

The Effects of Dynamic Empowerment Characteristics on Organization Vitality: A Test of a Causal Model

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The objectives of this paper are twofold the first objective is to ascertain the empowerment related critical characteristics. Based on the organization research work the Dynamic Empowerment Characteristics(DECs) include empowerment, the readiness for empowerment (change management literature) and organization responsiveness (strategic management literature).The second objective is to test a causal model of the effects of the DECs on Organization Vitality (OV). Therefore, the paper opted for a causal study using Structural Equation Modeling (SEM). The results supported the proposed model. The path coefficients of the DECs to OV were all significant. The results did not lend support to the mediating effect of perceived competence. In more general terms the results support using a configurationally approach of having multiple critically related variables to explain an organizational phenomenon of interest. The empirical implications of the study include the need to develop empowerment plans along with raising the Human resources readiness for empowerment and to plant them in organizations that rely on responsiveness for success. The mix between human resources management practices and the organization design and strategies related to organization responsiveness seem to be very promising. The study limitations and directions of future research are given.

Keywords: Empowerment, Readiness for empowerment, Organization responsiveness, Perceived competency, Organization vitality, direct effect and indirect effect.

1. Introduction

Human resources are considered as a strategic asset of the organization and empowerment is an approach in order for human resources to create competitive advantages and secure their sustainability. Psychological empowerment is an important contributing factor to organization success (Iftikar,2016).

Many studies have asserted that HR empowerment has a positive impact over organizational success (Healthfield, 2017; Tohidi, 2011). However, few studies have been directed to investigate systematically these variables in a causal model or a Structural Equation Model (SEM). The current study attempts to fill in this gap by proposing and testing a causal model of HR empowerment.

The reviews of the literature indicate that HR empowerment studies did not include the significant supporting variables that lead to significant impact over organizational success. The current study is following the lead of several scholars who introduced

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the concept of Dynamic Organizational Characteristics (DMCs) (Treece,2007). Which is defined as a group of related significant characteristics that are complementary, support, and reinforce each other to produce a significant effect over the dependent variable. The domain of DOCs is wide and complex. There are different versions of ODCs .Carvalho and Durate (2012) explored the joint effects of agility, resilience. Helfat and Peteraf (2009) explored several versions of the ODCs. Iftikharet al. (2016) explored the empowerment impact over turnover intentions cavalho and Durate (2011) explored the agility and resilience.

The major research questions of this study are as follows: 1) What are the characteristics that should be combined with HR empowerment to enhance the reported positive effects of HR empowerment on organization vitality? 2) What are the individual and collective causal effects of the empowerment related characteristics on organizational vitality?

Based on review of the literature the current study advances the notion of Dynamic Employment Characteristics(DECs). Which include three characteristics HR empowerment, readiness for empowerment and organizational responsiveness. The readiness of empowerment was included based on impressive organization change literature that supported the positive impact of readiness for change on the change success. (Armenakis, 2002; Blackman et. al, 2013; Choi & Rouna, 2001; Hays, 2010; Helfat & Peteraf,2009; Holt et.al.2007;Lengnick-hal&,Tammy,2009;Lucy,2008;Stevens, 2013; Weiner, 2009).

The organizational responsiveness was included based on impressive organization responsiveness literature that supported conceptually and empirically the positive and significant (David ,2013).

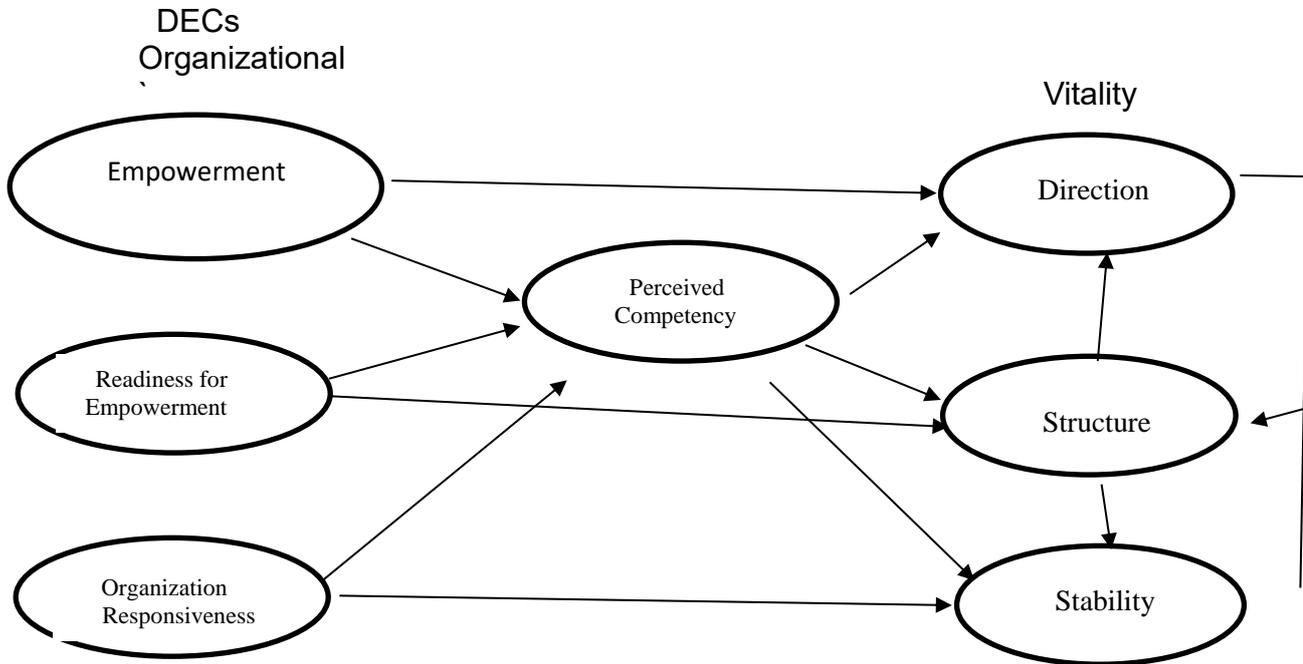
The study is notably different from the current literature. Which focused primarily on exploring the effects of HR empowerment on organization performance; while in the current study, it included with the HR empowerment important variables (readiness for empowerment) and contextual variables (organization responsiveness). The findings of the study will guide the organizational development research that focuses on improving the organization vitality. Adopting the dynamic empowerment characteristics will be of benefit to the current literature, compared to adopting empowerment policies and practices, which in turns will guide some of the organization development plans.

In this paper, section 1 deals with the introduction and section 2 focuses on the study model and the literature review and section 3 contains methodology. Section 4 provide sthe main results, while section 5 provides the conclusion.

2. The Literature Review

The following figure 1 depicts the proposed conceptual model

Figure 1: The Study Model



As shown, the model predicts significant positive direct effects of each of the DEC Organizational variables on the organizational vitality dimensions of direction, structure and stability. Regarding the indirect effects, the model also predicts indirect significant positive effects of DEC Organizational variables on the dimensions of organizational vitality via the mediation of perceived competency. The rest of the following section provides the theoretical underpinning and the related literature of the model variables.

Empowerment

Empowerment is a pillar that describes the relationship between leadership and employees through, authority, autonomy and other factors. It refers to the degree with which the powers of organizational leaders and lower-level employees are distributed, separated or shared (Choi and Ruona, 2011; Fernander & Rainey, 2006). The focus then is on power sharing. Iftikhar and his associates (Iftikhar, et.al.,2016) definition of empowerment, is focused on the processes whereby employees and participants develop the competence to take charge of their own growth and resolve their problems (Hashemy et.al.2016;Iftikar, 2016).

Employees empowered involvement is essential for change implementation. However it should be coupled with managers playing the critical roles of guiding, encouraging and supporting the change plans. Empowerment in the work environment builds the employee commitment with the organization and its objectives (Asgarsani et.al. 2013).

Bruhn et al (2001) supports the view of advising organizations to broaden member's

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empowerment and stress that empowerment should be widespread across all areas of organizational life.

Readiness for Empowerment

The greatest motive to examine the determinants of the organizational change projects, including achieving empowerment, is the reported high failure rate of these projects. It has been reported frequently that the failure rate is 50% or more (Attaran, 2000); Balogun & Hope Hailey, 2004); Lucey, 2008). There for it is imperative to assess readiness for change (Lehma et.al. 2002; Pelletiere, 2006). If the empowerment viewed as a change, whatever findings we get from the current study is still applicable in other domains of change as well.

The literature regarding change is full of normative models of organizational change. Although these models are sound conceptually, they lack rigorous empirical testing (Alkaya & Hepaktan, 2003; Beaman Guy, 2008; Kotter, 1995; Stevens, 2013). The current literature include several case studies (ie. Yuraporn, Suharatna & Laubie Li, 2004) . Although these studies are informative, they lack the generalization of the results. There are also some empirically derived models (Burke & Litwin, 1992; Lehman, Wayne E. K., Jack M. Greener & Dwayne Simpson, 2002). Thus the literature review signified the need for empirical causal models for organizational change success. These reviews, also, suggest the need to have results that are more general.

The social psychology notion of change valence implied that, the individuals and the groups, as well, are prone to exert more efforts for making the change successful in case the they feel the change is attractive and appropriate (Choi & Rouna, 2012; Weiner, 2009). The literature showed ample evidence that the individual and group efficacy are major determinant of success with respect to the proposed change (Bandura, 1997 ; Blackman et al. 2013).

Experts who deal with change assert that, the greater the understanding of determinants, the more successful the change implementation will be. Scholars have adopted several theories to shed light on the determinates of organizational success.

Social cognitive theory suggests that, when organizational readiness for change is high and are based on accurate information, the organization members are more likely to initiate change, exert extraordinary effort in support of change and exhibit greater resilience in the face of obstacles. To be able to support change process people should be ready for change (Amenakis et. al. 1993; Armenakis, Haris & Field, 1999; Madsen, 2005; Robbins '2013). Although the literature suggest the need for further research, RFC Failure is due to readiness for change (Lizer et al, 2015; Fachraddin and Mangundjaya, 2012)

Responsiveness

Responsiveness has to do with an internal rate of change that equates or exceeds the rate of change in the market. A responsive organization does not lag the market instead acts on market and makes decisions with focus on speed All organizations today have to change and adjust themselves with the changing external environment (Verdue et.al., 2000).

The basic question is that, what is the relationship between empowerment and

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responsiveness? The answer to this question is available both conceptually and logically available. When responsiveness is needed for the organization survival and success, empowerment allows generating the appropriate and timely responses. One admits that although responsiveness is needed for all organizations its criticality differs from one organization to another depending on the business domain, organization size, technology, and environment level of uncertainty among other factors. It is emphasized in the literature that, organizations need to react in fixable manner to strategic and operational demands simultaneously (David, 2013).

The reality of today's turbulent organization environment is that, most organizations have to deal simultaneously with the present and the future and they should be capable of combining routine and improvising (Winter,2000).`

Organizational Vitality (OV)

Vitality in general, refers to energy or health; the term organization vitality is defined simply as organizational health or energy, and can be determined by its financial, intellectual and creative growth (Vicenzi and Adkins 2000). Some of the processes that play an important role in survival, growth and organization performance can be defined as vitalization processes for the organization (Bishwas,2014).According to Gilbert et al (2006), growth aspects are the indicator of a vital and thriving organization. Growth success and competitiveness are some of the issues, which are the part of organization vitality (Smith 2009).

OV is defined as the degree to which an organization has continually been successful in meeting performance expectation in the eyes of its customer, employees, stakeholders, and relevant communities, which results in the organization remaining viable and stable overtime (Bishwas, 2014; Goodman,2016;Xenids& Theophanous, 2014. The OV has three major dimensions as follows:

Direction

Direction focuses on the strategy and vision that the leadership of an organization creates and promotes throughout the organization. People need to have a clear roadmap of the future of their organization and understand how they will reach significant milestones. Direction is strengthened, when there is a unified strategy and vision that all staff are connected and committed to carry.

Structure

Structure measures the strength of the systems that are currently in place, if policies and procedures line up with organizational needs, and if departmental expectations and job duties are clear. People need to know what is expected, their role in the organization, and how the organization is managed.

Stability

Stability zeros in on an organization's ability to attract, hire, and retain top talent. It also gives a clear picture of how effectively the organization comes together when challenges arise. If change is managed effectively, and whether or not employees feel the organization provides adequate support to be successful, people need to know

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that they are not on a “sinking ship” and that they have what it takes to attain success.

Perceived competence

Motivation theories for instance support the notion that, when organizational readiness is high, by feeling that they have the needed efficacy to implement the proposed change will have an impact on their devoted efforts. Thus, organizational members will exhibit more pro-social change related behavior that is actions supporting the change and extra efforts to make it successful (Robbins, 2013).

Drawing on social cognitive theory. I emphasize that change efficacy is a function of organizational members cognitive appraisal of their efficacy and the availability of resources and the managerial support available.

It is to be noted that efficacy judgments that are based on rich, accurate information, preferably based on direct experience are more in tune with success than those based on incomplete or erroneous information (Bandura, 1997). How much organizational members value the change and how favorably they appraise the value of the change the more the proposed empowerment is likely to succeed. The low levels of confidence of ones capabilities to execute a course of action can reduce ones motivation to engage in that course of action

Hypothesis

1. There are significant positive direct and indirect (mediated by perceived competence) relationship between empowerment and OV dimensions
 - 1a. There are significant positive direct and indirect relationship between empowerment and direction.
 - 1b. there are significant positive direct and in direct relationship between empowerment and structure.
 - 1c. there are significant positive direct and indirect relationship between empowerment and stability.
2. There are significant positive direct and indirect (mediated by perceived competency) relationship between readiness of empowerment and OV.
 - 2a. There are significant positive direct and indirect relationship between readiness of empowerment and direction.
 - 2b. There are significant positive direct and indirect relationship between readiness of empowerment and structure.
 - 2c. There are significant positive direct and indirect relationship between readiness of empowerment and stability.
3. There are significant positive direct and indirect (mediated by perceived competency) relationship between organizational responsiveness and OV.
 - 3a. There are significant positive direct and indirect relationship between organizational responsiveness and direction.
 - 3b. There are significant positive direct and indirect relationship between organizational responsiveness and structure.
 - 3c. There are significant positive direct and indirect relationship between organizational responsiveness and stability.

3. Methodology

After developing the proposed conceptual model based on the literature review, the stage was set to, empirically, test the proposed model. Data were collected using a seven point Likert type scale questionnaire. The subjects are professionals and human resources staff working in 19 Kuwaiti organizations.

These organizations are operating in the fields of financial services and IT. We found it difficult to include more organizations due to the difficulty of securing the cooperation of more organizations. 260 questionnaires were distributed, and several contacts with organization's representatives were made to expedite the process of data collections. The respondents were selected based on several criteria including tenure. A minimum of two years of experience was required. This condition was set to ensure the familiarity of the subjects with the required information to complete the questionnaire. A total number of 177 completed forms of questionnaire were received to make the response rate around 68%.

Structure equation modeling statistical technique (SEM) was utilized to explore the direct, indirect and total effects among constructs and to test the causality among the study variables.

4. Analysis of Results

4.1 Factor Analysis for Data Reduction

The factor analysis statistical technique philosophy stemmed on the fact that multiple observed variables have similar patterns that represent the same concept. Known as latent variables, which cannot be directly measured. The main objective of employing the factor analysis statistical techniques is to describe the variability among observed variables via a lesser number of surrogated variables called factors (latent variables). It also helps in removing redundancy between correlated variables to avoid multicollinearity among variables, which is very common problem in model building statistical procedures. Using rotation, the technique is used to generate factors that are relatively independent. In exploratory factor analysis as a theory finding techniques, the procedure is used to reveal patterns between correlated variables. In factor analysis, factors, which explain the least amount of variability will be removed from the analysis, and the ones which explain the most of variability, are retained. The following Table (1) presents the main constructs, its factor loadings, the explained variance, and the Cronbach α reliability coefficients.

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Table 1: Factor Analysis for Data Reduction

Constructs	Factor Loadings	Explained Variance	Reliability Cronbach A	Mean	Standard Error	P-value
Empowerment		70.607%	79.1%	5.72	0.027	.000*
Q3	.835			5.99	.084	.000*
Q6	.870			5.73	.084	.000*
Q7	.815			5.41	.087	.000*
Structure		82.819%	89.4%	4.57	0.123	.000*
Q11	.903			4.66	.147	.000*
Q12	.920			4.36	.134	.008*
Q13	.907			4.68	.125	.000*
Stability		81.261%	88.3%	5.34	0.097	.000*
Q17	.889			5.36	.115	.000*
Q18	.903			5.33	.101	.000*
Q19	.911			5.34	.107	.000*
Readiness for empowerment		61.386%	67.9%	5.18	0.085	.000*
Q25	.855			5.62	.091	.000*
Q29	.810			5.19	.109	.000*
Q03	.675			4.63	.130	.000*
Perceived competence		80.792%	88.0%	5.91	0.075	.000*
Q32	.921			5.93	.088	.000*
Q33	.921			5.84	.087	.000*
Q34	.853			5.97	.074	.000*
Direction		87.545%	92.9%	5.10	0.104	.000*
Q41	.921			5.24	.109	.000*
Q42	.945			5.03	.113	.000*
Q43	.941			5.06	.110	.000*
Responsiveness		74.818%	83.1%	4.85	0.096	.000*
Q47	.830			4.65	.113	.000*
Q72	.875			4.84	.112	.000*
Q73	.888			5.05	.109	.000*
Overall						

*Means that the difference is significant at $\alpha \leq 5\%$

As illustrated in Table (1), factor loadings are the observed correlation between each factor and its items . Almost all factor loadings are greater than 81%, which verify a strong association between each factor and its items. The explained variance in factor analysis, measures the overall amount of explained variability accounted for by the items of the instrument in Table (1), all explained variance are higher than 61% (recommended 50% and above). Reliability is a measure of internal consistency between instruments for a given factor, as shown in Table (1) all reliabilities are larger than 67% (recommended 65% or more, see Hair et. al. (2010), for details).

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Having identified the most reliable and valid factors (constructs), and for subsequent analysis, we express each construct as linear combinations of its items weighed by the associated factor loadings. The following Table (2) provides summary statistics to all constructs in forms of the mean, the standard deviation and standard error of the mean, the P-value of testing the hypothesis whether the respondents are neutral value out of 4 in their perceptions.

Table 2: Statistical Summary Measures of the Main Constructs.

	N	Mean	Std. Deviation	Std. Error Mean	P-Value
Empowerment	177	5.72	0.952	0.072	000
Structure	177	4.57	1.640	0.123	000
Stability	177	5.34	1.286	0.097	000
Readiness for empowerment	177	5.18	1.131	0.085	000
Perceived competence	177	5.91	0.996	0.075	000
Direction	176	5.10	1.375	0.104	000
Responsiveness	176	4.85	1.278	0.096	000

From Table (2), it is evident that the sample have positive perceptions to all constructs (the average >four, and p-values are statistically <0.05).

The Fitted Model

Identifying the most reliable and valid items for each constructs, we employed the Structure Equation Modeling technique (SEM) to fit the proposed model to our data, against many other alternatives. Several measures of goodness of fit were considered to select the best-fitted model. Including, Normed Fit Index (NFI)= 0.94, Non-Normed Fit Index= 0.96, Incremental Fit Index (IFI)=0.96, Relative Fit Index (RFI)=0.93, Critical N (CN)=92.35, Root Mean Square Residual (RMR)= 0.058, Standardized RMR= 0.058, Goodness of Fit Index (GFI)= 0.84, Adjusted Goodness of Fit Index (AGFI)= 0.78, Parsimony Normed Fit Index (PNFI)= 0.75, Comparative Fit Index (CFI)=0.96, All measures of goodness of fit indices indicate that the proposed model is a adequate in fitting the data. Moreover, $\frac{\chi^2}{d_x f_x} = \frac{406}{168} = 2.42$ (recommended 4 or less), which are satisfactory measures of goodness of fit (see Hair et al., 2010; and Sharma, 1996 for details). Table (3) below, provides statistical summary measures of each construct including composite reliability and variance extracted for all constructs. Moreover, the coefficient of determination R^2 of the endogenous variables is also presented.

Having arrived at a fitted model, both composite reliability and the average extracted variance of each construct can be evaluated. We would like to stress that Cronbach's α , the reliability coefficient, given in Table (1), the second column assumes that, the unidimensionality between items exists (see Hair et al, 2010 for details). Therefore, the composite reliability which is measure of internal consistency, is a more reliable alternative measure and is calculated, for each construct, by the following formula.

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$$CR(\text{Composite Reliability}) = \frac{(\sum \lambda_{ij})^2}{(\sum \lambda_{ij})^2 + \sum |\varepsilon_{ij}|}$$

Where λ is the standardized loading of item j of construct i , and ε_{ij} is the associated standardized error of item j of the construct i . The standardized loadings and the associated errors are calculated by the structure equation technique among LISREL output.

The second column in Table (3) presents values of the construct composite reliability. As common practice, composite reliability 70% or more is acceptable (Hair et al., 2010). As shown, all composite reliabilities are above 71% which is higher than the cut off given in Hair et al., (2010) and Sharma (1969). The average variance extracted is also a measure of internal reliability; the measure assesses the overall amount of explained variations accounted for by the instruments. Average Variance extracted of 50% or more is deemed acceptable (Hair et al., 2010; Sharma, 1996). The variance extracted is computed by the following formula:

$$AVE (\text{Average Variance extracted}) = \frac{\sum (\lambda_{ij})^2}{\sum (\lambda_{ij})^2 + \sum |\varepsilon_{ij}|}$$

Table 3: Construct Reliability and the Average Explained Variance of the Main Constructs

Constructs	Average Variance Explained (AVE)	Construct Reliability (CR)	The Coefficient of Determination R^2
Empowerment	59.8%	81.52%	*****
Structure	77.11%	90.99%	57%
Stability	73.99%	89.51%	50%
Readiness for empowerment	50.71%	71.57%	*****
Perceived Competency	78.64%	91.70%	50%
Direction	85.15%	94.50%	71%
Responsiveness	67.15%	89.20%	*****

Column 4 of Table (3) above shows that values of the extracted variance are greater than 50% for all constructs. As far as coefficient of determination R^2 is concerned, the last column of Table (3), presents values of the coefficient of determination of all endogenous variables (Structure, Stability, Perceived Competency and direction). All values indicate satisfactory explanation to all endogenous constructs. These results are expected with survey data.

Overall, the stated measures of model goodness of fit in this section confirm the adequacy of the proposed model. With this confirmation, it would be of interest to study the linear correlation between constructs to assess the strength and direction of the linear relationship between each pair. The results of these analyses are presented in the following section.

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4.2 The Correlation Structures between Main Constructs

Table 4: The Correlation Matrix between Constructs

	Perceived Competency	Structure	Stability	Direction	Empowerment	Readiness for empowerment
Perceived Competency	1.0					
Structure	0.35	1.0				
p-value	0.000*					
Stability	0.49	0.53	1.0			
p-value	0.000*	0.000*				
Direction	0.52	0.71	0.60	1.0		
p-value	0.000*	0.000*	0.000*			
Empowerment	0.49	0.25	0.43	0.39	1.0	
p-value	0.000*	0.000*	0.000*	0.000*		
Readiness for empowerment	0.65	0.51	0.57	0.64	0.39	1.0
p-value	0.000*	0.000*	0.000*	0.000*	0.000*	
Responsiveness	0.47	0.74	0.63	0.77	0.31	0.53
p-value	0.000*	0.000*	0.000*	0.000*	0.000*	0.000*

*Means that the correlation is significant $\alpha \leq 0.05$.

Correlation measures, by its magnitude, the strength of the linear association between two constructs, and by its sign, it measures the direction of the linear association between the two constructs. The higher the absolute value of the correlation, the more associated the variables are. The sign indicates whether the correlation is positive or negative. The correlation coefficient is bounded, such that $-1 \leq r \leq 1$. In Table (4), the perceived competency has weak positive and significant correlation with Structure ($r=0.35, p\text{-value } 0.000$), weak positive and significant correlation with stability ($r=0.49, p\text{-value}= 0.000$), strong positive and significant correlation with Direction ($r=0.52, p\text{-value}= 0.000$), weak positive and significant correlation with Empowerment ($r=0.49, p\text{-value}=0.000$), and Strong positive and significant correlation with Efficiency ($r=0.65, p\text{-value}= 0.000$), and weak positive and significant correlation with Responsiveness ($r=0.47, p\text{-value}=0.000$). Second, Structure has strong positive and significant correlation with Stability ($r=0.53, p\text{-value}=0.000$), strong positive and significant correlation with Direction ($r=0.71, p\text{-value}=0.000$), weak positive and significant correlation with Empowerment ($r=0.25, p\text{-value}=0.000$), strong positive and significant correlation with Readiness for empowerment ($r=0.51, p\text{-value}=0.000$), and strong positive and significant correlation with Responsiveness ($r=0.74, p\text{-value}=0.000$). Third, Stability has strong positive and significant correlation with Direction ($r=0.60, p\text{-value}=0.000$), weak positive and significant correlation with Empowerment ($r=0.43, p\text{-value}=0.000$), and strong positive and significant correlation with Readiness for empowerment ($r=0.57, p\text{-value}=0.000$), and strong positive and significant correlation with Responsiveness ($r=0.63, p\text{-value}=0.000$). Fourth, Direction has weak positive and significant correlation with Empowerment ($r=0.39, p\text{-value}=0.000$), strong positive and significant correlation with Efficiency ($r=0.64, p\text{-value}=0.000$), and strong positive and significant correlation with Responsiveness ($r=0.77, p\text{-value}=0.000$). Fifth, Empowerment has weak positive and significant correlation with Readiness for empowerment ($r=0.39, p\text{-value}=0.000$), and weak positive and significant correlation with Responsiveness ($r=0.31, p\text{-value}=0.000$). Finally, Efficiency, has strong positive and significant correlation with Responsiveness ($r=0.53, p\text{-value}=0.000$).

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Having described the degree of association between constructs, it is of interest to assert the proposed research hypotheses in the following section. To achieve that, path analysis statistical technique is employed to analyze, the direct, the indirect, and the total effect of all possible paths and finally to verify the targeted hypotheses.

Table 5: The Path Analysis and the Justification of Research Hypotheses

The Effects of constructs	Path Coefficient	Standard Error	t-value	p-value	The significance	The Hypothesis
Direct Effects						
Empowerment Perceived Competency	0.26	0.08	3.42	0.000*	S	
Empowerment Structure	0.01	0.11	0.14	0.444	NS	1b
Empowerment Stability	0.17	0.08	2.11	0.017*	S	1c
Empowerment Direction	0.09	0.06	1.47	0.071	NS	1a
Readiness for empowerment Perceived competency	0.49	0.10	5.08	0.000*	S	
Readiness for empowerment Structure	0.22	0.11	2.04	0.021*	S	2b
Readiness for empowerment Stability	0.20	0.12	1.68	0.046*	S	2c
Readiness for empowerment Direction	0.23	0.09	2.55	0.005*	S	2a
Responsiveness Perceived competency	0.13	0.08	1.56	0.059*	S	
Responsiveness Structure	0.67	0.09	7.34	0.000*	S	3b
Responsiveness Stability	0.34	0.14	2.97	0.001*	S	3c
Responsiveness Direction	0.41	0.10	4.36	0.001*	S	3a
Perceived com Structure	0.11	0.10	- 1.19	0.117	NS	
Perceived competency Stability	0.06	0.10	0.65	0.258	NS	
Perceived competency Direction	0.04	0.08	0.58	0.281	NS	
Structure Stability	0.07	0.11	0.63	0.264	NS	
Structure Direction	0.25	0.09	2.86	0.002*	S	
Direction Stability	0.06	0.13	0.43	0.334	NS	

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Table 6: The Total Effects

Total Effects	Path Coefficient	Standard Error	t-value	p-value	The significance	The Hypothesis
Empowerment Perceived competency	0.26	0.08	3.42	0.000*	S	
Empowerment Structure	- 0.02	0.07	- 0.26	0.397	NS	1b
Empowerment Stability	0.19	0.08	2.480	0.007*	S	1c
Empowerment Direction	0.10	0.06	1.56	0.059*	S	1a
Readiness for empowerment Perceived competency	0.49	0.10	5.08	0.000*	S	
Readiness for empowerment Structure	0.16	0.09	1.83	0.034*	S	2b
Readiness for empowerment Stability	0.26	0.10	2.77	0.003*	S	2c
Readiness for Empowerment Direction	0.29	0.08	3.72	0.000*	S	2a
Responsiveness Perceived competency	0.13	0.08	1.56	0.059*	S	
Responsiveness Structure	0.65	0.09	7.24	0.000*	S	3b
Responsiveness Stability	0.43	0.09	4.78	0.000*	S	3c
Responsiveness Direction	0.59	0.08	7.56	0.000*	S	3a
Perceived competency Structure	0.65	0.09	7.24	0.000*	S	
Perceived competency Stability	0.43	0.09	4.78	0.000*	S	
Responsiveness Direction	0.59	0.08	7.56	0.000*	S	
perceived competency Structure	- 0.11	0.10	- 1.19	0.117	NS	
perceived competency Stability	0.06	0.10	0.57	0.284	Ns	
perceived competency Direction	0.02	0.08	0.2	0.421	NS	
Structure Stability	0,09	0.11	0.77	0.221	NS	
Structure Direction	0.25	0.09	2.86	0.002*	S	
Direction Stability	0.06	0.13	0.43	0.334	NS	3

*Means the effect is significant at $\alpha \leq 0.05$.

Table (5) displays, the direct, the indirect, and Table (6) display the total effects of all possible paths. The direct effect of construct *B* is the causal impact of *A* on *B* directly without any mediation. While, the indirect effect of construct *A* on construct *B* via construct *C* is defined as the indirect effect of *A* on *B*. The total effects of construct *A* on construct *B* is the aggregate effect of both the direct and the indirect effects of *A* on *B*. See Alwin and Hauser (1975).

Direct Effects

Regarding the exogenous variables, Empowerment has significant positive direct effect on perceived competency (26%, p-value=0.000), it has insignificant direct effect on Structure (1%, p-value=0.444), it has significant positive direct effect on Stability

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(17%, p -value=0.017), and significant direct effect on Direction (9%, p -value=0.071). Readiness for Empowerment has significant positive direct effect on perceived competence (49%, p -value=0.000), it has significant positive direct on Structure (22%, p -value=0.021), it has significant positive direct effect on Stability (20%, p -value=0.046), and it has significant positive direct effect on Direction (23%, p -value= 0.005), Responsiveness has significant direct effect on Resilience (13%, p -value=0.000), it has significant positive direct effect on Structure (67%, p -value= 0.000), it has significant positive direct effect on Stability (34%, p -value= 0.001), and it has significant positive direct effect on Direction (41%, p -value= 0.000).

Regarding the Endogenous variables direct effect, perceived competency has insignificant effect Structure (- 11%, p -value= 0.117), it has insignificant direct effect on Stability (6%, p -value=0.258), and it has insignificant direct effect on Direction (2%, p -value=0.281). Structure has insignificant direct effect on Stability (9%, p -value=0.264), and it has significant positive on Direction (25%, p -value= 0.002). Finally, Direction has insignificant direct effect on Stability (6%, p -value=0.334).

Indirect Effects

Empowerment has insignificant effects on Structure (-3% p -value=0.127), Stability (2%, p -value=0.248), and Direction (1%, p -value=0.397). Responsiveness has insignificant on (Structure (-2%, p -value=0.819), Stability (9%, p -value=0.184), and it has significant on Direction (17%, p -value=0.003), has insignificant Stability (1%, p -value=0.337).

The Total Effects and the Verification of Research Hypotheses.

Empowerment has 26% significant total effect on perceived compliancy (p -value 0.000), which supports the hypothesis H_a^1 , it has. -2% insignificant total effect on Structure (p -value 0.397), which does not support the hypothesis H_a^2 , it has 19% significant total effect on Stability (p -value =0.007), which justifies the hypothesis H_a^3 . It has 10% significant total effect on Direction (p -value 0.059), which verifies the hypothesis is H_a^4 , Readiness for empowerment on the other hand has 49% significant total effect on perceived competency (p -value= 0.000), which asserts hypothesis H_b^1 . It has 16% significant total effect on Structure (p -value= 0.034), which ascertains validity of H_b^2 , it has 26% significant total effect on Stability which approves hypothesis H_b^3 and it has 29% significant total effect on Direction (p -value= 0.000), which assures hypothesis H_b^4 . Next Responsiveness has 13% significant total effect on perceived competency (p -value= 0.059), which confirms H_c^1 , it has 65% significant total effect on Structure (p -value= 0.000), which validates H_c^2 , it has 43% significant total effect on Stability (p -value= 0.000), substantiates the validity of H_c^3 , and it has 59% significant total effect on Direction (p -value= 0.000), which certifies H_c^4 . Along the same lines perceived competency has no total effects on Structure (-11%, p -value=0.117), Stability (6%, p -value=0.284), and Direction (2%, p -value=0.421) which implies the lack of support of the hypotheses H_d^1 , H_d^2 , and H_d^3 respectively, Structure has insignificant effect on Direction (9%, p -value=9%, p -value=0.221), which does not support the validity of hypothesis H_e^1 , and it has 25% significant total effect on Direction (p -value=0.002), which proves the validity of H_e^2 . Finally, Direction has insignificant effect on Stability (6%, p -value=0.334), which leads to rejection of H_f^1 .

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In summary and based on the direct effects reported in tables 5 , the following are the results of hypotheses testing:

Hypothesis One, which states a direct effect of empowerment over the organization vitality, was partially supported. Empowerment has significant direct effect on organization vitality via stability. The effects of empowerment on structure and direction were not significant.

Hypothesis Two, which states a direct effect of readiness of empowerment over organization vitality, was supported. Readiness of empowerment has significant direct effect on all the organization vitality dimensions; namely structure, stability and direction.

Hypothesis Three, which states effect of responsiveness over organization vitality, was supported. Responsiveness has significant direct effect on all organization vitality dimensions; namely structure, stability and direction.

There were no significant indirect effects of the independent variables over organizational vitality (results not shown). So all three hypotheses were not supported with respect to indirect effects. The perceived competency does not mediate the relationships between DEC's and the organization vitality.

The results of the total effects (direct plus indirect effects) Show that

1. The results related to hypothesis One, which relates total effect of empowerment over the organization vitality, was partially supported. Empowerment has significant total effect on organization vitality via stability and direction. The effect of empowerment on structure was not significant.
2. The results related to hypothesis Two, which relates total effect of readiness of empowerment over organization vitality, was supported. Readiness of empowerment has significant total effect on all the organization vitality dimensions; namely structure, stability and direction.
3. The results related to hypothesis Three, which states total effect of responsiveness over organization vitality, was supported. Responsiveness has significant total effect on all organization vitality dimensions; namely structure, stability and direction.

It is to be noted that the overall results of the direct and total effects of DEC's on OV are very similar.

It is also of interest to check the lack of discriminant validity between constructs for possible revision or modification of the questionnaire items for future use; we discuss the discriminant validity between constructs in the following section.

Discriminate Validity

Campbell and Fiske (1959) introduced the concept of discriminant validity between two constructs A , and B per say as $DV_{A,B} = \frac{r_{A,B}}{\sqrt{CR_A \times CR_B}}$ where $r_{A,B}$ is the correlation

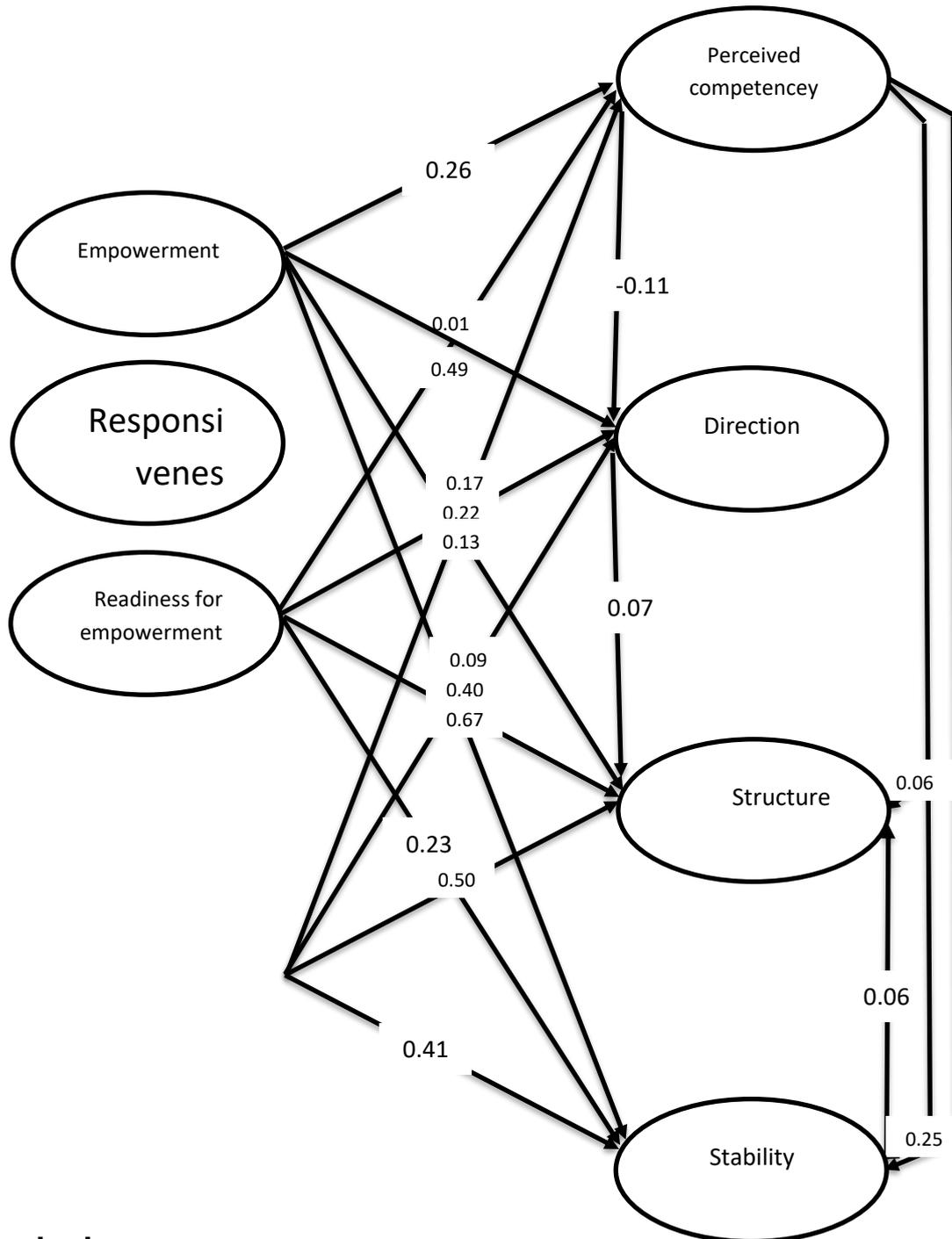
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between construct *A* and construct *B*. While, CR_A is the composite reliability of construct *A* and CR_B is the composite reliability of construct *B*, see also John, O.P., & Benet-Martinez, V.(2000)for more details. It is a common practice to consider $DV_{A,B} \geq 85\%$ as indication of lack of discriminant validity between the constructs. Table (6) below present the discriminant validates between each pair of constructs. As indicated, there is no evidence of lack of discriminant validity between constructs except between efficiency and resilience, but it is not so serious. However, the instruments should be revised for future use to improve the discriminant validity between the two constructs.

Table 7: Discriminant Validity between Constructs

	Perceived Competency	Structure	Stability	Direction	Empowerment	Efficiency
Structure	0.41					
Stability	0.58	0.59				
Direction	0.60	0.77	0.65			
Empowerment	0.62	0.29	0.50	0.44		
Readiness for empowerment	0.86	0.63	0.46	0.78	0.39	
Responsiveness	0.64	0.82	0.71	0.83	0.36	0.65

Figure 2: The Path Results of LISERL



5. Conclusion

All model evaluation indicators supported the proposed model. Moreover, study constructs were highly reliable, which provide credibility to the study findings. The study results lend support to the proposed model. All three Dynamic Empowerment Characteristics contribute positively and significantly to the organization vitality. That means that adopting empowerment policies and plans by itself is not sufficient to generate the desired impact on OV. This impact becomes stronger in the situations where the readiness for empowerment is high. This readiness include individual

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characteristics (e.g. internal locus of control and self-confidence), and the focus on self-development, growth and organization psychological support. As well, the impact of empowerment becomes stronger in situations where the organization is characterized by responsiveness. The fact is that responsiveness requires the distributed decision making and the nimbleness, that stem from having empowerment practices and the readiness of human resources for empowerment. It is claimed that the three DEC's, are conceptually and empirically supported.

The path coefficients of both readiness for empowerment and organization responsiveness to OV were larger than their counter parts of empowerment (see tables 5 and 6). This result further support the assertion that the empowerment readiness and the organizational responsiveness are potent and relevant.

The study major contribution is related to the notion that HR empowerment by itself may not have the aspired impact over organization vitality. Therefore, the study introduced the construct of dynamic empowerment characteristics. This construct added readiness of empowerment and organization responsiveness to HR empowerment to form a conceptually and empirically strong construct. Thus, one can say that HR empowerment is necessary but not sufficient condition for improving organization vitality. Empowerment when joined by readiness for empowerment and organization responsiveness will jointly make larger improvement in organization vitality.

The study results deserve more credibility in light of its adoption of a causal model. The Structural Equation Modeling (SEM), was adopted to ascertain the strength and direction of causality. The literature reviews indicate the scarcity of causal studies. Mostly, the literature report propositions about the association between HR empowerment and organization performance, but there is no causal design.

One of the major objective of the current study is to develop a better understanding of the HR empowerment quality determinants of success. Indeed, it is claimed that the failure to establish sufficient understanding of the determinants accounts for a sizable portion (about one-half) of all unsuccessful large-scale empowerment efforts.

The knowledge of the empowerment success determinates entail some collective vision or a shared psychological state in which organizational members feel committed to implementing empowerment and are confident in their collective abilities to do so. Where collective behavior change is necessary in order to effectively implement the empowerment, in most instances, for the empowerment to produce anticipated benefits.

One must admit that it is difficult to have a shared psychological state. This might explain the failure to generate adequate organizational readiness and consequently face problems or failure when implementing empowerment or any other complex organizational change.

Overall the study results provide support for the proposed causal model, as well as the notion of dynamic characteristics, and its configurational base. The significance of this support leads one to suggest that other organizational phenomena could be examined through the dynamic characteristics perspective, including organizational agility, innovation and learning.

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Limitations may exist in almost every type of research. It is the law of nature that no one can be perfect in all respects. The sample in this current study is somehow small and not very diversified. All subjects are working in financial and IT organizations.

Future studies should use larger and more diversified samples. It is relevant to indicate that large samples may, significantly, improve the generalization of the results. It is conceivable that future studies may add more variables to the DECIs that increase the impact of these characteristics on OV.

It is suggested, that future studies adopt longitudinal design to build for identifying more accurately the causality issue. It is also, suggested to other researchers to adopt mixed paradigm of quantitative, qualitative approaches by ethnography, interviews and focus groups in order to conduct the research on the topic of empowerment.

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