empowerment strategy as one of the strategies that able to provide greater flexibility that enables it to adapt with the environmental changes.

### 1.4 Study Model Framework

The figure below (figure 1) demonstrates the study model framework, the model assumed a correlation and an impact of empowerment strategies that represents by four dimensions (sharing information, freedom and independence, knowledge, and incentives) and organizational effectiveness (achieving the banks' objectives, and effectiveness of internal processes). In the present study, the independent variable belongs to empowerment strategies and the dependent variable is organizational effectiveness.

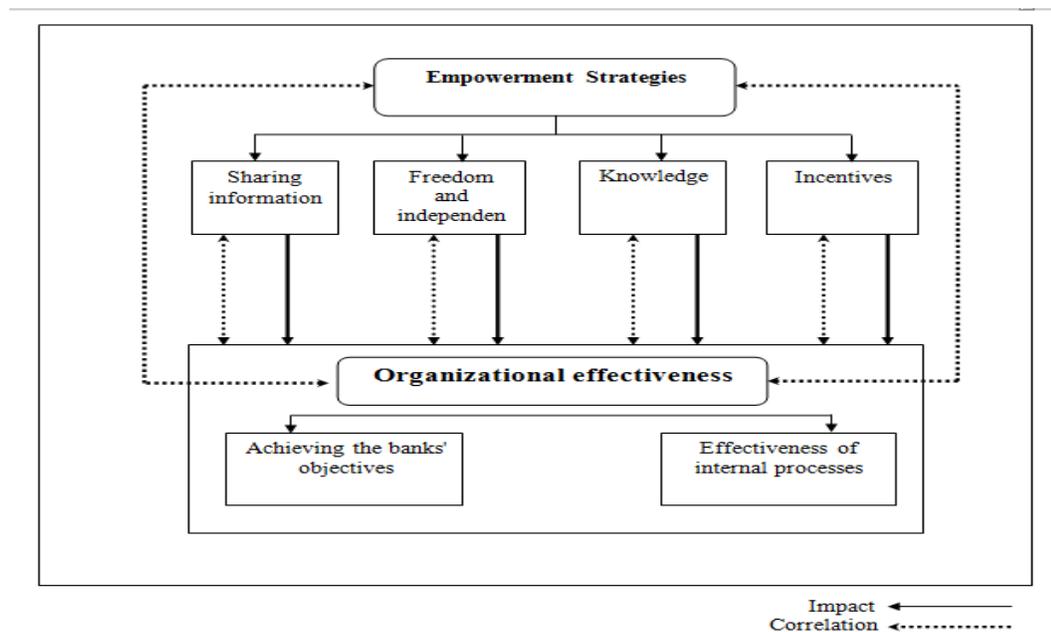


Figure 1: Study Model Framework

## 1.5 Collection Data

Data have been collected through primary data and secondary data. Secondary data were collected through reviewing and analyzing existing resources of books and scientific research. Moreover, primary data were collected through survey questionnaires comprising 34 closed-ended questions and organized into two sections. Section one includes empowerment strategy questions, whereas section two includes organizational effectiveness questions. The researchers distributed the questionnaires to a sample of 50 managers in private banks, among which 40 forms have returned and were all valid for analysis.

## 1.6 The Hypothesis of the Study

**The First Main Hypothesis:** there is a measurable positive correlation between empowerment strategies and organizational effectiveness questions.

From the first main hypothesis, there are two sub-hypothesis as follows:

- There is a measurable positive correlation between empowerment strategies and achieving the banks' objectives.
- There is a measurable positive correlation between empowerment strategies and effectiveness of internal processes.

**The Second Main Hypothesis:** there is a statistical significant impact of empowerment strategies on organizational effectiveness.

From the second main hypothesis, there are two sub-hypothesis as follows:

- There is a statistical significant impact of empowerment strategies on achieving the banks' objectives.
- There is a statistical significant impact of empowerment strategies on effectiveness of internal processes.

## 2. Literature Review

### 2.1 Empowerment Strategies

The idea of administrative empowerment is that top management grants authority and confidence to employees at lower levels to perform their duties freely which contributes to an atmosphere of satisfaction, sense of importance, increasing responsibility and creating a positive feeling among employees. Empowerment is a modern management philosophy that focuses on the attention of employees, along the supervisory lines of the organization because of their direct relationship with environmental variables. It requires enabling them to act directly in fundamental positions that reflect the right use of potential environmental opportunities in a way that is consistent with the conduct of the organization and its owners (Al- Yasiri & Mohammed, 2007).

Robbins (1993) defines empowerment as a way to increase the motivation of employees both actual and substantial work. Empowerment is about strengthening the employees' capabilities so that they have the discretion, and judgment in the actions that facing them in their functions exercises, as well as their full participation in decisions concerning their employment (Potterfield, 1999). Empowerment, according to

(Kazem, 2007) is granting employees the necessary power and freedom of action in order to enable them to serve the organization effectively. It is the process of giving individuals greater authority to exercise decision-making (Abdul Hussain, 2012). It is the philosophy of giving more responsibilities and power of decision-making to the individuals at lower levels (Abdo et al., 2012). Ali and Ahmed (2013) believe that empowerment is the sense of self-control and efficacy that arises when individuals are given the power in the situations they face. Ahmed and Hussein (2013) argue that the empowerment is about giving employees the power, freedom and information to make decisions and participate in them. On his part Al-Watifi (2014) states that empowerment is the transfer of responsibility and authority equally from managers to supervisors and an invitation to employees to participate in the decision authority. Al-Dulaimi (2016) indicates that the empowerment is the strategy implemented by organizations to develop the commitment of workers in the workplace through participatory programs such as emphasizing collective bargaining, encourage employees' suggestions, effort to progress towards redesigning the work, and training based on the needs of independent teams. Based on the above, the researchers believe that empowerment is the employee ownership with the ability, confidence and commitment in order to assume the responsibilities of improving operations and to take the necessary steps to meet customer needs within clearly defined boundaries with a view to achieving organizational values and objectives.

## **2.2 Empowerment Approaches**

Researchers pointed out a number of approaches to empowerment. Lashley (1999) indicates that the approaches of empowerment are firstly associative empowerment that is associated with the management style and philosophy. Secondly, motivate empowerment strategy is a personal empowerment that concerns the freedom of disposition and power possessed by the individual. On his part Duvall (1999) states that the approaches of empowerment are firstly, individual empowerment is intended as an individual or personal process stemming from the individual and his/her motivations and the amount of what he possesses the ability to influence in the work environment. Secondly, organizational empowerment is the organization's activity to create an enabling environment for empowerment. In other words, it is creating the factors and dimensions that encourage the empowerment of its members and make them able to do the right thing in the right situations. However, Dewettinck, et al. (2003) states that the kinds of administrative empowerment are two types, namely empowerment granted (official) through powers delegation, and acquired empowerment which is given to the individuals based on his experience and knowledge. Ersted (1999) referred to two other approaches to empowerment. Firstly, external empowerment as the methods and means of the organization's working used to empower individuals to formulate decisions. Secondly, internal empowerment is the amount of self-commitment that individuals have and the ability to take responsibility that had significant returns for the organization.

## **2.3 The Objectives of Empowerment**

The basic purpose of empowerment is to create a self-motivation for employees to achieve the goals of the organization through participating employees in the development of these objectives. Among the objectives of empowerment are the following:

1. Seek to keep the organization always in the foreground (Bryce, 2012, p. 7).
2. Take advantage of available human resources (Fragoso, 1999).

3. Increase the profitability in addition to the sales of the organization through the knowledge of the customers, their needs and work to meet desires (Dewettinck et al., 2003, p. 8).
4. Make employees feel good about their actions.
5. Sense of control in the performance of the individuals to work significantly (Bowen & Lawler, 1995).

#### **2.4 The Elements of Empowerment**

1. **Delegation of authority:** is delegating the manager some of the job functions responsibilities of exercising to one of his/her subordinates (Turki, 2017).
2. **Employee training:** the organization should provide a staff training system to provide them with the necessary knowledge and skills such as negotiation skills, decision making, conflict resolution and leadership skills (Turki, 2017).
3. **Effective communication:** is a process aimed 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.
4. **Teamwork:** managers need to feel that employees in their units can work together and collectively to solve business problems and that their ideas are respected and taken into account which requires a high level of trust in the task forces.
5. **Motivate employees:** motivation is defined as a set of factors that drives the abilities of employees to make a greater effort to achieve better results.

## 2.5 Dimensions of Empowerment Strategies

The table below is the researchers' views on the dimensions of empowerment strategies.

Table 1: Researchers' views on the dimensions of empowerment strategies

The researchers	The dimensions
(Eccles, 1993)	Power, resources, and freedom.
(Brown, 1996)	Quality, power, resources, and information.
(Spreitzer, 1996)	Role clarity, supervision, supporting staff, participation in information, and work climate.
(Ivancevich, 1997)	Teamwork, sharing information, and the organization structure
(Ersted, 1997)	Knowledge ownership, and participation in decision-making.
(Robbins, 1998)	Organizational structure, and control.
(Griffin, 1999)	Empoyees qualification, supervision.
(Hunt, 2000)	Organization support, and incentives.
(Daft, 2001)	Freedom, power, and information sharing.
(Blanchard et al., 2001)	Participation in information, freedom, and teamwork.
(Hellrieg et al, 2001)	Sharing information, Power, skills, and freedom.
(Bowen & Lawler, 2002)	Sharing information, knowledge, Trust between the leader and subordinates, and Incentives.
(Lawson, 2006)	Decision makers' participation, planning participation, praise the workers, and training.
(Melhem, 2006)	Knowledge, trust, Incentives, and sharing information
(Razi, 2010)	Authority delegation, teamwork, training, communication, and incentives.
(Hamad, 2010)	Sharing information, Freedom and independence, Knowledge acquisition, and Incentives.
(Judith, 2012)	Authority delegation, sharing information, and knowledge.
Al-Shammari, & Al- Draghi, 2015)	Authority delegation, sharing information, Performance independence, and teamwork.

For the purposes of the current study, the following dimensions (sharing information, freedom and independence, knowledge acquisition, and incentives) are adopted.

1. **Sharing information:** the broad participation in the information will improve organizational performance because it increases the degree of participation of the organizations' members and their interaction with the vision and outlook of the organization's strategy (Jawad & Hussein, 2007). Organizations that acquire their information well and publish and use it well are certainly capable of achieving a successful performance because of coherence and unity of vision that is achieved by empowerment. The information is also critical for empowerment about the organization's mission and information about the organization's performance.

2. **Freedom and independence:** freedom is the most important factor in empowerment since organizations include giving managers the ability to act in their own activities. Routine freedom of action is exercised when workers choose alternatives from a range of options available to them for the purpose of performing the tasks. Non-routine freedom is the exercise of everything when they are asked to find alternatives themselves to perform tasks and exercise roles. Either the third type represents the negative side of freedom of action that obligates individuals to conduct behaviors that do not make them role in job descriptions. On the other hand, independence means giving employees broad powers to take broader action, such as restructuring the work, redistributing it among themselves, and the development of semi-mobile work groups now known as the teamwork (Al-Watifi, 2014).
3. **Knowledge:** knowledge is an important resource that should be managed, particularly in organizations aspiring to be educated organizations. However, managers did not realize the importance of this assertion except in the last case. Knowledge is the sum of data, information, skill, experience, practice and full understanding of relationships, processes and inventions. Organizational knowledge is classified into two types. The first is virtual knowledge, which is the basic, systematic knowledge that are coded, documented and communicated to others in the form of documents, reports and instructions after acquiring it by learning. The second type is implicit knowledge that is an unseen knowledge based on personal knowledge, insight and practice gained by practice and experience (Al-Yasiri & Mohammed, 2007).
4. **Incentives:** material and moral incentives empower employees by increasing their motivation, satisfaction and career, especially when their needs are satisfied provided that they are submitted in a timely manner and linked to the performance appraisal system in order to serve as a real motivation to develop the performance of employees and organizations as a final product of empowerment.

## 2.6 Obstacles of Empowerment

Despite the multiplicity of benefits that can be achieved by following an enabling strategy, there are obstacles facing implementation, including:

1. Some managers feel they are losing power.
2. The inability of employees to make responsible decisions.
3. Previous empowerment employees may fail which will adversely affect any new experience.
4. Sharing information can mean that secrets leaked to competitors.
5. Not all individuals want to be empowered.

## 2.7 Organizational Effectiveness

Organizations that seek to survive and develop in the business world are characterized by change and renewal prompts researchers to pay attention to this vital subject as a reflection of the organization's ability in dealing with and respond to the change and innovation in the business world. The researchers presented a set of intellectual perceptions that describe the essence of organizational effectiveness. It was described as the organization's capacity to invest their environment through acquiring or obtaining scarce and valuable resources for its actions (Daft, 1992). Sprout (1993) states that organizational effectiveness is expressed a personal judgment relates to the degree to which the organization performs its functions to

achieve organization satisfaction. This view is supported by (Griffin, 1999) in his definition to organizational effectiveness who points out that it is the preparation for doing all the right things.

Some researchers have pointed out that the organizational effectiveness is the degree to which the organization achieves its goals (Kalleberg & Leichtk, 1991; Robbins, 1998; Daft, 2001). Others defined it as the organization's ability to move power centers to produce efficiently and adapt with the environmental and internal problems (Gun & Holdaway, 1986; Schreisheim & Eisenbach, 1995).

Organizational effectiveness is an idea of great interest in the nature of dynamism to the degree of relationship between management and customers (Forbes, 2007). Herman and Renz (2004) realize that organizational effectiveness is the relationship between the organizations' outcomes achieved and its planned objectives. The higher productive outcomes refer to more effectively achievable objectives. Organizational effectiveness is the high and continuous performance to achieve the organizations' mission objectives. It is the measurement of the extent to which the objectives or degree the management can achieve along with control organizational and environmental conditions in order to ensure the availability of products expected by the community (Isoraite, 2005). It follows from the above that there is a link between efficiency and how the organization achieves its objectives and continuous success in achieving organization mission. Besides, it is the ability of the organization to manage its internal operations along with taking benefit from its internal and external environment, acquire scarce resources and exploit them in order to achieve the objectives of the organization.

## 2.8 The importance of Organizational Effectiveness

Organizational effectiveness is the essence of the organization's theory and its status. It is an acceptable term to the organization, but difficult to measure. However, it can be clarified by giving indicators to managers in order to govern their organizations in the form of multiple scales. Hellriegel (2001) pointed out that the importance of organizational effectiveness lies in being one of the basic indicators used by those interested in the reality of the organization and its future on organizational ability to perform its tasks in a desirable way to achieve organizational success. Kerr and Leander (2004) believe that the organizational effectiveness is important for the organization in order to promote the achievement of goals since it is the key to the initiative to succeed by adopting a final measure of a successful initiative. Esfahani, et al. (2013) indicates that the active organization is when organization is characterized by the high performance of its workers.

## 2.9 The approaches of Organization Effectiveness

Several researchers have noted that there are two types of approaches for organization effectiveness. Firstly, the traditional approach that includes three sub-approaches: the goal approach, the internal process approach, and the approach of the organization's resources. Secondly, the contemporary approach includes the approach of strategic users (stakeholders) and the approach of competitive values (Daft, 2001, p. 65).

The present study is based on the goal approach and the internal process approach for their universality, being applicable to the majority of organizations, and their compatibility with the field side of the study.

1. **Goal approach:** this approach emerged at the end of the 1950s. It indicates that organizational effectiveness is the degree to which the organization achieves its objectives (Griffin, 1999). This

approach identifies the outputs and objectives of the organization in addition to assess the organization's ability to achieve those goals. It is a logical approach because the organization seeks a specific level of output, profits, and customer satisfaction (Daft, 2000). Achieving goals is a necessary condition for effective performance. From this perspective, the basic activities that support organizations should indulge the objectives of the organization.

2. **Internal process approach:** this approach focuses on the internal processes and activities of the organization in the estimation of effectiveness. This approach ignores the organization's relationship with the external environment. The efficiency of the organization is measured according to this approach by organizational efficiency that depicts the active organization as having internal processes in which the activities are integrated and in harmony with each other and capable of achieving high productivity in the tasks performance (Griffin, 1999).

### 3. Descriptive Statistics

#### 3.1 Analyzing the Empowerment Strategies Questions

The results presented in the table below (Table 2) show the means, standard deviations, and rate of importance of the items (X1 – X20) that reflect the responses of the study sample on the items of empowerment strategy questions. In order to measure the empowerment strategies questions in the banks under study, it requires measuring each dimension of its sub dimensions, as follows:

**1. Sharing information:** means, standard deviations and the rate of importance's general average of sharing information are (4.246) (0.7056) and (84.90) respectively. These results indicate that the sharing information reached a high level of contribution to achieving the empowerment strategies.

The significant item that contributes to enrich the sharing information depending on the means is (X3) that states "the information provided by the bank increases my trust and makes me ready to assume greater responsibilities." that has a mean of (4.32). In contrast, the least significant item that contributes to enrich the sharing information is (X1) that states "the bank facilitates the information that I need in my job" this item has a mean of (4.19).

**2. Knowledge:** means, standard deviations and the rate of importance's general average of Knowledge are (4.026) (0.8372) and (80.52) respectively. These results indicate that the Knowledge reached a high level of contribution to achieving the empowerment strategies.

The significant item that contributes to enrich the Knowledge depending on the means is (X6) that states "I have enough experience to deal with situations and solve problems." that has a mean of (4.27). However, the least significant item that contributes to enrich the Knowledge is (X10) that states "I care for the future based on my accumulated experience and my knowledge that I had at work" this item has a mean of (3.54).

**3. Freedom and independence:** means, standard deviations and the rate of importance's general average of Freedom and independence are (4.298) (0.8126) and (85.96) respectively. These results indicate that the Freedom and independence reached a high level of contribution to achieving the empowerment strategies.

The significant item that contributes to enrich the freedom and independence depending on the means is (X14) that states "I have sufficient independence in making and taking decisions without taking previous approvals" that has a mean of (4.51). However, the least significant item that contributes to enrich the Freedom and independence is (X11) that state "I have a clear vision of the goals and objectives of the bank." this item has a mean of (4.12).

**4. Incentives:** means, standard deviations and the rate of importance's general average of incentives are (4.128) (0.8136) and (82.56) respectively. These results indicate that the Incentives reached a high level of contribution to achieving the empowerment strategies.

The significant item that contributes to enrich the Incentives depending on the means is (X16) that states "the bank works to adopt the means of material and moral motivation to raise the achievement motivation." that has a mean of (4.39). However, the least significant item that contributes to enrich the Incentives is (X19) that states "My job provides insurance opportunities through retirement, Education, and Insurance." this item has a mean of (3.71).

Table 2: Empowerment strategy means, standard deviations and rate of importance

Empowerment strategy questions	Mean	St. deviation	Rate of importance
The bank facilitates the information that I need in my job.	4.19	.679	83.8
The bank has information that enables me to answer all the questions and solve the problems that we face at work.	4.20	.641	84
The information provided by the bank increases my trust and makes me ready to assume greater responsibilities.	4.32	.722	86.4
The bank has multiple channels of communication and in all directions.	4.22	.613	84.4
I have the necessary technical and managerial skills to obtain and share information.	4.29	.873	85.8
The overall average of Sharing information	4.24	.7056	84.90
I have enough experience to deal with situations and solve problems.	4.27	.742	85.4
Treat unfamiliar mistakes as real opportunities for learning.	4.15	.615	83
The bank encourages me to look for new ways to improve my job performance.	4.02	.821	80.4
I have adopted direct dialogue with others in order to mature my ideas for problem solving.	4.15	.823	83
I care for the future based on my accumulated experience and my knowledge that I had at work.	3.54	1.185	70.8
The overall average of Knowledge	4.026	.8372	80.52
I have a clear vision of the goals and objectives of the bank.	4.12	.927	82.4
I have the authority to correct errors when they occur without going back to the top management.	4.34	.575	86.8
I present my suggestions and opinions freely to the top management without hesitating from the results.	4.20	.901	84
I have sufficient independence in making and taking decisions without taking previous approvals.	4.51	.810	90.2
I have the freedom to do my own work and feel free to discuss my ideas with the management of the bank.	4.32	.850	86.4
The overall average of freedom and independence	4.298	.8126	85.96
The bank works to adopt the means of material and moral motivation to raise the achievement motivation.	4.39	.542	87.8
There is a balance between bonuses paid to the employees and work efforts.	4.24	.699	84.8
My job provides me with opportunities for moral incentives (thanks letters, appreciation certificates, etc.).	4.20	.813	84
My job provides insurance opportunities through retirement, Education, and Insurance.	3.71	1.270	74.2
There is general reassurance and stability to continue working in the bank.	4.10	.860	82
The overall average of incentives	4.128	.836	82.56

### 3.2 Analyzing the Organizational Effectiveness Questions

The results presented in the table below (Table 3) illustrate the means, standard deviations, and rate of importance to the items (Y1 – Y14) that reflect the responses of the study sample on the items of organizational effectiveness questions. In order to measure the organizational effectiveness questions in the banks under study, it requires measuring each dimension of its sub dimensions, as follows:

**1. Achieving the banks' objectives:** The means, standard deviations and rate of importance's general average of achieving the banks' objectives are (3.764) (0.985) and (75.28) respectively. These results indicate that the achieving the banks' objectives reached a high level of contribution to achieving the organizational effectiveness.

The significant item that contributes to enrich the achieving the banks' objectives depending on the means is (Y2) that states "the Bank has the ability to plan in order to provide better services to beneficiaries." that has a mean of (4.00). In contrast, the least significant item that contributes to enrich the achieving the banks' objectives is (Y4) that states "the bank relies on the approach of planning ahead of work activities and achieving its goals". This item has a mean of (3.54).

**2. Effectiveness of internal processes:** The means, standard deviations and the rate of importance's general average of effectiveness of internal processes are (3.98) (0.795) and (79.65) respectively. These results indicate that the effectiveness of internal processes reached a high level of contribution to achieving the organizational effectiveness.

The significant item that contributes to enrich the effectiveness of internal processes depending on the means is (Y13) that states "the bank has the ability to balance the building of the power structure between different teaching and functional roles." that has a mean of (4.20). In contrast, the least significant item that contributes to enrich the effectiveness of internal processes is (Y10) that states "the bank has the potential to achieve a degree of stability in the provision of its services." this question has a mean of (3.41).

Table 3: Organizational Effectiveness' means, standard deviations and rate of importance

Organizational Effectiveness questions	Mean	St. deviation	Rate of importance
Employees understand the bank's objectives clearly.	3.71	1.006	74.2
The Bank has the ability to plan in order to provide better services to beneficiaries.	4.00	.671	80
The Bank's management has the capacity to build its own resources.	3.71	1.078	74.2
The bank relies on the approach of planning ahead of work activities and achieving its goals.	3.54	1.120	70.8
The bank strives to provide quality services.	3.73	.949	74.6
The bank seeks to achieve the necessary revenues to sustain its activities.	3.98	.880	79.6
The bank is trying to use the best available resources, which reduces waste rates.	3.68	1.192	73.6
The overall average of achieving the banks' objectives	3.764	.985	75.28
The bank interaction to the activities and activities carried out by the various departments and units.	3.98	.851	79.6
The bank has the ability to streamline and simplify work procedures.	4.00	.775	80
The bank has the potential to achieve a degree of stability in the provision of its services.	3.41	1.072	68.2
The bank has an effective control system.	4.02	.724	80.4
The bank deals with the beneficiaries with confidence and safety.	4.12	.748	82.4
The bank has the ability to balance the building of the power structure between different teaching and functional roles.	4.20	.641	84
There is an easy flow of information between the departments and administrative units at the bank.	4.15	.760	83
The overall average of effectiveness of internal processes	3.98	.795	79.65

### 3.3 Testing the Study Hypotheses

Table (4) illustrates the analysis result of the first hypothesis along with its sub-hypotheses. Pearson's (r) correlation was used to test the correlation between the study variables. The analysis result shows that the variables are positively and significantly related. Table (4) explains that empowerment strategies were positively correlated with organizational effectiveness as the value of the correlation coefficient was above moderate (.697\*\*) at the level of significance (0.01) and reached the value of significant at (0.000).

Moreover, empowerment strategies were positively correlated with achieving the banks' objectives and effectiveness of internal processes as the value of the correlation coefficient was above moderate (.717\*\*) and (.623\*\*) respectively at the value of significant (0.00). Consequently, the first main hypotheses and the sub-hypotheses were accepted.

Table 4: Correlation analysis between the study variables

Variables	Organizational effectiveness	Achieving the banks' objectives	Effectiveness of internal processes
Empowerment strategies	.697**	.717**	.623**
Sig. (2-tailed)	.000	.000	.000

Besides, in order to analyze the second main hypothesis and the sub-hypotheses, the researchers conducted a multiple linear regression analysis in order to discover the impact of empowerment strategies on organizational effectiveness. From the analysis, it shows that empowerment strategies illustrate 71.2% of the organizational effectiveness as described by the ( $R^2$ ). The significance value is 0.000 which is less than 0.05. Thus, the model is statistically significant in predicting how the empowerment strategies impacts on organizational effectiveness. At the 5 % level of significance, the f calculated was 488.397, which explains that the overall model was significant.

Additionally, the table below shows that statically there are a significant impact of empowerment strategies on achieving the banks' objectives and effectiveness of internal processes. Empowerment strategies illustrate 73.4% and 68.2% of achieving the banks' objectives and effectiveness of internal processes as described by the ( $R^2$ ). At the 5 % level of significance, the f calculated was 493.895 and 375.325. As a result, the second main hypotheses and the sub- hypothesis are accepted.

Table 5: Analysis the impact between the study variables

Variables		Organizational effectiveness	Achieving the banks' objectives	Effectiveness of internal processes
Empowerment strategy	$R^2$	.712	.734	.682
	F calculated	488.397	493.895	375.325
	Sig. F change	.000	.000	.000

## 4. Conclusion and Recommendations

### 4.1 Discussion and Conclusion

1. The empowerment strategy focuses on an organizational unit with an independent entity, it is a group of individuals with no connections between them. This requires that the members of this possible organizational unit to have a unified strategic vision that minimizes their dependence on management.

2. The empowerment strategy does not mean endings without limits, as the multiple control formats in it. The boundaries and independence between activities, powers and responsibilities are clear. Once these different regulatory systems have been in place, and the mechanisms of responsibility are harmonized with the regulatory environment it will be appropriate for the implementation of the empowerment strategy.
3. The success of the empowerment strategy requires not marginalizing the role of any group. This requires the redesign of some jobs to those affected negatively in order to achieve their entry into the empowerment environment.
4. The empowerment strategy may reduce the need for employees to manage interventions, and the managers' focuses on other aspects of the organization. However, this does not mean that the organization managers' will not give up its strategic responsibilities in determining strategic direction and conducting strategic analysis of the external environment and industry environment. Thus, an empowerment strategy does not mean that management is disconnected with their employees.
5. Results of empowerment strategy studies showed that their adoption helps to optimize the investment of available human resources. Since it gives real weight and the essence of employees respect for oneself and accept every opportunity, enhance their sense of competence and help them cope with rapid changes.

#### **4.2 Recommendations**

1. Private Banks should adopt the empowerment strategy in a logical sequence. It begins with the establishment of the first primary causes of structural and cultural reconstruction, which contributes in achieving an organizational environment supportive of an enabling environment up to the practice of radical changes.
2. Re-describe jobs and analyze them in light of the enabling strategy in addition to working with the logic of the self-managed teams. Besides, strengthen the management logic of trust and transparency, making information available to all levels that contribute to building an empowered organization.
3. Rebuild the human resource through the adoption of programmed methods undertaken by the human resources department in accordance with the human resources management strategy as an active partner in the overall strategy of the organization.
4. Promote vertical and horizontal communication that commensurate with the new structural reconstruction in order to create flexible horizontal organizations in addition to the adoption of modern and sophisticated means of communication in which information technology contributes significantly.

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