#### The relationship between staff empowerment and intellectual capital The Mega Motor Saipa

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**Abstract:** Both variables in this study are very important for organizations because to empower of employees causes strengthens the foundations of the success of organizations and can strengthen the intellectual capital so organizations with this knowledge in a very high level is thriving. The aim of this study is to examine the relationship between employee empowerment and intellectual capital in mega motor of Saipa Tehran. Methods: This research is a survey research based on correlation by use the sampling and can be regarded as objective groups applied research. Population of this research is all the staff Mega Saipa and due to the large sample size was used cluster sampling method. Therefore sample size of 240 employees was selected. That we analyze it with the Spss software . Results: The results of the relationship between intellectual capital and empowerment staff and sub assumptions related to the feeling of being affective at work and a sense of trust to colleagues did not confirmed. [Reza Gholamian. **The relationship between staff empowerment and intellectual capital The Mega Motor Saipa**. *Nat Sci* 2015;13(8):14-18]. (ISSN: 1545-0740). http://www.sciencepub.net/nature. 3

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#### 1. Introduction

Empowerment is a term that has gained fast acceptance within a few years. Popular empowerment perspective has prompted some writers 1990s have called the era o empowerment. Empowerment, the effectiveness of traditional management roles and traditional organizational structure has challenged. Empowerment is impossible without appropriate changes in traditional

bureaucratic hierarchy and it requires a flat organizational structure with less hierarchical levels and improving communication between teams. Empowerment means delegation of power act with responsibility for duties (Roy & Sheena, 2005). The idea of empowerment of workers in organizations is important today due to the increasing volume of responsibilities of staff. Employee empowerment is presented order to the transfer of power in the organization, involving subordinates in leadership improve effectiveness by increasing power and ultimately increasing the intrinsic motivation in work. Empowerment increases the ownership sense of employees toward his work so that he is proud of his work and perform duties willingly otherwise it will be a vacant stare of feeling toward his work. Employees who are more capable, they have more commitment and job satisfaction and less stress, are more likely working in collaboration and partnership. With the process of empowerment of employees can be easily achieved goals and benefits such as improved working conditions, increased job satisfaction, satisfaction of customer (ABD, 1385). Changes in the production process has been occurring over the past decade, the traditional factors of production such as natural resources, labor and capital are less important and yet the importance of the intangible resources, such as

information and knowledge has increased. This displacement has serious implications for productivity measurement and management has followed (Asadi et at, 2009). Intellectual capital as one of these sources and intangible assets, for many users, and the scientific community is still ambiguity (See tharman et at, 2002). Intellectual capital is a new subject that theoretically and scientific in the last few years and in the global issues has been proposed. Since it is considered a source of valuable for countries and organizations, growth and development in developing countries and organizations became quickly to index and a valuable resource is for companies and is a key investment for entrepreneurial growth and productivity.

Ghazi Zadeh, et al (2014), perform a study entitled "The relationship between empowerment and intellectual capital in the General Directorate of Tax of South Khorasan province". The results obtained in this study showed that there is a significant relationship between empowerment of and intellectual capital of the organization.

Nazem (2014), examined the "about empowerment, intellectual capital and employee productivity in education." The results showed that there is a significant relationship between the variables of study. Bagheri (2015) in their study to study, "Effect of intellectual capital to empower high school teachers in Tehran" has addressed. The results showed that there is a significant relationship between intellectual capital and its components by empowering teachers.

#### 2. Theoretical Foundations

#### 2.1 The importance of empowerment

The rapidly environment changes threatens the survival of many organizations and the global

economy is driven by regional economic pressures. There are new media, information technology, global consumer culture, the emerging global standards and the possibility of sharing the costs, changes affecting the environment in organizations today. The survival of many organizations is threaten by incompatibility or lack of agreement with environmental changes (Abtahi and Absy, 1368). With large-scale environmental changes in the turbulent world of today, flexibility is essential for organizations to ensure their survival and empowerment and give freedom to employees is one of the basic strategies for increasing performance and provide of survival in today's organizations (Goudarzi and Gmynyan, 1381.

#### 2.2 dimensions of empowerment

In one of the best empirical studies conducted to date about empowerment, Asprytzr four dimensions (factors) has identified cognitive for the empowerment. We based on research of Mishra added a dimension to his model (Mishra & Spreitzer, 1999). Then, the five key dimensions of empowerment are explained. For managers able to be empowerment others successfully, we must make these five features in them.

Successful empowerment means creating the following features:

- Feeling of competence (self-efficacy);

- Feeling of right of choice (self-organizing);

- The feeling of being effective (personally accept the result);

- Feeling of being significant or important (valuable);

- A sense of trust.

#### 2-2-1- sense of competence (self-efficacy)

(Sigler & Pearson, 2000). In fact, self-efficacy of people is their ability to do their job with high skill (Sigler & Pearson, 2000). When people are empowered, have feel of self-efficacy, and feel a sense of capability and then they will have expertise necessary to carry out their work successfully. Empowered people not only feel competence, but also have feel of confident that they can do work with merit. They have feeling of personal superiority and believe that they can learn to deal with new challenges and for grow. Some authors believe that this feature is an important element in empowerment because having a sense of competence determines whether people will try to do hard work and will have or not perseverance? **2-2-2- sense of having choice** 

Dci and colleagues suggest that the empowered people have feeling of self-organizing. While selfefficacy refers to the feel of ability, self-organizing is attributed feel of having choice. Self-assembling means to experience feeling of choice on the run and organizing person in its own activities (1989 Deci et al.). When people rather than forced to do the work or

their work, themselves voluntarily and stop consciously engaged in their duties, they feel having a choice. In fact, their activities are the result of freedom and personal authority. Empowered individuals about their activities have a sense of responsibility and sense of ownership. There is a direct relation between Self-organizing with the feeling of having a choice of methods used to carry out the task, the amount of effort that must be made, the pace of work and time frame that should be performed. The empowered people have sense of ownership about their work because they can determine how things should be done and how quickly ended. The probability of a positive experience is more for people who help them to feel that they can being have their personal effects on what happens to them (including with respect to the effects of the disease) than those who do not feel (Hancer & George, 2003)

# 2-2-3-feeling of being effective (accepting personal result).

Green Berger and his colleagues suggest that the empowered people have feeling personal control over the results, they believe that they can influence the environment in which they work or the results to be obtained, and can make changes. Green Berger believes that the feeling of being effective include beliefs of a person in a specified period of time about ability to create better results.

Empowerment assists to people to increase the number of activities that could control. Often this as much as on the ability to identify areas where they can influence will depend, to the ability, the will and change in external environment in order to increase mastering it also depends (Avry Yazdani, 1381).

## 2-2-4- sense of significance

Individuals have a strong sense of significance. Their purpose, goals or activities which they are employed are valuable. Dards and aspirations and what they are doing, are homogeneous, activity in their value system is important, About what they produce are carefully and believe it. They in this activity, to put funds of the mental or psychological force, and in their involvement and employment have a sense of personal importance and as a result of employment in the activities, person experiences links and personal relationship, therefore feeling of being important related view of the value itself. Research on the significance of work has concluded that persons engage in work they feel is meaningful. More committed it and more involve in it compared to when they feel that this job is in low significance. Individuals in the field of jobs that they feel are meaningful, the more focused and show more determined in pursuing their desirable goals.

2-2-5- sense of trust in others

Finally, empowered Individuals feel have confidence, sure that will be treated fairly and equally with them. These individuals are certain that even in a subordinate position as well as the final result of their work is not affected and losses, justice and peace will be. Usually it means that they have trust that officers of power or authority of power will not harm them, and that will be treated fairly with them. However, even in situations where powerful figures do not show the power and flexibility, Empowerment Individuals still maintain feeling of personal trust. In other words, trust means having feeling of personal security. Trust also implicitly implies that people put themselves in a position of vulnerability,

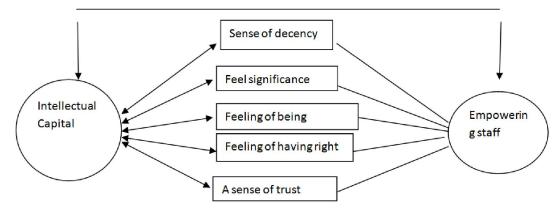
however, Empowerment Individuals believe that eventually they will not notice any damage resulting trust (Zand, 1972). Trusting to other people, Lets individuals which with confidence and without waste energy in right way to protect yourself, try to expose the methods of hide politicians. Because the trusted environment to allow Individuals to be educated. Empowerment

is strongly linked with a sense of trust in others. Having the feeling that the behavior of others strong, stable and reliable, that data can be safely considered and that the promises will act, all are parts of the development capabilities of individuals. In short, trust to others, gives Individuals the ability for feel safe (Avry Yazdani, 1381).

#### **3-** Intellectual capital

Intellectual capital from the 1990s has been extensively studied (Cheng et al., 2010). In fact, interest and extensive review of intellectual capital was a response to the importance of assets and intangible values of the organization (Ross et al., 2005; Cheng et al., 2010). In other words, in today's economy the intangible resources seem to be more important in the market value of companies. While tangible resources are trading in the free market and they can easily are copied by competitors, the intangible resources can not be easily duplicated by competitors. As a result, it is assumed that the intangible resources are the main sources of competitive advantage (Amini, 1387). Knowledge and intangible attributes that not only increasingly stimulate businesses, but also is as the whole or part of the production a supplier company (parsley and Brothers, 1385). Intellectual capital is a valuable asset that is recognized as intangible asset of an organization. In other words the intellectual capital is the intangible asset that is formed of technology, customer data, credit and organizational culture and for the organizational competitive is crucial (Jafari, 1384).

"Therefore, according to the presentation can be acknowledged that intellectual capital is a multidisciplinary concept and understanding of it in fields related to business and trade is diverse (Huang et al., 2007: 386) on our understanding of intellectual capital, there is little agreement. Although intellectual capital was previously unknown but now in various forms in the process of economic development, management, technological and social has role. (Anvari Rostami Rostami, 1382: 51). "So far, broad definitions of intellectual capital are provided. In recent years, many individuals and groups from various disciplines have tried to provide the standard definition of intellectual capital that all agree with it (theoretical and Hrmans, 2007: 596). Intellectual capital includes all processes and assets that are normally not shown on the balance sheet and traditional. As well as include intangible assets such as signs or trademarks, brands and royalties that are considered by modern accounting methods (Ross et al., 1997). Intellectual capital refers to collection of knowledge and abilities of all staff that led to the creation of wealth for the organization.



Conceptual Model Research

#### 4. Research Methodology

This research is a survey research based on correlation method using the sampling and It can be regarded as objective in applied research The population of this research is all employees of the company Mega Motor Saipa and due to the large sample size is used cluster sampling method. Therefore sample size of 240 employees was selected. To gather the data needed to conduct this study, two types of questionnaires were used. The first tool used in this study is Mrs. Asprytzr's questionnaire. That it included 18 questions and is the standard instrument for measuring psychological empowerment, which is used in most studies and the second most commonly used tool is a questionnaire of intellectual capital. In addition, in this study to determine the validity of measurement tools: First, two questionnaire were used with other conducted investigations and literature related to the topic will be localization and then validity to measure the desired attributes in the questionnaire by a group of experts, including senior manager and heads of various departments was approved. Cronbach's alpha to determine the reliability of the method is used. With software spss, Cronbach's alpha is equal a set of 86/0 items of empowerment Scale and, questionnaire of intellectual capital is equal 84/0 that the percentages showed high reliability.

### 5-Research hypotheses

1. Relationship between employee empowerment Mega Motor company Saipa and intellectual capital is significant.

2. Between feel competency of Saipa Mega Motor Company employees and intellectual capital there is a significant relations.

3. There is a significant relationship between feeling of having a significant job and intellectual capital Saipa Mega Motor Company employees.

4. There is a significant relationship between feeling of being effective Saipa Mega Motor Company employees and intellectual capital.

5. Between feeling of the choice and intellectual capital Saipa Mega Motor Company employees, there was a significant relationship.

6. There was a significant relationship, between the sense of trust to others and intellectual capital Saipa Mega Motor Company employees.

## 6. Findings

In this study, in order to analyze, Pearson correlation assumptions used. The results of this test in Table 1 are:

The correlation	A significant	Psychological			
coefficient	number (sig)	empowerment			
007/0-	908/0	Feeling of Competency			
035/0	591/0	feeling of significant job			
197/0	002/0	Feeling of being effective			
023/0-	720/0	Feeling of choice			
151/0	019/0	A sense of trust to others,			

Table 1: Results of Pearson correlation test

According to correlation and a significant number in the table (1) there is significant relationship between a sense of trust to others and a feeling of being effective in work with the organizational commitment and between a sense of competence, a feeling of having a significance job and feeling of having the right to choose with intellectual capital, there isn't a significant relationship. Overall results of Pearson correlation between intellectual capital and empowerment showed that with calculated correlation coefficient is equal to 105/0 and with a significant relationship between of intellectual capital and empowerment Mega Motor company Saipa.

#### 6.1 Evaluation of employee empowerment

Supposing of Null:  $H_0: \mu = 0$ Supposing of opposite:  $H_1: \mu \neq 0$ 

Table 2: Results of the test of one sample t-te	est of the formidable staff
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Employee empowerment	T statistic	Degrees of freedom	A significant number
Reject the null hypothesis	332/36	241	000/0

As shown in Table 2 can be seen, the t-statistic calculated is equal with 332/36, and the degree of freedom is equal to 241 and a significant number of tests is zero which of error level (05/0 = a) is less. Since the t-statistic is a positive sign, the null hypothesis is rejected and it is concluded that the

empowerment employees is higher than the average level.

6-2 Evaluation of the Staff intellectual capital Supposing of Null:  $H_0: \mu = 0$ Supposing of opposite:  $H_1: \mu \neq 0$ 

Table 3: The results of the single-sample t-test of intellect	tual capital
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Employee empowerment	T statistic	Degrees of freedom	A significant number
Reject the null hypothesis	663/3-	241	000/0

As shown in Table 3 can be seen, T- statistic calculated equal to 663/3 and the degree of freedom is equal to 241 and A significant number of the test is zero that is less of the error level (05/0 = a) Because the test has a negative sign and the null hypothesis is not rejected and it is concluded that the level of intellectual capital of employees is lower than the average level.

6-3 to evaluate the effects of factors such empowerment on organizational commitment

In order to assess the combined effects of empowerment variables as independent variables on the intellectual capital variable as dependent variable, was used multiple regression analysis. According to the results of correlation between each empowerment indicators with intellectual capital variable, since only two indexes a sense of trust to others and a sense of effectiveness were related with the intellectual capital variable significantly. Therefore, only these two variables were included in the multivariate regression model. According to a sense of being the effective (086/0) on intellectual capital than to a sense of trust to others (046/0) have a greater impact. In addition, the constant regression line is equal to 397/2 is obtained.

#### Conclusion

The results achieved of the relationship between empowerment and intellectual capital of staffs and sub assumptions related to it except feel of being effective at work and a sense of trust to others were not confirmed. The result of this study with the results of scientific research in the literature is incompatible. Empowerment leading to take more responsibility on behalf of its employees, and employees expect to receive a higher salary.

Lack of this situation influences on relationship between the empowerment of workers and intellectual capital. Lack of clear objectives and policies of the organization and responsibilities of the job makes damages on feel having of meaningful job. Of course results of the study indicate that psychological factors empowerment of staffs (which is associated with the intellectual capital) "The feeling of being of effective" in comparison with "sense of trust" to others" has more impact on intellectual capital. Mega senior managers as well as to identify factors contributing on strengthen communication and intellectual capital should be formulated plans. They need to improve feeling of being effective and a sense of trust to others and have a special investment. For example, they can perform the following activities:

1. Creating a supportive culture in the organization and encouraging the goal setting to increase the feeling of being effective at work and high knowledge the company's employees.

2. Providing resources that help employees do their jobs. Providing these resources by the organization leads that in employees is created this feel that their organization puts importance for them and thus reinforces the feel of being effective in them.

3. Creating an environment in which employees see the results of their work. When employees see their work, experience a greater sense of empowerment.

4. -managers should pay the more personal attention to each of their employees and help staffs that feel are important for the manager. Area managers should pay special attention to the views of their employees and have individually expressed.

This research has practical applications and theoretical. On the theoretical evidence for the relationship between empowerment and the development of intellectual capital in the field of organization was different from other studies.

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