

Social Structural Characteristics and Employee Empowerment: The Role of Proactive Personality

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The purpose of this paper is to determine the contribution of social structural characteristics on employee empowerment and whether proactive personality plays a role in moderating the above stated relationship among managers in Malaysia. Hierarchical regression analyses of 584 responses revealed that social structural characteristics of self-esteem, power distribution, information sharing, knowledge, rewards, leadership and organizational culture are important in determining employee empowerment. Further, proactive personality was found to be a moderator to the relationship between social structural characteristics and employee empowerment. Theoretical and managerial implications of the findings are discussed.

Field of Research: Human Resource Management, Organizational Behavior

1. Introduction

Dynamic business environment has been forcing most organizations to change their traditional approach of management. This is due to the traditional management techniques used in business organization has become obsolete. Further, rapid technological changes has created the new millennium competitive landscape that demanding customers with individual needs that are required in the changing environment. Therefore, adapting new approach of management to boost up organization performance and high quality of services as well as maintaining high level of motivation is priority to managers. One of the techniques used by organization and that has attracted great interest from scholars and practitioners is employee empowerment.

Researchers and leaders worldwide have called for the empowerment of employees to help their organization compete successfully in the highly competitive marketplace (Kirkman & Rosen, 1999). Despite the appeal of empowerment, many employees do not feel empowered by their managers (Tjosvold & Sun, 2005). Research has not much clarified the condition under which managers are willing and able to empower employees (Kirkman & Rosen, 1999). Researchers have called for further examination of the antecedents and individual characteristics on empowerment, as well as expansion of the contexts

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in which it is studied (Spreitzer, 1996). Hence, the first objective of the study is to examine whether social structural characteristics have a positive effect on employee empowerment. Additionally, earlier studies found that empowered individuals can also affect their environments through proactive behaviors and individual characteristics (Thomas & Velthouse, 1990). Thus, the second aim of this study is to explore the role of proactive personality as a moderator in the social structural characteristics and employee empowerment relationship.

2. Literature Review

2.1 Social Structural Characteristics

Social structural refers to environmental events that impact the task assessment individuals make, influencing the level of perceived empowerment and thus, influencing behavior (Thomas & Velthouse, 1990). The environmental events provide information to individuals about the effects of their behavior and about conditions relevant to future behavior. The social structural can be classified into formal and informal characteristics of the work environment and objective characteristics of the environment are posited to influence perception of empowerment (Sigler, 1997). The environmental characteristics like power sharing, power distribution, information sharing, knowledge, rewards, self-esteem, leadership and organizational culture can be a powerful influence on cognitions of empowerment (Spreitzer, 1995).

The social structural characteristics correspond with the work setting factors postulated by Robertson et al. (1993). The work setting is composed of four interrelated components mainly: organizational arrangements, social factors, technology, and physical setting. This model encompasses organizational arrangements (information sharing policies, rewards system and knowledge sharing practices) technology issues (power sharing) and social factors (organizational culture, leadership and individual attributes). Spreitzer (1995) proposed empowerment model of social structure that includes organic structure, access to strategic information, access to organizational resources, organizational support and organizational culture that will influence psychological empowerment. In the structural perspective, employees will be empowered by making the necessary changes at the structural level (Bowen and Lawler, 1995).

2.2 Empowerment

Empowerment has been defined in several different ways due to diverse definitions in the scholarly literature. Scholars have highlighted empowerment based on structural and psychological perspectives. Structural empowerment focuses on empowering management practices such as delegation of decision making from upper to lower levels of organization and increasing access to information and resources among individuals at the lower levels (Heller, 2003).

Conger and Kanungo (1988) define psychological empowerment as the motivational concept of self-efficacy. Empowerment is also described as intrinsic task motivation in a set of four cognitions reflecting an individual's orientation to his or her role in term of meaning, competence, self-determination and impact (Thomas and Velthouse, 1990).

Meaning concerns to when employees experience their job as having value or importance (May et al., 2004). In other words employees feel that their work is important and care deeply about what they do when they value of a work goals of activities they are engaged in, are congruent with their own value system, own ideals and standards (Quinn & Spreitzer, 1997). In short, if employee' hearts are not in their work they will not empowered. Competence is an employees' belief in his or her capability to perform based on their skill (Thomas and Velthouse , 1990). It refers to the knowledge that the individual has the skill required to successfully perform the task in a specific area or for specific purposes. According to Conger & Kanungo (1988) without a sense of confidence in their abilities, employees will likely feel inadequate and less empowered. Self-determination refers to employees' perception on the autonomy in the initiation and continuation of work behaviors and processes (Deci et al., 1989). It involves causal responsibility for a person's actions. The impact dimension reflects the degree to which an employee can influence strategic, administrative or operating outcomes at work (Ashforth, 1989). In other words, employees are more likely to feel empowered with a sense of progression toward a goal or a belief that their actions are influencing the system.

2.3 Social Structural Characteristics and Empowerment

The influence of social structural characteristics and its components has been widely researched (Spreitzer, 1996). Sigler (1997) discovered that formal and informal social structural characteristics, specifically the performance of work environment, organizational culture and leadership are significantly related to employees' empowerment. Spreitzer (1995) found that structural characteristics of self-esteem, locus of control, information and rewards are some critical antecedents of empowerment that have influence on managerial effectiveness and innovation. This finding implied that personality traits have shaped how individuals see themselves in relation to their work environment and how work context of management practices have influenced employees' empowerment.

Literature have documented that work context (social structural) of role ambiguity, sociopolitical support, participative climate, communication, general relations, teamwork and concern for performance have also helped employees' sense of empowerment (Siegall and Gardner, 2000). Since most of the studies on the relationship between structural characteristics and empowerment have been carried out in the United States, no information is available about the generalizability of these findings to other countries in particular, Malaysia. Thus

this study aims at testing the hypothesis that social structural characteristics will have a positive effect on empowerment. Based on the above findings the following hypothesis was developed:

H1: There will be a positive relationship between social structural characteristics of:

- H1a. Self-esteem
- H1b. Power distribution
- H1c. Information sharing
- H1d. Knowledge
- H1e. Rewards
- H1f. Leadership
- H1g. Culture
and empowerment

2.4 Proactive Personality as a Moderator on Social Structural Characteristics and Empowerment Relationship

Exploration of moderators of employee empowerment has been called for by many researchers (Spreitzer, 1995). Individual characteristics are posited to influence the relationship between social structural and empowerment. These individual characteristics include proactive personality. Proactive personality is a personal disposition toward proactive behavior and defined as the relatively stable tendency to affect environmental change (Bateman & Crant, 1993). Spreitzer (1995) suggested that empowerment manifests a proactive orientation towards job. According to Sigler (1997), employees who have a strong tendency to act upon environment would be expected to interpret a social structure that provides this opportunity as empowering. Consequently, proactive personality will moderate the social structure and empowerment relationship. However, Sigler's (1997) findings of the hypotheses were partially supported. Therefore, this research attempts at testing whether proactive personality will strengthen the social structural and empowerment relationship and the developed hypotheses is fully accepted in the Malaysian context. Based on the above literature, the present study seeks to test the hypothesis that the relationship between social structural characteristics and empowerment will be moderated by proactive personality (H2).

3. Methodology and Research Design

3.1 Sample and Procedure

Participants in the study consisted of managerial employees attached to the main telecommunication company in Malaysia. A total of 700 questionnaires were sent out to the managers of the company represented a response rate of 83% from the sample. The selection of the respondents was based on the stratified random

sampling. In terms of age the average age of the respondents was 35.04 years, while the mean age of their experience in organization was 11.3 years and experience with the current job was 5.6 years. Regarding gender, 64% of respondents were male while female respondents were 36%. Majority of the respondents (68%) were married while 32% were not married. In terms of position, 60% of the respondents were from higher level of management and 40% were among lower level of management.

3.2 Measurement

The dependent variable of this study was empowerment. Empowerment was measured using a 12 item scale developed by Spreitzer (1995). The multidimensional measure consisting of four sub-dimensions mainly meaning, competence, self-determination and impact. Each scale had three items each. Subjects indicated their level of agreement or disagreement with each of the statement, with responses ranging from 1 = strongly disagree to 7 = strongly agree. The empowerment scale had an alpha coefficient of .93. The four subscales were averaged, yielding a single composite measure with a high score indicating high perceived empowerment.

Social structural was the independent variable of the study and were measured with multiple items. Three items from Coopersmith's (1967) scale was used to measure self-esteem. Power distribution with 5-item, information sharing with 8-item, knowledge with 8-item and rewards with 7-item scale were measured using instrument developed by Lawler et al. (1995). Meanwhile, leadership was measured using a 7-item scale adapted from Podsakoff's et al. (1990) scale. The 9-item scale of organizational culture was measured using instrument adapted from Maznevski & Dostefano (1995). All of the social structural measures were on a 7-point Likert type scale where 1 = strongly disagree and 7 = strongly agree. The reliability coefficient for each of social structural aspects indicated a high value ranging from .85 to .93. The moderator variable of proactive personality was measured from the adapted instrument developed by Bateman & Crant (1993). The reliability of the 9-item scale was .90 and participants were asked the extent to which they agreed with each item on a 7-point Likert type scale where 1 = strongly disagree and 7 = strongly agree.

4. Discussion and Findings

4.1 Contribution of Social Structural Characteristics on Employee Empowerment

Table 1 depicts the Pearson's correlation coefficients of the study variables. In general all the social structural aspects had significant correlations ($p < 0.05$) with

empowerment. As can be seen in Table 1, the correlation coefficients for the variables under investigation were relatively high ranging from 0.31 to 0.72.

Table 1: Correlation Coefficients For The Main Variables

	1	2	3	4	5	6	7	8
1	1.0							
2	.31*	1.0						
3	.36*	.51*	1.0					
4	.34*	.40*	.41*	1.0				
5	.32*	.61*	.58*	.59*	1.0			
6	.37*	.56*	.59*	.48*	.72*	1.0		
7	.35*	.66*	.66*	.48*	.38*	.55	1.0	
8	.38*	.52*	.46*	.44*	.37*	.66*	.58*	1.0

*p = 0.05, 1. Empowerment. 2. self esteem. 3. power distribution 4. information sharing 5. knowledge
6. rewards 7. leadership 8. organizational culture

Findings on the correlation analysis were integrated into the overall model to answer the first objective of the study. The first hypothesis (H1a-g) of this study was tested using hierarchical regression analysis (Cohen & Cohen, 1975) as presented in Table 2. In this analysis, a hypothesized moderator effect is supported if the interaction terms significantly increase the variance explained by the predictors. Independent variables were introduced in 3 blocks (step 1, 2 and 3). Based on this approach, the seven main variables were entered in the first step, followed by the moderating variable in the second step. In the third step, the interaction terms were entered. Data in Table 2 revealed the block main effect (in step 1) between social structural characteristics (model variable) and empowerment accounted for a statistically significant ($F = .000$) with proportion of variance 38.8 % in empowerment.

It was discovered that the model variables together with the moderating variable of jointly explained 39.5% of the variation in employee empowerment in step 2. A closer look at the individual variables indicated that social structural characteristics of self-esteem ($\beta = .66$); power distribution ($\beta = .44$); information sharing ($\beta = .18$); knowledge ($\beta = .64$); rewards ($\beta = .22$); leadership ($\beta = .21$) and organizational culture ($\beta = .19$) were found to have a significant and positive effect on empowerment at 0.05. These results provided support for the first hypothesis (H1a-g) of the study. Therefore the first hypothesis of the study was accepted.

4.2 Moderating Effect of Proactive Personality

Table 2 depicts the moderating effects of proactive personality on the dependent variable.

Table 2: Results of the Hierarchical Regression Analysis

Independent Variables Std Beta Step 3	Std Beta Step 1		Std Beta Step 2
Model Variables			
Self esteem	-.33*	.66*	.63*
Power distribution	-.51*	.44*	.47*
Information sharing	-.21*	.18*	.19*
Knowledge	-.03	.64*	.49*
Rewards	-.33*	.22*	.46*
Leadership	.04	.21*	.59*
Org. culture	-.04	.19*	.30*
Moderating Variables			
Proactive personality (PP)		.53*	.19*
Interaction Terms			
Self esteem x PP			.48*
Power distribution x PP			-.53*
Information sharing x PP			.66*
Knowledge x PP			.50*
Rewards x PP			.19*
Leadership x PP			.22*
Org. culture x PP			.29*
R ²	.388	.395	.741
Adj. R ²	.330	.387	.734
R ² Change	.388	.395	.741
Sig. F Change	.000	.000	.000

*Significant at the .05 level

The regression coefficient for proactive personality was found to be positive and significant ($\beta = .53$, $p < 0.05$). Based on the results in Table 2, it was discovered that, when the interaction term was finally entered, the incremental variance in empowerment of 74.1% was found to be significant ($p = < 0.05$). A significant change in R² in step 3 indicated that proactive personality acted as a moderator on the social structural and empowerment relationship. An examination of the full model from the block of interactions in Step 3 revealed that, the highest interaction effect of proactive personality with social structural characteristics in empowerment was from variable of information sharing ($\beta = .66$, $p < 0.05$). The other variables that have an interaction effects were self-esteem, power

distribution, knowledge, rewards, leadership and organizational culture. The results confirmed the second hypothesis of the study. Hence, the second hypothesis of the study was fully accepted.

5. Conclusion

The purpose of this study was to determine the effect of social structural characteristics on empowerment within the Malaysian context. The results obtained in the present study indicated that social structural characteristics particularly, self-esteem, power distribution, information sharing, knowledge, rewards, leadership and organizational culture are the important controllable determinant of employees' empowerment in the organization. This result is consistent with those of previous research (for example, Sigler, 1997; Spreitzer, 1995 and Thomas & Velthouse, 1990). Therefore this study validates the result obtained by these researches and generalizes it to the other groups of employees. The data suggests that in this study, social structural characteristics like self-esteem, power distribution, information sharing, knowledge, rewards, leadership and organizational culture constitute a positive factor in influencing empowerment in organization. When aspects in social structural characteristics received by employees are perceived as capable of fulfilling their needs and desires, they will experience or feel a positive emotional state, by being more empowered. The findings obtained from this research seem to suggest that managers need to ensure the social structural characteristics of their employees at work. Employers concerned with developing high levels of employee empowerment need to focus their attention on providing ample self-esteem, power distribution, information sharing, knowledge, rewards, good leadership and conducive organizational culture for organizational effectiveness.

The study also attempted to investigate the moderating effect of proactive personality on social structural and empowerment relationship. The result revealed that proactive personality moderated the above mentioned relationship. This implied that employees who perceived high level with social structural characteristics are more likely to feel empowered if they perceived high with proactive personality. This study indicated that proactive personality has strengthened the social structural and empowerment relationship. The study concluded that both social structural factors and proactive personality are important factors in influencing employees' empowerment. The results closely parallel earlier findings (Sigler, 1997 & Bateman & Crant, 1993) lending some support to the construct validity of these measures.

Findings of the study tend to suggest that social structural factors and proactive personality were perceived as the stimulator for employees to perceive high in empowerment. Consequently, organization environment that provide high level of

proactive personality will induce employee to feel more empowered. This is the first issue dealt with in this study that has not been emphasized in earlier studies especially among managers in Malaysia. Previous studies were regularly conducted in western setting. The study revealed here demonstrates that Western management and organizational theories could be valid in a non-western setting and the findings found in a certain society might be evident in a different society. The results of the study provided both theory and practical implications particularly in understanding factors affecting employees' empowerment. It is hoped that the results of the study will provide some useful information among managers in Malaysian telecommunication industry.

In conclusion, this study should not be an end in itself therefore possible extensions of this paper could be explored. It would be interesting to test the sensitivity of the findings by using other measures of social structural characteristics or to utilize more than one measure of this variable. Robustness can also be validated through using different samples in a variety of settings. The impacts of other variables on the social structural characteristics and empowerment relationship could also be tested as this study has focused only on the impact of one personality variable of proactive personality. Theory development should attempt to identify other additional moderators such as openness to experience (McCrae & Costa, 1985).

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