

**AENSI Journals** 

# **Journal of Applied Science and Agriculture**

ISSN 1816-9112

Journal home page: www.aensiweb.com/jasa/index.html



# Job Redesign and Employee Empowerment; A study from Bank Tejarat, Iran

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#### ARTICLE INFO

Article history:
Received 17 November 2013
Received in revised form 14
February 2014
Accepted 25 February 2014
Available online 20 March 2014

Key words: Bank Tejarat, Work Redesign, Empowerment,Organizational Commitment

#### ABSTRACT

Background: Job redesign has been of great attention specially when considering it as a resource for increasing productivity of the organizations. In recent years a great attention has been focused on job redesign and its outcomes for the organizations. Objective: The present research examined the impact of work redesign on organizational commitment of personnel of Shiraz Bank Tejarat. Only two dimensions of work redesign i.e. variety of skills and task significance was analyzed. Method: 269 personnel were chosen for statistical examinations through using the method of simple probable random sampling, and the questionnaires were distributed among them. After collecting the questionnaires, the number of them was acceptable. The collected data were analyzed through using of correlation analysis and path analysis by SPSS and LISREL software, respectively. Results: The results illustrated that the work redesign on organizational commitment of personnel has significant effect and the presented model in study has a proper fit.

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To Cite This Article: Sara Ghanefardjahromi, Zahra Namazi, Bahari Zahra., Job Redesign and Employee Empowerment; A study from Bank Tejarat, Iran. J. Appl. Sci. & Agric., 9(2): 591-593, 2014

#### INTRODUCTION

Nowadays, the topic of personnel organizational commitment changing permanently by using of information technology has been considered in work's environments. The increasing role of competitive ambiances and also the increase of practical use of mankind knowledge to obtain more portions of revenue and optimum using of man power has been the reasons of importance of these subjects. By ever-increasing of customers' demands to use modern technologies causing work redesign, only the organizations can achieve to their main purposes that they could preserve the ability and commitment sense of their personnel at the base of information technology in modern work ambiances. We have to say that this topic has had a reduplicate importance in economical foundations and environments such as banks.

Daily increasing requirement of using information technology impresses the work methods and also the behavior of personnel and it causes to fundamental changes on methods of working and work redesign, that the commitment of personnel has a significant role in the value of accepting these changes. Jaworski and Kohli (1993) have mentioned to this subject that employees who are undertaker, show more self-devotion than other personnel for their organization. Moreover, personnel who have more commitment accommodate and communicate themselves with purposes and values of organization, and they appropriate more time for working, and they are self-exaltation because they are member of organization.

The subjects of work redesign give more empowerment to undertake personnel for enhancing efficiency and performance in replication of internal and external matters of organizations in order that personnel can overcome to problems such as, complicated aspects of work, rectifying customer demands and the organizational complicated structures. Although, personnel commitment is often treated by shrunken organizations, they try to enhance performance through reducing the scoria costs. (Orr *et al.*, 1999, McClour, 2007). As seen, also superior managers of banks (national) chase to reduce costs and enhance their personnel performance.

Hypothesis 1: Job Redesign has a significant impact on employee empowerment

Hypothesis 2: Variety of skills has a significant impact on the employee empowerment

Hypothesis 3: Task Significance has a significant impact on employee empowerment

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Methodology:

This study is a kind of applied research at the base of the purpose. At the base of the method and nature, this research is a descriptive study, because it chases to determine the relation among its variables. From the other side, because this study searches the type and rate of relation and correlation among variables, so, it is numerated as a kind of correlation. Thus, regarding to this explained matters, this study is a correlation descriptive research.

1370 persons of all managers and personnel of branches of Shiraz Bank Tejarat form the statistical population of this study.

The sampling was done through the sample random probability. The mass of sample was calculated by using of Cochran Formula.

Regarding to the number of practitioner personnel in Shiraz Bank Tejarat (1600 persons), the mass of sample is determined as follows, by using Cochran Formula and regarding of the equal probability for existence or inexistence of commitment in personnel.

$$n = \frac{\frac{t^2 pq}{d^2}}{1 + \left(\frac{1}{n} \left[\frac{t^2 pq}{d^2} - 1\right]\right)}$$

$$t^2 = z^2 = 1.96$$

$$p = 0.5$$

$$q = 0.5$$

$$d = 0.05$$

$$n = \frac{\frac{1.96^2 * 0.5 * 0.5}{0.05^2}}{1 + \left(\frac{1}{1370} \left[\frac{1.96^2 * 0.5 * 0.5}{0.05^2} - 1\right]\right)} = 269$$

For examining the study hypotheses, we broke the model through the method of path analysis, and checked them one by one, and the suitability of presented model was examined in the form of goodness of fit indexes.

Correlation matrix for study variables:

Since the foundation and base of the studies is correlation path analysis between variables the correlation matrix of study variables is shown.

Table 1: correlation matrix of study variables:

- 1	Tuble 1. Confolution matrix of study variables.				
			Variables		
		1	Empowerment		
		0.54**	Work Redesign		

The results of table above show that there is significant correlation between research variables. According to these results, it can be said that work redesign has a significant relationship with empowerment and this means that if the work redesign had been carried out effectively and scientifically, it can lead to increase empowerment of personnel.

#### Path Analysis for study variables:

For examining the hypotheses of study, we chopped the model through the method of Path Analysis, and we checked them one by one. Totality of model was studied in the term of goodness of fit indexes. Furthermore in this research, the assumptions were simultaneously examined in the form of primary model, and finally, characteristics of model's fitness and chart of fit model have been given.

### Hypothesis 1:

Work redesign has a positive impact on personnel empowerment.

Table 2: direct and indirect effects, the total and amount of t relied on work redesign and empowerment

T Value	Total Effects	Indirect Effects	Direct Effects	Effects
				Work Redesign
4.45	0.23		0.23	Empowerment

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As can be seen in table 3-4, the variable "Work redesign" ( $\beta$  = 0.23 and t = 4.45) has a direct and significant effect on personnel empowerment in branches of Shiraz Bank Tejarat. This finding means that Work Redesign can lead to increase of personnel empowerment.

Regarding to this finding, it should be mentioned that work redesign can lead to structural empowerment by changing in substructures and physical conditions of work environment, and it also causes to psychological empowerment via expanding authority and responsibility of personnel and their working evolution and enrichment. However it has been presumed that work redesign lead to increase in personnel strength with a reciprocator or reparative application, because in this occasion, personnel apprehend their work evolution and enrichment and professional identification. Also they obligate themselves to compensate organization services in the form of social exchange.

#### Hypothesis 2:

Variety of skills has a significant impact on the employee empowerment

**Table 3:** direct and indirect effects, the total and amount of t rely on variety of skills and empowerment

T Value	Total Effects	Indirect Effects	Direct Effects	Effects
				Variety of Skills
5.12	0.76		0.76	Empowerment

As can be seen in table 3, the variable "variety of skills" ( $\beta = 0.76$  and t = 5.12) has a direct and significant influence on empowerment of personnel in branches of Shiraz Bank Tejarat.

#### Hypothesis 3:

Task significance has a significant impact on the employee empowerment

**Table 3:** direct and indirect effects, the total and amount of t rely on task significance and empowerment

T Value	Total Effects	Indirect Effects	Direct Effects	Effects
				Task Significance
6.12	0.45		0.45	Empowerment

As can be seen in table 3, the variable "task significance" ( $\beta = 0.45$  and t = 4.81) has a direct and significant effect on empowerment of personnel in branches of Shiraz Bank Tejarat.

## Discussion & Conclusion:

The purpose of present study was the examination on work redesign effect on empowerment of personnel in branches of Shiraz Bank Tejarat. According to research findings, the work redesign has a significant influence on the comprehended empowerment of personnel.

Regarding to this finding, we should discussed that work redesign can lead to structural empowerment by changing the substructures and physical conditions of work environment. It can also lead to mental empowerment by authority expansion and personnel responsibility and their work evolution. However, it has been presumed that work redesign cause to personnel ability increasing by a reciprocator or reparative application, because in this case, personnel apprehend their work revolution and professional identify, and they assume that are responsible to compensate the organization services in the form of social exchange.

### **ACKNOWLEDGEMENT**

The authors would like to thank the anonymous reviewers of the paper and special thanks to employees of Bank Tejarat who filled the questionnaires and kindly cooperated for the study.

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