

Employees' Empowerment and Its Role in Achieving Strategic Success: A Practical Study on Jordanian Insurance Companies

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ABSTRACT

The purpose of this study is to identify the role of employees' empowerment in achieving strategic success of 20 Jordanian insurance companies listed in Amman Stock Exchange. The sample of the study included all the study population. The sample included 306 employees working at the target companies. In order to achieve the study objectives, the researcher designed a questionnaire to collect the required data. To test the study hypotheses, multiple regression analysis was used. The study results indicated that there is a strong relationship between employees' empowerment and strategic success. Additionally, the study results showed that the delegation of authority, participation and work environment, as dimensions of employees' empowerment, have a positive impact on strategic success. Based on these results, the researcher recommended that organizations should adopt an employee empowerment approach in order to achieve strategic success and ensure the success of the empowerment process by creating a supportive work environment that involves training, exchange of information, open communication and encouraging employees to introduce their creative ideas related to the development of work. In addition, the study also recommended delegating employees' adequate authority to carry out their duties in an effective way and involving them in the process of decision making and setting organizational goals.

Keywords: Employee empowerment, Strategic success, Adaptation, Survival, Growth, Insurance Companies Jordan.

INTRODUCTION

The human resources in business organizations constitute the cornerstone due to the different patterns of interaction that produced by it, and through which we can judge on the effectiveness of these organizations. As business organizations seek to keep pace with growth and development, they have to respond to the application of modern methods in management that enhance the ability of the human element in the acquisition of knowledge, skill, and managerial professionalism. This enables it to achieve the goals of organization, and to allow individuals to show their abilities and use creative ideas in the field of

their job. Therefore, job empowerment is one of the modern managerial methods (Abou Elnaga & Imran, 2014, Barry, 1993; Foy, 1994) that enable the employee to exercise full authority and assume the responsibilities of his job (Abou Elnaga & Imran, 2014). In addition, it is one of the building blocks of the organization's strategy to meet different challenges and developments (Dobre, 2013).

Since strategic success has become a key requirement that organizations strive to achieve in order to maintain their sustainability in a complex and volatile business environment, business organizations have been looking for practices and methods to help them achieve that success. As a result, many organizations adopted employee's empowerment practices due to their important role in achieving strategic success.

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Received on 26/9/2017 and Accepted for Publication on 7/2/2018.

Employee empowerment can be a source of strategic success through its positive impact on employees' efficiency, work satisfaction, quality, and customer satisfaction (Abbasi *et al.*, 2011; Pelit *et al.*, 2011; Timothy & Abubakar, 2013;; Hanaysha & Tahir, 2016). Additionally, employee empowerment helps increase organizational creativity and innovativeness (Celik *et al.*, 2014; Alkhodary, 2015, Uzunbacak, 2016). This will enhance the organization's ability to continue, develop, innovate, and therefore achieve strategic success.

Thus, the current study attempts to test the role of employees' empowerment in achieving strategic success.

The Study Problem

In view of the fierce competition and the increasing demand from customers, it has become necessary to search for factors that contribute to the strategic success of Jordanian insurance companies to maintain their survival and sustain their competitiveness. This is due to the important role of this sector in Jordanian economy. Additionally, through reviewing the previous literature, it seems that there is a lack of studies that measured the role of employees' empowerment in achieving strategic success. Thus, the current study aims to empirically evaluate the role of employee empowerment in achieving strategic success through answering the following main question: What is the impact of employees' empowerment on strategic success? This question generates the following sub questions:

- What is the level of employees' empowerment in Jordanian insurance companies from their employees' perspective?
- What is the level of strategic success in Jordanian insurance companies from their employees' perspective?
- What is the relationship between employees' empowerment and strategic success in Jordanian insurance companies?
- What is the impact of employees' empowerment on strategic success in Jordanian insurance companies?

The Importance of the Study

This study attempts to make leaders and top management realize the importance of employee empowerment as a means to enhance strategic success. The findings of this study will provide empirical data for employee leaders, top management, and employee members to help them create an empowered environment for enhancing strategic success. Additionally, the empirical results of this study will contribute to the enrichment of previous literature and to fill the existing knowledge gap.

The Objectives of the Study

The study aims to:

- Address the theoretical concepts related to the concept of employees' empowerment and strategic success.
- Identify the level of employees' empowerment in Jordanian insurance companies.
- Identify the level of strategic success in Jordanian insurance companies.
- Clarify the relationship between employees' empowerment and strategic success in Jordanian insurance companies.
- Clarify the impact of employee empowerment on strategic success in Jordanian insurance companies.

Literature review

Employee Empowerment

The term "empowerment" is a term categorized under modern terminology in management science that has attracted the interest of organizations and managers. The definitions of empowerment varied according to the differences in the researchers' points of view. Frost (1987) indicated that the empowerment process includes the use of power to create opportunities and conditions through which actors can gain power, make decisions, use and expand their abilities and skills, create and

accomplish organizational work in ways that are meaningful to them. While other researchers (e.g. Langbein, 2000; Dainty *et al.*, 2002; Arneson & Ekberg, 2006) indicated that employees' empowerment refers to the process of delegation of power and responsibility from the higher levels to the lower levels of employees within an organization, in a particular, the power that enables them to make decisions. According to Abou Elnaga and Imran (2014), empowerment includes increasing the job duties and responsibilities of employees through giving them autonomy and adequate authority for making decisions regarding their own job without the approval of their immediate supervisor.

From the perspective of Ettorre (1997), the empowerment of employees refers to the ability of employees to achieve self-directed decision-making, and working as partners in the organization, with the focus on lower managerial levels. Moreover, empowerment includes the participation of employees in setting the goals of organizations in addition to giving them adequate power to make decisions. According to Brown and Harve (2006), employees' empowerment can be defined as a strategy aimed at freeing the potential of individuals and involving them in the processes of building the organization, considering that the success of the organization depends on the harmony of the individuals' needs with the vision of the organization and its long-term goals. Al- Asoufi (2017) defined employees' empowerment as the process that the organization management implements to benefit from the ideas, energies, and knowledge of its employees. Furthermore, it also involves training, motivating, and encouraging employees to use their creativity in work, and involving them in the decision-making process in order to achieve the goals of the organization and to raise its efficiency in the competitive environment in proportion to its technological, cultural and environmental capacity.

In the researcher's opinion, empowerment is the

process of giving the necessary power to make decisions and contribute to the development of plans, especially those relating to the individual's job and the use of existing expertise of individuals to improve the performance of the organization.

Regardless of the multiple definitions of the concept of empowerment, its philosophy aims to increase the ability of organization to respond to the changing environment and to support innovative and creative ideas. In addition, it allows the empowered employees to adopt creative ideas and to abandon traditional ways of doing their work. Moreover, the empowerment process helps employees to participate in setting goals, making decisions, and solving the problems they face without waiting for the solution from their superiors (Bowen & Lawler, 1995).

The measurements and dimensions of empowerment vary in accordance with the different scholars' perspectives regarding the definition of employees' empowerment. For example Al- Asoufi (2017) measured employees' empowerment through talent management, leadership style, employee training, and rewards. While Asgarsani *et al.*(2013) measured employees' empowerment through participative management, delegation of authority, and performance-based rewards. Moreover, through the review of previous literature, the researcher found that the most frequent dimensions of employees' empowerment that were used in previous studies included: power, information sharing, delegation, freedom of acting, training, rewards, teams work, and responsibility.

For the purpose of the current study, the researcher adopted the delegation of authority, participation, and work environment as dimensions for measuring employees' empowerment.

Delegation of Authority

The process through which superiors give subordinates a part of their duties after providing them with the appropriate training, giving them the necessary

power to achieve these duties, and carrying the responsibility of accomplishing these duties successfully (Arneson and Ekberg, 2006).

Participation

The process in which employees are involved in setting organizational goals, solving the problems, and taking part in decision making process (Ettorre, 1997).

Work Environment

It refers to the internal characteristics of the organization that are reflected on the employees. These characteristics include encouraging employees to provide creative ideas, developing employees knowledge's and skills through learning, training, and exchanging experiences among themselves, establishing effective communication methods, in addition to solving problems using team work (Arnold *et al.*, 2000).

Strategic Success

Business organizations face big challenges due to increased competition and rapid change in the environment in which they operate. Therefore, some of these organizations resorted to the use of many, methodologies and modern managerial philosophies to ensure the survival and success of their work. The concept of strategic success of organizations has occupied an important place after that. The emphasis in organizational thought has been on the concepts of efficiency and effectiveness to judge the success of organizations. The success of an organization depends on how much it invests in mental capability to learn and transfer new knowledge and put it into action (Dzinkowski, 2000). According to David (2009), the success of organizations depend on their ability to formulate a good strategy that allows them to achieve their long-term goals that are consistent with the mission and vision of the organization, as well as the effective and good implementation of the strategy. Surviving and continuing to work is the essence of strategic success, and it constitutes the foundation for the organization to look for an appropriate situation to adapt to the

environment. However, the long-term adaptation will not be desirable unless it is accompanied by growth and development towards achieving the planned goals. This allows the organization to have more stability and survival and to achieve the pillars of strategic success. Meibodi and Monavvarian (2010) identified the key success factors as all activities carried out by the organization to achieve its mission and it is the responsibility of all managers at the different levels within the organization. According to Maller (2002), the strategic success of the organization is a result of successful implementation of strategic plan. On the other hand, Johnson & Scholes (2002) indicated that the successful formulation, implementation, and monitoring of the strategy reflected strategic success. Waldron (2008) defined strategic success in terms of the organization's ability to create shareholder value.

Kaplan and Norton (2005) are among the earliest scholars who alluded to the need to adopt a balanced score card to measure the performance and success of organizations through four criteria that include: learning and growth, internal processes, customers, and financial performance. Other researchers such as Noharia *et al.* (2003) measured strategic success through the following dimensions: specified strategy, effective execution, motivating culture, horizontal structure, the leadership style, talents, innovation, and merger and partnership. Conversely, Simon *et al.* (2011) identified the following dimensions as a requirement for strategic success: the quality of services provided to customers, the good leadership that has a clear vision, encouraging innovation, recruiting employees with high skills, providing distinguished products and services, and having the ability to adapt. According to Elbing (1978), strategic success reflects the organization ability to survive, adapt, and grow regardless of the goals it seeks to achieve.

Based on the previous literature, the current study has adopted the following dimensions for measuring strategic success: survival, adaptation, and growth.

Survival

Survival is an organizational goal that organizations seek to achieve by keeping pace with changes in the business environment. Some organizations disappear when they are unable to satisfy the needs of society or when they cannot respond to urgent conditions, such as technological developments and extreme competition (Adewale *et al.*, 2011). Based on that, survival is defined as the organization's ability to continue its work through dealing with the challenges they face and avoiding the impact of threats, in addition to evaluating their performance on a regular basis to face any shortcomings in their performance. According to Jones & Bartlet (2008), organizational survival is regarded as an implicit organizational goal requiring the investment of energy and resources. Organizational survival goal underpins all other goals (Gross, 1968). Paying attention to this goal contributes to the satisfaction and execution of other organizational goals (Adewale *et al.*, 2011).

Adaptation

Many scholars and researchers agreed that adaptation is considered as one of the most critical factors that determine the survival of the organization and play an important role in its strategic success (Sánchez *et al.*, 2011; Banks, 2013; and Janssen & Brumby, 2015). Adaptation refers to the organization's ability to respond to the changes that occur in its external work environment and its internal environment which drives it to adjust its situation, perception, and activities accordance to those changes (Janssen & Brumby, 2015). Adaptation is regarded as a continuous dynamic psychological process through which the organizations can have the ability to take appropriate methods of working in order to address the different situations they face. This process requires flexibility and wisdom to enable the organization to cope with the changing environment (Sánchez *et al.*, 2011).

Growth

Growth describes the increase of the organization's

size to achieve the goals desired by stakeholders. Moreover, growth refers to the stage in which the organization begins to spread, and to acquire a greater market share and a greater ability to face the competitors (Dosi, 2003). At this stage, the organization begins to make substantial profit as long as there is growth in the market and it is working to satisfy the requirements of that market (Dosi, 2003). The growth stage is considered as one of the organization life cycle stages, so the organization should seek to invest in this stage and to work to prolong it through extensive research and development processes and through recruiting employees with a high degree of efficiency. Thus, the organization can expand its quantitative and qualitative services (Kotler, 2012).

Previous Studies

- The study of Altememi and Alkshali (2015): The study aimed to test the impact of strategic alliances on strategic success in Jordanian commercial banks. The sample of the study consisted of 96 managers working at the target banks. The results of the study showed a statistically significant effect of strategic alliances on all dimensions of strategic success, namely specific strategy, effective implementation, incentive culture, organic structure, transformational leadership, and continuous improvements.

- The study of Alhalalma and Al-Azzawi (2009): It is one of the analytical studies conducted in the Jordanian environment, specifically in the Jordanian telecom companies. The researchers attempted to identify the impact of knowledge capital on the reasons of strategic success. The sample of the study consisted of 54 managers working at the target companies. The results of the study showed a statistically significant effect of knowledge capital on all dimensions of strategic success, namely, specific strategy, effective implementation, incentive culture, and horizontal structure.

- The study of Hussey (2001): The study aimed to test the impact of interrelationship of analysis and

creative thinking on strategic success in service companies in the UK. The sample of the study consisted of 85 managers working at the target companies. The results of the study confirmed that the interrelationship of analysis and creative thinking is considered critical for strategic success.

- The study of Lišanin (2001): The study aimed to test the different aspects of service quality management as a strategic success of financial institutions operating in Serbia. The sample of the study consisted of 105 managers working at the target institutions. The results of the study confirmed that service quality dimensions play an important role in achieving strategic success.

- The study of Hanaysha and Tahir (2016): This study tested the effects of employee empowerment, teamwork, and employee training on job satisfaction in higher education sector. The data were collected from 242 employees who work at public universities in northern Malaysia using an online survey. The findings indicated that employee empowerment has a significant positive effect on job satisfaction.

- The study of Alkhodary (2015): This study tested the relationship between employees' empowerment and the innovative work behavior in the Jordanian interior design companies. The sample of the study consisted of 105 employees from different managerial levels working at the target companies. The study shows that there is a significant relationship between employee empowerment (meaning, competency, self-determination, and impact) and innovative work behavior (originality, fluency of ideas, and problem sensitivity).

- The study of Timothy and Abubakar (2013): This study aimed to determine the impact of employee empowerment on service quality in the Nigerian banking industry. The study covered nine branches out of the fifteen branches of First Bankin Kaduna State. The study

sample consisted of all the staff in the various branches with the exception of contract in sourcing staff. The study found out that employee empowerment has a positive and significant impact on service quality.

The Relationship between Employee Empowerment and Strategic Success

Simon *et al.*(2011) identified the quality of services provided to customers, innovation, and the distinguished products and services as requirements for achieving strategic success. The organizations can achieve these requirements through employees' empowerment. The study showed that employees' empowerment helps in creating new research fields, new ideas, products and markets and thus contributes to organizational growth (Al Zahrani, 2012). Moreover, employees' empowerment increases employees' efficiency, work satisfaction, quality, and customer satisfaction (Abbasi *et al.*, 2011; Pelit *et al.*, 2011; Timothy & Abubakar, 2013; Hanaysha & Tahir, 2016). As a result, the organization will be able to survive and grow. Additionally, employees' empowerment helps increase the organizational creativity and innovativeness (Celik *et al.*, 2014; Alkhodary, 2015; Uzunbacak, 2016) and this will enhance the organization's ability to adapt with the changing business environment.

Thus, when organizations are able to survive, adapt, and grow, they will be able to achieve strategic success (Elbing, 1978).

Study Model and Hypotheses

The purpose of the current study is to identify the role of employees' empowerment in achieving strategic success. Thus, the independent variable of the study is employees' empowerment, while the dependent variable is strategic success. Figure (1) represents the study model.

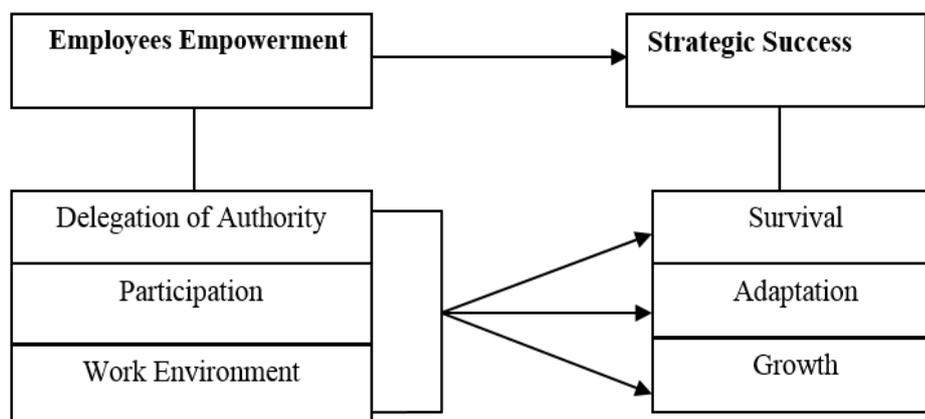


Figure (1): Developed by the researcher based on the literature review

In order to achieve the study’s objectives, the researcher formulated the following main hypothesis:

H0: There is no statistically significant impact at ($\alpha \leq 0.05$) of employees’ empowerment on strategic success.

This hypothesis generates the following sub-hypotheses:

H01: There is no statistically significant impact ($\alpha \leq 0.05$) of employees’ empowerment on survival.

H02: There is no statistically significant impact at ($\alpha \leq 0.05$) of employees’ empowerment on adaptation.

H03: There is no statistically significant impact at ($\alpha \leq 0.05$) of employees’ empowerment on growth.

Methodology, Population, and the Instrument of Study

The study adopted a descriptive and field analytical methodology. In the descriptive methodology, the researcher reviewed the relevant literature in order to

build the theoretical framework of the study and to design the questionnaire. In the field analytical methodology, the researcher carried out a field survey in order to collect the required data through the questionnaire, and then the researcher used statistical techniques to analyze the collected data.

Study Population, Sample, And Analysis unit

The study population consisted of 20 Jordanian insurance company listed on Amman stock exchange. The study sample included all the study population. The sampling unit consisted of 306 employees working at the target companies. Table (1) presents the characteristics of the study sample in terms of their gender, years of experience in the company, educational level, and finally their age.

Table (1): The characteristics of study sample (respondents)

Variable	Category	Frequency	Percentage
Gender	Male	255	83.33
	Female	51	16.67
Years of experience	Less than (5) years	24	7.844
	From (5) to less than (10) years	98	32.026
	From (10) to less than (15) years	107	34.967
	From (15) to less than (20) years	59	19.281

Variable	Category	Frequency	Percentage
	(20) years and above	18	5.882
Educational Level	Less than Bachelor	29	9.477
	Bachelor	213	69.608
	Master	51	16.667
	PhD	13	4.248
Age	Less than (30) years	27	8.824
	From (30) to less than (35) years	64	20.915
	From (35) to less than (40) years	147	48.039
	(41) years and above	68	22.222
Total		306	100%

Study Instrument

The study instrument included a questionnaire developed by reference to the theoretical literature related to employees' empowerment and strategic success. The questionnaire contained three parts: The first part covered the demographic variables of the respondents, such as gender, experience, educational level, and age. The second part of the questionnaire included the paragraphs related to employees' empowerment. The third part of the questionnaire included the paragraphs related to strategic success. The answers to the second and third part of questionnaire relied on a 5-point Likert Scale, ranging from strongly

disagree (1); disagree (2); moderately agree (3); I agree (4); and strongly agree (5).

Instrument Validity

In order to ensure content and construct validity, the researcher used multiple sources of data, such as expert interviews, panel of judges, and literature to develop and refine the data elicitation tool. In addition, the researcher conducted factor analysis (Principal Component Analysis) for all items included in the questionnaire. Based on the factor analysis results, the factor loading value was accepted if it was more than 0.60 and should be removed if it was less than 0.60. Tables 2 and 3 show that all variables and items are valid.

Table (2): Factors loading for all variables

Variables	Factor 1	Extraction
Delegation of Authority	0.926	0.875
Participation	0.894	0.819
Work Environment	0.842	0.896
Survival	0.879	0.814
Adaptation	0.833	0.851
Growth	0.859	0.902

Table (3): Factors loading for all variables items

Item	DA	PA	WE	SU	AD	GR
The management delegates me with adequate authority to do my job	0.692					
The management trusts in my ability to perform the tasks entrusted to me.	0.638					
My superiors do not exercise delegated authority on me during the authorization period.	0.699					
The management gives me appropriate flexibility to do my tasks.	0.702					
My job gives me the opportunity to make decisions independently.	0.651					
I participate in solving some problems of the company in the light of possibilities available to me.		0.641				
I participate in a positive role to improve the work within the company.		0.664				
I exercise some powers to achieve the goals of the company.		0.715				
I participate in setting the goals of company.		0.693				
I feel that I have an effective and influential role in the company.		0.659				
The company's management allows me to provide new ideas for work development.			0.733			
The company provides employees with opportunities for learning, training and acquiring new skills in the work area.			0.709			
The company's management aims to establish effective and sophisticated channels of communication.			0.679			
The company's management encourages team spirit to face organizational problems.			0.663			
The company encourages employees to exchange experiences among themselves.			0.677			
The company has the ability to deal with challenges and to forecast future threats.				0.641		
The company prepares multiple scenarios to create alternative options for survival.				0.683		
The company continuously analyzes external environment information.				0.697		
The company evaluates its capabilities periodically to meet any deficiencies in its performance.				0.709		
The company has specialized competencies to ensure the continuity of its success.				0.726		
The company has additional capabilities to adapt with changing and renewable needs of customers.					0.695	
The company is able to change its plans and goals that are specified by					0.684	

Item	DA	PA	WE	SU	AD	GR
top management.						
The company is able to adapt quickly to the events that happen suddenly in the internal work environment.					0.720	
The company is able to adapt continuously with market requirements.					0.719	
The company is able to adapt to the changes in the external environment.					0.693	
The company is able to enter new markets.						0.677
The company diversifies its products and services to meet the needs of different categories of customers.						0.692
The company seeks to achieve backward and forward integration.						0.722
The company is trying to form alliances with competitors.						0.705
The company is able to buy a competing company operating at the same industry.						0.722

Instrument's Reliability

The researcher determined the reliability of instrument using Cronbach Alpha Coefficients in order to ensure the internal consistency among questionnaire items. The alpha values were 0.881 for employees' empowerment and 0.869 for strategic success items, and 0.847 for the instrument as a whole. These values are excellent because they are higher than the acceptable value (70%) and they are acceptable for the purposes of this study.

Results and Discussion

Data Presentation

The means and standard deviations for the respondents' answers on the questionnaire items related to employees' empowerment and strategic success are introduced in Table 4 and Table 5. Table 4 presents the means and standard deviations for the respondents' answers on the questionnaire items related to employees' empowerment, while Table 5 presents the means and standard deviations for the respondents' answers on the questionnaire items related to strategic success.

Table (4): The means and standard deviations for the respondents' answers on the questionnaire items related to employees' empowerment.

Delegation of Authority	Means	Standard deviation
1. The management delegates me with adequate authority to do my job.	4.26	0.952
2. The management trusts in my ability to perform the tasks entrusted to me.	4.09	0.968
3. My superiors do not exercise delegated authority on me during the authorization period.	4.31	0.894
4. The management gives me the appropriate flexibility to do my tasks.	4.16	0.977
5. My job gives me the opportunity to make decisions independently.	4.23	0.935
Average	4.21	
Participation	Means	Standard deviation
6. I participate in solving some problems of the company in the light of possibilities available to me.	4.19	0.983

Delegation of Authority	Means	Standard deviation
7.I participate in a positive role to improve the work within the company.	4.37	0.977
8.I exercise some powers to achieve the goals of the company.	4.28	0.951
9.I participate in setting the goals of company.	4.41	0.992
10.I feel that I have an effective and influential role in the company.	4.06	0.969
Average	4.26	
Work Environment	Means	Standard deviation
11.The company's management allows me to provide new ideas to work development.	4.39	0.877
12.The company provides employees with opportunities for learning, training and acquiring new skills in the work area.	4.33	0.895
13.The company's management aims to establish effective and sophisticated channels of communication.	3.97	0.907
14.The company's management encourages team spirit to face organizational problems.	4.11	0.886
15.The company encourages employees to exchange experiences among themselves.	4.20	0.893
Average	4.20	

The results in Table 4 indicate that the level of applying employees' empowerment in Jordanian insurance companies is high, where the values of the total average of means for employees' empowerment dimensions are 4.223. Additionally, the results showed that insurance companies appreciate the important role of their employees' participation in the process of decision-making and setting goals, where the value of average means for this dimension reached 4.26. Furthermore, the results in Table 4 demonstrate that the level of delegating the authority to insurance companies' employees is high where the average of means reached

4.22. These results reflect the importance of giving employees the suitable authority in insurance companies because of the nature of its work that requires a quick response and taking decisions related to customers, especially in urgent cases. Moreover, the results in Table 4 show that the average means of work environment reached 4.2. This could explain the high level of applying empowerment process in Jordanian insurance companies in view of the important role played by the working environment in facilitating and supporting the empowerment process.

Table (5): The means and standard deviations for the respondents' answers on the questionnaire items related to strategic success.

Survival	Means	Standard Deviations
16. The company has the ability to deal with challenges and to forecast future threats.	3.95	0.896
17. The company prepares multiple scenarios to create alternative options for survival.	4.01	0.959
18. The company continuously analyzes external environment information.	4.19	0.973
19. The company evaluates its capabilities periodically to meet any deficiencies in its performance.	4.25	0.985
20. The company has specialized competencies to ensure the continuity of its success.	4.41	0.966
Average	4.162	-
Adaptation		
21. The company has additional capabilities to adapt to changing and renewable needs of customers.	4.03	0.922
22. The company is able to change its plans and goals that are specified by top management.	4.29	0.907
23. The company is able to adapt quickly to the events that happen suddenly in the internal work environment.	3.91	0.942
24. The company is able to adapt continuously to market requirements.	4.15	0.968
25. The company is able to adapt to the changes in the external environment.	4.19	0.974
Average	4.114	-
Growth		
26. The company is able to enter new markets.	4.39	0.997
27. The company diversifies its products and services to meet the needs of different categories of customers.	4.47	0.960
28. The company seeks to achieve backward and forward integration.	3.98	0.874
29. The company is trying to form alliances with competitors.	3.84	0.895
30. The company is able to buy a competing company operating at the same industry.	3.79	0.886
Average	4.089	-

The results in Table 5 indicate that Jordanian insurance companies achieved a high level of strategic success where the total average of means for all variables reached 4.12. Additionally, the results indicate that the average means of survival reached 4.162 and the average means of adaptation reached 4.114, while the average means of growth reached 4.089. The skills, knowledge, and experiences that employees obtained

through the empowerment process and through exploiting their innovative energies could explain the high values of strategic success dimensions.

The Relationship between Variables

In order to test the correlation and relationships between the study variables, the researcher conducted Bivariate Pearson Correlation Coefficient. The results of the test are presented in Table 6.

Table (6): The results of Pearson’s Correlation (r) between independent variables and dependent variables

Variable	DA	PA	WE	Su	Ad	Gr	EE	SS
Delegation of Authority								
Participation	0.692**							
Work Environment	0.711**	0.741**						
Survival	0.683**	0.705**	0.725**					
Adaptation	0.698**	0.705**	0.713**	0.741**				
Growth	0.752**	0.748**	0.755**	0.763**	0.771**			
Employee Empowerment	0.754**	0.759**	0.768**	0.779**	0.783**	0.795**		
Strategic Success	0.771**	0.789**	0.773**	0.744**	0.802**	0.791**	0.811**	

** Correlation is significant at the 0.01 level (2-Tailed)

The results in Table 6 indicate that the relationship between employees' empowerment variables is strong where (r) ranged from 0.711 to 0.741 and it is a strong relationship. Additionally, the results indicated that the relationship between total employees' empowerment and each variable of employees' empowerment is strong, where (r) ranged from 0.754 to 0.768. Moreover, the results suggested that the relationship between employees' empowerment and strategic success is strong where (r) reached 0.811.

Hypotheses Testing

Before applying regression analysis in order to test the study hypotheses, the researcher conducted the following tests to ensure the fitness of data for the assumptions of regression analysis: Variance Inflation Factory (VIF) Test, and Tolerance Test to ensure there is no high correlation between the independent variables (Multicollinearity), and Skewness Test to ensure the normal distribution of the data. The results of these tests are presented in Table 7.

Table (7): The results of VIF, Tolerance, and Skewnes tests

Independent Variables	VIF	Tolerance	Skewness
Delegation of Authority	3.71	0.462	0.603
Participation	3.94	0.455	0.622
Work Environment	3.85	0.473	0.614

The results in Table 7 indicate that the values of (VIF) for all variables were less than 10 and the values of Tolerance were higher than 0.05, which suggests that there is no high correlation (Multicollinearity) between the

independent variables. Additionally, the results in Table 7 show that the values of Skewness were less than 1, which means that the distribution of the data was normal. Based on these results, a multiple linear regression analysis was conducted to test the study hypotheses. Table 8 presents the model summary, and Table 9 presents ANOVA analysis and Tables 10, 11, 12 and 13 present beta and *t* values related to the research hypotheses.

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Received on 26/9/2017 and Accepted for Publication on 7/2/2018.

Table (8): The Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of The Estimate
1	0.874	0.764	0.719	0.417

*Predictors: (Constant), Delegation of Authority, Participation, Work Environment.

The results in Table 8 indicate that the value of R square was 0.764. This value means that the model explains 0.764 of the variance in the dependent variable (Strategic Success) by employees' empowerment.

Table (9): ANOVA Analysis

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	461.306	3	69.533	1216.410	0.000
Residual	37.914	303	0.074		
Total	499.220	306			

*Predictors: (Constant), Delegation of Authority, Participation, Work Environment.

**Dependent Variable: Strategic Success

The results in Table 9 indicate that the value of (F) was 1216.410, which is statistically significant since it is

lower than the specified value (0.05) so the model is fit and acceptable.

Table (10): Beta and t values for the main study hypothesis

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.348	0.097			
Delegation of Authority	0.609	0.047	0.661	28.061	0.000
Participation	0.633	0.038	0.679	31.215	0.000
Work Environment	0.581	0.031	0.627	27.533	0.000

*Significant at the level of statistical significance ($\alpha \leq 0.05$)

**Dependent Variable: Strategic Success

As shown in Table 10, the results of multiple regression analysis indicated that employees' empowerment affects strategic success. The values of beta and t-test showed that the delegation of authority, participation, and work environment as dimensions of

employees' empowerment had a positive impact on strategic success at $\alpha \leq 0.05$ and the highest impact was for the participation, followed by delegation of authority, while the lowest impact was for work environment.

Table (11): Beta and t values for the first sub hypothesis

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.351	0.081			
Delegation of Authority	0.602	0.039	0.631	28.210	0.000
Participation	0.639	0.044	0.669	30.740	0.000

Work Environment	0.571	0.052	0.603	26.905	0.000
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*Significant at the level of statistical significance ($\alpha \leq 0.05$)

** Dependent Variable: Survival

As shown in Table 11, the results of multiple regression analysis indicated that employees' empowerment affects survival. The values of beta and *t*-test demonstrated that the delegation of authority,

participation, and work environment as dimensions of employees' empowerment had a positive impact on survival at $\alpha \leq 0.05$ and the highest impact was for the participation, followed by delegation of authority, while the lowest impact was for work environment.

Table (12): Beta and *t* values for the second sub hypothesis

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.328	0.063			
Delegation of Authority	0.582	0.041	0.619	27.109	0.000
Participation	0.597	0.053	0.637	28.305	0.000
Work Environment	0.557	0.048	0.591	25.714	0.000

*Significant at the level of statistical significance ($\alpha \leq 0.05$)

** Dependent Variable: Adaptation

As shown in Table 12, the results of multiple regression analysis indicated that employees' empowerment affects adaptation. The values of beta and *t*-test revealed that the delegation of authority, participation, and work environment as dimensions of

employees' empowerment had a positive impact on adaptation at $\alpha \leq 0.05$ and the highest impact was for the participation, followed by delegation of authority, while the lowest impact was for work environment.

Table (13): Beta and *t* values for the third sub hypothesis

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.374	0.069			
Delegation of Authority	0.559	0.050	0.614	26.991	0.000
Participation	0.581	0.031	0.632	28.009	0.000
Work Environment	0.538	0.039	0.589	25.511	0.000

*Significant at the level of statistical significance ($\alpha \leq 0.05$)

** Dependent Variable: Growth

As shown in Table 13, the results of multiple regression analysis indicated that employees'

empowerment affects growth. The values of beta and *t*-test showed that the delegation of authority,

participation, and work environment as dimensions of employees' empowerment had a positive impact on growth at $\alpha \leq 0.05$ and the highest impact was for the participation, followed by delegation of authority, while the lowest impact was for work environment.

Summary of Study Findings

The main hypothesis of this study stated that there was no statistically significant impact at $\alpha \leq 0.05$ of employees' empowerment on strategic success. The predicted effect of employees' empowerment on strategic success was found in this study, and the null hypothesis H0 was rejected. The results revealed that employees' empowerment both positively and significantly affects strategic success.

Sub-hypothesis H01 of this study proposed that there was no statistically significant impact at $\alpha \leq 0.05$ of employees' empowerment on survival. The predicted effect of employees' empowerment on survival was found in this study, and the null hypothesis H01 was rejected. The results showed that the employees' empowerment both positively and significantly affects survival.

Sub-hypothesis H02 of this study proposed that there was no statistically significant impact at $\alpha \leq 0.05$ of employees' empowerment on adaptation. The predicted effect of employees' empowerment on adaptation was found in this study, and the null hypothesis H02 was rejected. The results showed that the employees' empowerment both positively and significantly affects adaptation.

Sub-hypothesis H03 of this study proposed that there was no statistically significant impact at $\alpha \leq 0.05$ of employees' empowerment on growth. The predicted effect of employees' empowerment on growth was found in this study, and the null hypothesis H03 was rejected. The results showed that the employees' empowerment both positively and significantly affects growth.

These results are consistent with and supported by

previous literature. Employees' empowerment helps create new research fields, new ideas, products and markets and thus contributes to organizational growth (Al Zahrani, 2012). Moreover, employees' empowerment increases employees' efficiency, work satisfaction, quality, and customer satisfaction (Abbasi *et al.*, 2011; Pelit *et al.*, 2011; Timothy & Abubakar, 2013; Hanaysha & Tahir, 2016). As a result, the organization will be able to survive and grow. Additionally, employees' empowerment helps increase organizational creativity and innovativeness (Celik *et al.*, 2014; Alkhodary, 2015; Uzunbacak, 2016). This will enhance the organization's ability to adapt to the changing business environment. Thus, when organizations are able to survive, adapt, and grow, they will be able to achieve strategic success (Elbing, 1978).

Conclusion and Recommendations

The current study tested the role of employees' empowerment in terms of delegation of authority, participation, and work environment in achieving strategic success. The study results found that Jordanian insurance companies applying empowerment process achieved a high level of strategic success from the employees' perspective. Additionally, the results indicated that there is a strong relationship among employees' empowerment and strategic success. Finally, the study results found that the delegation of authority, participation, and work environment as dimensions of employees' empowerment had a positive impact on strategic success. The highest impact was for participation, followed by delegation of authority, while the lowest impact was for work environment. Based on these results, the researcher recommended that organizations should adopt employees' empowerment approach in order to achieve strategic success and to ensure the success of the empowerment process by creating a supportive work environment that includes training, exchange of information, open communication, and encouraging employees to introduce their creative

ideas pertaining to the development of work. In addition, it was also recommended that employees' adequate authority should be delegated to carry out their duties in an effective way and that they should be involved in the process of decisions making and setting organizational goals. Furthermore, the researcher recommended that organizations should give the concept of strategic success more attention because of its important role in identifying and managing the activities of organizations, especially those that focus on conducting continuous improvements processes for performance and on achieving the competitive advantage that contributes to maximize profitability.

The Limitations of the Study

Despite the important contributions of this study, there are several limitations. First, the study was conducted in the insurance industry. Although the choice was driven by the rich work environment which has a large variation in the work practices within the field, the results may not be generalized to other industries. This is because it is likely that both the influence and type of employees' empowerment processes vary across industries. The current findings need to be extended and enriched with studies examining other industries and studies examining multiple industries simultaneously to rule out industry as an important contingency factor.

Second, this study focused on the perceptions of members within a particular managerial level in a limited number of organizations.

Third, this study might have self-selection and non-response bias. This occurs when the entities in the

sample are given a choice to participate. If a set of members in the sample decides not to participate, it reduces the ability to generalize the results to the entire population.

Fourth, of the 306 respondents, the ratio of employees was disproportionately male (83.33%, $n = 255$). Fewer than 20% of employees were female (16.67%, $n = 51$). Moreover, the employees were generally well-educated. Future research might consider methods to target a larger sample population with a more balanced gender distribution and a more diverse population regarding age and the level of education.

Finally, although the researcher was careful to communicate complete respondent anonymity in the cover memo and instructions, participants may have been concerned about being identified and may not have answered honestly.

Future Research

The current study and its results are limited to Jordanian insurance companies. Therefore, there is a need for conducting more research studies on the subject of employees' empowerment and strategic success in different industries. In addition, the researcher recommends conducting similar studies in different countries to be able to generalize the study results, especially given the fact that there is a lack of studies that measure the direct impact of employees' empowerment on strategic success, which makes this subject worthy of further investigation.

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تمكين العاملين ودوره في تحقيق النجاح الاستراتيجي: دراسة تطبيقية على شركات التأمين الأردنية

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ملخص

أصبح النجاح الاستراتيجي مطلباً أساسياً تسعى المنظمات إلى تحقيقه من أجل الحفاظ على ديمومتها في ظل بيئة الأعمال المعقدة والمتقلبة. ويعد تمكين العاملين من أهم العوامل التي تساهم في نجاح المنظمات حيث يزيد من رضا العاملين وإنتاجيتهم مما يعزز من قدرة المنظمات على الاستمرار والتطوير والابتكار. وبالتالي فإن الغرض من الدراسة الحالية هو التعرف على دور تمكين العاملين في تحقيق النجاح الاستراتيجي لشركات التأمين الأردنية. تضمن مجتمع الدراسة كافة شركات التأمين المدرجة في سوق عمان المالي والبالغ عددها (20) شركة. أما وحدة المعاينة والتحليل فقد تضمنت (306) موظفين من العاملين في الشركات المستهدفة. اعتمدت الدراسة المنهج الوصفي التحليلي الميداني، وتم تطوير استبانة لجمع المعلومات المتعلقة بمتغيرات الدراسة. توصلت الدراسة الى وجود اثر ايجابي ذي دلالة احصائية لتمكين العاملين على النجاح الاستراتيجي، واستنادا إلى هذه النتيجة فقد أوصت الدراسة بأن تتبنى المنظمات مدخل تمكين العاملين من أجل تحقيق النجاح الاستراتيجي، وضمان نجاح عملية التمكين من خلال خلق بيئة عمل داعمة تتضمن التدريب وتبادل المعلومات والاتصال المفتوح وتشجيع العاملين على تقديم أفكارهم الإبداعية المتعلقة بتطوير العمل. وكذلك، تفويض الموظفين بالسلطة الكافية للقيام بواجباتهم بطريقة فعالة وإشراكهم في عملية اتخاذ القرارات وتحديد الأهداف التنظيمية. كما أوصت الدراسة أيضا بضرورة زيادة اهتمام المنظمات بمفهوم النجاح الاستراتيجي نظرا لدوره الهام في تحديد وإدارة أنشطة المنظمة التي تركز على إجراء عمليات التحسين المستمر للأداء والعمل على تحقيق الميزة التنافسية التي تسهم في تعظيم الربحية.

الكلمات الدالة: تمكين العاملين، النجاح الاستراتيجي، البقاء، التكيف، النمو.

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تاريخ استلام البحث 2017/9/26، وتاريخ قبوله 2018/2/7.