The impact of organizational empowerment on Organizational Loyalty

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Abstract: The current study investigated the impact of organizational empowerment on organizational loyalty. For this purpose 187 questionnaires distributed and 161 questionnaires collected. Data analyzed using the LISREL software conducting path analysis. Data analysis showed that empowerment exerts a significant impact on the organizational loyalty. Also the results showed that there is a significant relationship between the psychological and structural empowerment (two types of organizational empowerment) and organizational loyalty.

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Keywords: Loyalty, Empowerment, psychological empowerment, structural empowerment.

Introduction:

The organizational loyalty includes the honest support of the person from the organization. Graham (1971) defines the loyalty as a support for the organizational goals, leaders and values. The loyalty describes an important (not necessarily valuable) support from the organizational members to the organization and shows how the people not only support the organization but, they attempt to preserve the organizational advantages. Some of the biologists believe that the organizational loyalty can be a genetical phenomeno and can be conveyed through generations.

Some other researchers believe that the organizational loyalty is a transaction that staff compare the support and advantages of the organization with the support and advantages that they (staff) convey to the organization. In many managerial texts the characteristics of the loyalty have been defined as:

- 1- Believe to the dimensions and values of organization
- 2- Doing considerable efforts
- 3- Strong and deep wish to continue membership in the organization

In the researchers views' the two types of the loyalty can be defined for the organizations:

- 1- Attitudinal loyalty
- 2- Behavioral loyalty

In the attitudinal loyalty there is a type of attachment, trust and honesty. Guest(1995) defines the attitudinal loyalty as a strong believe and understanding toward the organizational goals and intention for doing a considerable effort toward the organizational goals and doing the effort beyond the personal abilities.

Behavioral loyalty: Because emotions are invisible, only the behavioral aspects that we have to assess their loyalty. The organizations are often expected behaviors based on implicit loyalty.

Behavioral loyalty as a result of past performance of individuals who are linked with each other eventually be created.

Loyalty components include the following:

- 1. Define and identify the positive accept of the organization
- 2. Tend to stay at organization
- 3. Ignoring the benefits of other organizations
- 4. reducing the complaints from the organization
- 5. The current study investigates the impact of psorganizational empowerment on the organizational loyalty.

Research method:

Based on Cochran formula, 187 people were evaluated as samples. questionnaires were distributed among organization members, but due to occupational nature of some of their responsibilities outside the organization, 161 questionnaires were collected and studied at last.

The subjects included in the questionnaire have been reviewed and confirmed by the experts in order to ensure the validity of contents.

Cronbach Alfa Index calculated for all variables of the research, has been more then %75 for all of them which shows the reliability of the questionnaire.

The path analysis model which is standard index (direct effects) has been used for examining the main hypotheses of the research to evaluate the direct effects as well as the path indices among variables.

Results:

As mentioned before, the research object is to consider a mediating and anticipating role of variables, besides determining their direct effects amounts. Thus, for evaluating the direct effects and path indices among variables, the path analysis model that is the standard index (direct effect) has been used and its results have been indicated in separate tables.

1: There is a significant direct relationship between empowerment and loyalty.

1 - 1: There is a significant and direct relationship between psychological empowerment and organizational loyalty.

Table 1- The direct, indirect and general effect as well as the amount of t related to variables: Organizational empowerment and organization loyalty.

The empowerment with (B=0/27 and 7/25) has significant and direct effect on organizational loyalty. So the research hypothesis is supported.

The main hypothesis is divided into two sub presumptions.

1-2- There is a meaning and direct relationship between structural empowerment and loyalty.

Table 2 - the direct , indirect and general effects as well as the amount of t related to variables : structural empowerment and organizational loyalty.

The structural empowerment with (B=0/19 and t=4/06) has significant and direct effect on organizational loyalty thus, the research hypothesis is supported.

Table 3 - The direct , indirect and general effect as well as the amount of T related to variables : Psychological empowerment and organizational loyalty .

The intrerpsychological empowerment with (B= 0/20 and T= 4/06) has significant and direct effect on organizational loyalty. So the research hypothesis is supported.

Conclusion:

The current study investigated the impact of the organizational empowerment on organizational loyalty in the fars telecommunication organization. The results showed that three proposed hypotheses supported. This shows that in a social exchange theory perspective, when the staff perceive the organization more supportive, they tend to reciprocate the commitment of the organization and this reciprocation will lead to a loyalty toward the organization. Future studies may also investigate the impact of the organizational empowerment on the dimensions of loyalty (behavioral and attitudinal). Also future studies may investigate this impact amongst the different age groups and two sexes.

Table 1. The direct, indirect and general effect as well as the amount of t related to variables: Organizational empowerment and organization loyalty.

Effect	Direct effects	The T amount
Empowerment		
Organizational loyalty	0/27	7/25

Table 2. the direct , indirect and general effects as well as the amount of t related to variables : structural empowerment and organizational loyalty.

Effect	Direct effects	The T amount
Structural empowerment		
Organizational loyalty	0/19	4/06

Table 3. The direct, indirect and general effect as well as the amount of T related to variables: Psychological empowerment and organizational loyalty.

Effect	Direct effects	The T amount		
Psychological empowerment				
Organizational loyalty	0/20	4/06		

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