

Zarandi, Hossein Mohammadpour; Fahima, Maryam; Amirkabiri, Alireza

## Article

# Investigating the role of organizational culture in improving psychological empowerment of banking system employees : (case: Bank Shahr)

Journal of urban economics and management

## Provided in Cooperation with:

Iran Urban Economics Scientific Association, Tehran

*Reference:* Zarandi, Hossein Mohammadpour/Fahima, Maryam et. al. (2017). Investigating the role of organizational culture in improving psychological empowerment of banking system employees : (case: Bank Shahr). In: Journal of urban economics and management 5 (19), S. 15 - 27.  
doi:10.18869/acadpub.ieuam.5.19.15.

This Version is available at:

<http://hdl.handle.net/11159/956>

## Kontakt/Contact

ZBW – Leibniz-Informationszentrum Wirtschaft/Leibniz Information Centre for Economics  
Düsternbrooker Weg 120  
24105 Kiel (Germany)  
E-Mail: [rights\[at\]zbw.eu](mailto:rights[at]zbw.eu)  
<https://www.zbw.eu/>

## Standard-Nutzungsbedingungen:

Dieses Dokument darf zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden. Sie dürfen dieses Dokument nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, aufführen, vertreiben oder anderweitig nutzen. Sofern für das Dokument eine Open-Content-Lizenz verwendet wurde, so gelten abweichend von diesen Nutzungsbedingungen die in der Lizenz gewährten Nutzungsrechte. Alle auf diesem Vorblatt angegebenen Informationen einschließlich der Rechteinformationen (z.B. Nennung einer Creative Commons Lizenz) wurden automatisch generiert und müssen durch Nutzer:innen vor einer Nachnutzung sorgfältig überprüft werden. Die Lizenzangaben stammen aus Publikationsmetadaten und können Fehler oder Ungenauigkeiten enthalten.

<https://savearchive.zbw.eu/termsfuse>

## Terms of use:

*This document may be saved and copied for your personal and scholarly purposes. You are not to copy it for public or commercial purposes, to exhibit the document in public, to perform, distribute or otherwise use the document in public. If the document is made available under a Creative Commons Licence you may exercise further usage rights as specified in the licence. All information provided on this publication cover sheet, including copyright details (e.g. indication of a Creative Commons license), was automatically generated and must be carefully reviewed by users prior to reuse. The license information is derived from publication metadata and may contain errors or inaccuracies.*



## **Investigating the Role of Organizational Culture in Improving Psychological Empowerment of Banking System Employees (Case: Bank Shahr)**

**Hossein Mohammadpour Zarandi**

Faculty Member, Faculty of Humanities, University of Science and Culture, President of Iran Urban Economics Scientific Association (IUESA)

**Maryam Fahima\***

Ph.D. Student of Public Administration, Faculty of Management, Islamic Azad University, Central Tehran Branch, Tehran, Iran

**Alireza Amirkabiri**

Associate Professor, Department of Public Administration, Faculty of Management, Islamic Azad University, Central Tehran Branch, Tehran, Iran

**Received: 2017/01/28**

**Accepted: 2017/04/22**

**Abstract:** Organizational change is one of the most important issues in organizational behavior management that many studies have been done regarding the role of this factor in improving organizational efficiency and achieving to organizational goals. One of the factors that have an influential role in organizational efficiency and success is psychological empowerment of employees. Today, in new management, strategic and structural plans of leading organizations are formulated consistent with the development and enhancement of its manpower. In this regard, attention to the role of organizational culture is of great importance to achieve this objective. For this purpose and given the diversity of organizational culture models, in this research, different organizational culture patterns have been investigated, and then, the role of organizational culture in improving psychological empowerment of employees to attain competitive advantage at Bank Shahr was studied. The results indicated that organizational culture has positive, direct and significant impact on improving psychological empowerment of Bank Shahr employees. In this regard, improvement of organizational culture or its failure leads to an increase or decrease in the psychological empowerment of employees. Accordingly, this has a direct impact on their economic efficiency. Furthermore, the study of the model in terms of goodness of fit showed that the theoretical model is statistically significant and the theoretical concept is practical, and in terms of the desirability of fitness, according to the statistics calculated by statistical software, it is estimated in an acceptable situation.

**Keywords:** empowerment, psychological, organizational culture, banking system, Bank Shahr

**JEL Classification:** M14, G21, G24, E58

\* Corresponding author: maryamxfahima@gmail.com

## 1- Introduction

There are significant differences between researchers in the context of the concept of organizational culture, its characteristics, its mode of study, its recognition and measurement, the factors affecting the formation and transformation of culture, and the consequences of the rule of a particular culture on the organization. However, there is agreement on the subject that the management of organizational culture is one of the essential requirements of management in the present era and is a prerequisite for success (Choi et al., 2010).

In organizational behavior studies, organizational culture has been described as a strong predictor of organizational effectiveness. As some organizational researchers have shown, organizational culture has a significant effect on long-term organizational performance and effectiveness (Zammuto & Krakower, 1991). In addition, some theorists consider organizational culture to be a fundamental model of shared values, beliefs, and management assumptions that must be understood clearly in the organization (Mcshane & Glinow, 2000). The impact of organizational culture on the members of the organization is such that it can be assessed by analyzing its angles about how the behavior, feelings, attitudes and attitudes of the members of the organization are, and their possible reaction to the changes considered, evaluated, predicted and guided. Through organizational culture, it is easy to facilitate change and create new orientations in the organization (Alvani, 2014).

In modern management knowledge, organizational culture has been developed for management strategies and human resources, and on this basis, extensive research has been carried out by demographers, sociologists, psychologists and economists

on this subject. These researches have been developed with a thematic approach to identify the role and importance of organizational culture in improving the management system and the status of the organization (Azizi et al., 2012). It is also argued that in service organizations, a vital factor in gaining a sustainable competitive advantage is decent and service-oriented (human capital) employees. This approach to intangible resources of value reflects a fundamental change in the nature of the competitive advantage. Almost all of these intangible assets are guided and managed by human talent (Chiz et al., 2015). In other words, leading organizations in the field of competition and challenges can only surpass other organizations with the help of competent and knowledgeable people (Rasooli & Rashidi, 2015). Therefore, human resources in the organizational complex are determined as the most important determinant and effective factor in the correct organization of the movement towards the goals. On the other hand, the important factors of survival and life of organizations are qualitative and capable human resources. Furthermore, the important factors of survival and life of organizations are qualitative and capable human resources. The role of efficient, capable and knowledgeable human resources in achieving organizational goals is undeniable; therefore, employee empowerment is considered as a strategy for increasing the performance and sustaining the organization (Paktinat & Fathizadeh, 2008).

The effort to improve and effectively and efficiently use of different resources such as labor, capital, materials, energy and information is the goal of all managers of economic organizations, industrial production units and service providers. Appropriate organizational structure,

efficient implementation methods, healthy equipment and tools, a decent workspace and, most importantly, qualified and decent human resources are among the essential requirements for managers to achieve optimal productivity and gain competitive advantage. Employee participation in conscious and deliberate efforts with work discipline can affect empowerment beliefs, especially in a turbulent and volatile environment, coupled with insecurity. Accordingly, one of the most important goals of each organization is to enhance its empowerment level, and given that the person plays a pivotal role in creating this, ones' requests in the organization have a key effect.

Since human resource managers of banks face economic, technological, information technology growth, inadequate supply of labor force with appropriate skills for knowledge businesses, the level of knowledge of staff in basic skills, increased expertise, expansion of interaction between customers and the bank and increasing the importance of key customers, accordingly, a bank is called effective that can identify and properly utilize its human resources with an appropriate organizational culture, develop and maintain their capabilities in order to achieve its goals.

Considering the issues raised and also in line with the development of psychological empowerment and its widespread use in Bank Shahr, this research investigates the role of organizational culture in promoting the psychological empowerment of Bank Shahr employees.

## 2- Literature Review

### a) *Foreign Researches*

Sakhrekar & Deshmukh (2014) investigated the impact of organizational culture on employees. With a brief overview of the literature in this field, they concluded

that organizational culture affects organizational commitment, job satisfaction, employees' performance and efficiency.

Sotirofski (2014) in a research entitled "The Effect of Organizational Culture on the Psychological Empowerment of the Faculty Members", after interview with 46 faculty members, concluded that organizational culture appropriate to hierarchical structure was determined as a suitable culture, while the strongest prediction for promoting psychological empowerment was tribal culture.

Jordão et al., (2014) investigated the role of organizational culture in creating change in management control systems in Brazil and argued that the change made in the organization creates new financial results in an organization that is dependent on culture and implementation of these changes also involves modifications to quality control, financial control and production.

Khan & Rasley (2015) stated that higher education institutions in Pakistan have always seen an increase in the level of conflict among employees. This increase was significantly influenced by their organizational culture. The research showed that to change the way employees work, their ability is very effective. In addition, studying the relationship between conflicts and performance of employees, with intermediary role of empowerment and moderating role of organization culture, showed that there is a negative relationship between employee involvement and employee performance and the moderating empowerment of relationships, while organizational culture plays a moderating role.

Yilmaz & Ergun (2008) investigated the impact of Denison's organizational culture model on organization performance and concluded that the mission aspect has the greatest impact on increasing the

performance of manufacturing companies. Moreover, the ability to participate in the production of new products is strongly influenced by the dimensions of adaptability and compatibility.

#### *b) Iranian Researches*

Aboodi et al., (2014) investigated the relationship between organizational culture and employees' empowerment. In this research, five features of organizational culture were used including innovation, organizational identity, management support, and system reward taken from Robbins' model (1997) and focusing on the results of O'Rielly et al., (1991) organizational culture model. To measure employee empowerment, the dimensions presented by Whetten & Cameron (2012) were used. The results indicate that there is a positive and significant relationship between organizational culture and empowerment of employees in social security organization of Khuzestan. Among the components of organizational culture, innovation and concentration had the most influences on the empowerment of employees.

Mohammadpour Zarandi et al., (2014) explained the role of organizational culture in change management of Bank Shahr employees. The results indicate that there is a positive and significant correlation between organizational culture and its dimensions (engagement in work, adaptability, adaptability and mission) with readiness to change Bank Shahr employees. In addition, the results of stepwise regression showed that among the four dimensions of organizational culture (predictive variables), the predictive variables of compatibility were 0.695, mission 0.0511, and adoptability 0.444, respectively predicted readiness to change Bank Shahr employees.

Ahadi et al., (2011) investigated the

impact of organizational culture on psychological empowerment in Academic Society at Malaysian Research Universities. The results indicate that organizational culture is a strong factor in the psychological empowerment of employees.

Jofreh et al., (2014) investigated the impact of organizational culture on empowerment of Shahid Beheshti University employees (medical staff). The statistical population included all the employees of Shahid Beheshti University of Medical Sciences about 900 people and 269 people were selected as sample size. Also, randomly, the organizational culture was selected to examine Denison's model (2000) and Mishra's template (1992) for empowerment effectiveness. The results showed that all dimensions of Denison's organizational culture were effective on empowering employees.

### **3- Theoretical Framework**

Organizational culture literature dates back to the 1920s, but it has been seriously considered since 1980 as a major area in studies of organizational and management theory. Some scholars such as Hofstede and Schein (1990) argue that functional look at culture can be used as a tool for controlling behaviors, promoting desirable behaviors, and achieving better performance in an organization. In organizational behavior, the term culture is used in a limited way, such as values, beliefs, and attitudes. Radcliffe Brown considers culture to be a process through which a particular group or class of language, beliefs, imaginations, affirmations, knowledge, dominance, and types of conventions are handed out from person to person and from generation to generation (Sahebi, 2004).

Organizational culture looks at the organization's transformation as a factor of change and transformation, hence the

transformation of the organizational culture as the basis of transformation (Atafar, 1996). Organizational culture reflects the history of the organization and it is shaped by a group of people in the organization, its movement is hard and fast, it is changing, challenging and based on anthropological studies. Accordingly, it can be concluded that organizational culture, in the sense of the personality of an individual or the soul of

the living being, gives the organization certain characteristics that can express its traits. In other words, organizational culture is a set of common beliefs, values, beliefs, assumptions, and common norms that govern the organization, and it is the same category that part of it is communicated to employees and the other part goes unwritten in the organization (Zareie Matin, 1993). Table 1 presents a brief overview of organizational culture patterns.

**Table1. Organizational culture patterns**

Model	Dimensions
Gordon	Compatibility, Responsibility, Standard, Reward, Transparency, Intimacy, Support, Leadership
Robbins	Individual Creativity, Risk Management, Leadership, Integration, Management Support, Encouragement/Threat, Control, Identity, Conflict, Communication Model
Harvey & Brown	Number of people committed to values, commitment degree
Stalker & Bronze	The complexity of the environment, the amount of environmental changes
Charles Handy	Attention to inside / outside, stability and environmental sustainability
Quinn	Attention (in / out), flexibility, control
Richard L. Daft	Flexible, participatory, missionary, bureaucratic culture
Hofstede	Power distance, ambiguity, manhood / feminism agitation, collectivism / individualism
Parsons	Adaptation, goal, cohesion and integrity, legitimacy
Hersy & Blanchard	Internal cohesion, degree of adaptability
Ouchi	Commitment to staff, evaluation, professional development paths, control, decision making, responsibility, attention to individuals
Lite Wayne & Stringer	Standards, Responsibilities, Encouragement, Risk-taking, Support, Contradiction, Intimacy, Structure, Identity
Kurt Lewin	Leadership, motivation, communication, decision making, goal setting, interaction, control
Peters & Waterman	Commitment to practice, attention to customer, self-regulation and entrepreneurship, productivity through human resources, management overgrowth, small administrative staff, appropriate use of mechanical and organic structure
Davis	Identity, Individual/ collective interests, Individuals' duties or satisfaction, Control, Coordination of different units of the organization, Riskiness, Reward criteria, Conflict tolerance, Difference of taste and Criticism, Emphasis on purpose or means, Systemic attitude
Kolb et al	Compliance, Responsibility, Standards, Reward, Organizational Resolution, Intimacy and Support, Leadership
Anos Trompenaars	Globalism versus situationalism, individualism against groupism, special relationships focused on broad relations, indifference to emotionality, doing things against dependencies and attachments, time arrangements for things, simultaneous works, introspection / Outsourcing, organization structure, goal
Kotter & Heskett	Cultural power and adaptability
Schneider & Barsoux	Adaptability, control
Harvey & Brown	The degree of commitment to values and the number of committed members
Denison	Empowerment, team building, capability development, fundamental values, consensus, coordination and continuity, variability, customer orientation, organizational learning, strategic orientation, goals and objectives, vision
Menguzzato	Integration
Deal & Kennedy	Values, Heroes, Customs, Cultural Network
Jeffrey Sanfield	The willingness to learn, fit the spirit of individuals to loyalty and commitment to organization, seniority and age and service life, emphasis on innovation, risk taking and freedom of action, organizational maintenance, scientific culture, club, team, castle
Edgar. H. Schein	Expression of feelings, speech, use of objects, actions of ceremonies, formalities and manifestations of performance, valued criteria, values and practices and organizational behavior
Harrison & Hofstede	Role, outcome, exercise of power, support
Furham & Gunter	Reward, individual creativity, commitment to organizational values, structure, focus (internal / external), collectivism, goal, perfectionism
Reynolds	Adaptability, responsibility, risk taking, integration, focus (internal / external), commitment to organizational values, flexibility, goal achievement, decision making center, individualism, creativity, structure, education
Kanter	Performance, decision making, hierarchical structure, support, encouragement
Alston	Responsibility, clarity, leadership, collegiality, quality
Goffee & Jones	Adaptability, Responsibility, Intimacy, Integrity, Conflict, Communication Pattern and Management Control Level
Greenberg & Baron	Beliefs, values and assumptions of founders

Empowerment means empowering employees about the right to decide and empower individuals and their growth. In empowerment, there is a sense of delegation of authority, with the difference that, in contrast to the concept of empowerment that the organization organizes in seeking to match the quality of the organization, empowering it to enable a worker based on the credibility of ones' various attributes. By implementing the methods of empowering employees, the level of people's trust in knowledge and expertise increases, and it makes it possible to control the events and the assigned tasks in accordance with the goals of the organization with innovation and creativity. Empowerment in the light of increasing authority, the development of employee expertise and knowledge is achieved through education, access to resources, increased self-esteem and motivation (Amirkabiri, 2016).

Spreitzer (1995) identified four cognitive dimensions for empowerment. Mishra also added one dimension. In order that managers to be able to successfully empower others, they have to create these five features. Successful empowerment means creating: 1) sense of competence 2) feeling of having a right to choose 3) feeling of being effective 4) feeling of being meaningful (valuable) 5) feeling of having trust in others, which will continue to examine each of these dimensions.

- **Feeling Competent:** When individuals become empowered, they feel self-efficacious or feel that they have the ability to master the success of a job. Empowered people not only feel competent, but also feel confident that they can do the job adequately. They feel personal supremacy and believe they can learn and grow to face new challenges.

- **Sense of Having Choice:** Empowered people also feel self-sufficient. Being self-sufficient means experiencing a sense of choice in implementing and systematizing a person in his or her own activities. When people instead of compulsorily engage in work or stop working, they voluntarily and deliberately engage in their duties, they feel that they have the right to choose. Their activities are the result of liberty and personal authority. Empowered people feel sense of ownership about their activities, feelings of responsibility, and feelings. They see themselves as starting and upright. They are able to take initiatives at their own initiative, take independent decisions and test new thoughts.

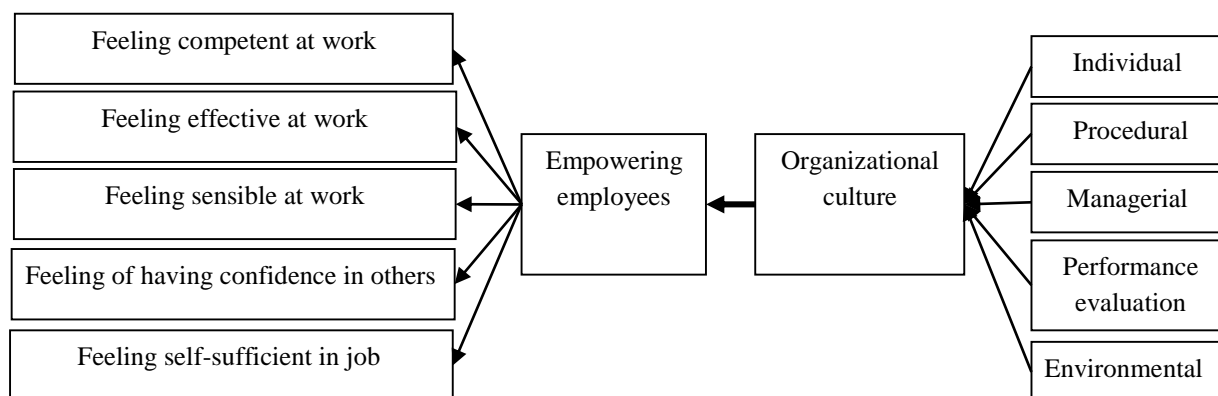
- **Feeling Effective:** Empowered people have a sense of personal control over the results. They believe they can change by influencing the environment in which they work or the results they produce. Empowered people do not believe that external barriers control their activities, but believe that those obstacles can be controlled. They have an active sense of control that allows them to match the environment with their own desires, in spite of passive control, in which the demands of individuals are aligned with the demands of the environment. People who feel effective are trying to maintain their control over what they see rather than reacting to their environment. Having a feeling of being effective at work is completely related to self-control. In order that people feel empowered, they not only have to feel that what they do has an effect, but they must feel that they can produce that effect; that is, in order that they outcome to be accompanied by a feeling of empowerment, they must feel they control the outcome of production.

- **Feeling Meaningful:** Empowered people feel sensible. They value the goals or activities they are engaged in. Their ideals and standards are matched with what they are doing. Activity in their value system is considered important. Empowered people care about what they are producing and believe in it. In that activity, they invest in psychological power and enjoy a certain sense of personal significance from their engagement and occupation. As a result of their employment, they experience personal activity and solidarity. Therefore, meaningfulness is focused on value attitude. Activities that have meaningful taste create a sense of purpose, emotion, or mission for individuals. Instead of wasting power and enthusiasm, they provide a source of strength and enthusiasm for them. Only gaining rights, helping the organization to earn money or precisely doing a job does not feel meaningful for many people. Some of the more fundamental, personal, and more

intrusive things must be linked to activity; work has to be accompanied by some more humane things.

- **The Feeling of Having Confidence in Others:** Ultimately, the empowered people have a sense of trust. They are sure that they will be treated fairly and equally. These people maintain the confidence that even in the subordinate position they will be the final result of their work, not harm, but justice. Usually the meaning of this feeling is that they are sure that the authorities of the centers of power will not harm them and that they will be treated with impartiality. However, even when powerful people do not have the right and the flexibility, empowered people still retain their sense of personal confidence; in other words, trust means having a sense of personal security (Fernandez & Moldogaziev, 2015).

Based on theoretical foundations and studies, the following conceptual model has been considered.



**Fig1. Conceptual model for the role of organizational culture in empowering employee**

#### 4- Research Method

In terms of purpose, this research is applied and it is exploratory in terms of method done by field and in a cross-sectional basis. The statistical population of this study is 198 experts of Tehran central staff of Bank Shahr. The sample size was calculated by Cochran formula

and 131 errors were corrected, but for more precision, the questionnaires were distributed among 165 people, which 162 questionnaires were completed. In this research, a researcher-made questionnaire was used to identify and measure the factors of organizational culture and employee empowerment in the form of



five-point Likert scale. To assess the validity, the content validity method was used, and for reliability measure, Cronbach's alpha was used. To analyze data and information, statistical analysis of SPSS 21 and LISREL 8.8 and factor analysis were used and structural equation modeling technique was used to examine the fit of the model.

### 5- Research Findings

Knowing that a variable follows what distribution will enable us to comment about normal and abnormal values of

variable. The Kolmogorov-Smirnov test is a distribution-matching test for quantitative data. If the significance level of this test is less than 0.05, it can be concluded that the distribution of variables data according to the central limit theorem has a significant difference with normal distribution. As shown in tables 2 and 3, the significance level of each of the research indicators is greater than 0.05. Therefore, it can be said that the distribution of data related to the variables follows the normal distribution.

**Table2. The results of the Kolmogorov-Smirnov test for the organizational culture variable and its dimensions**

Component	Kolmogorov-Smirnov	Sig
Individual	1.002	0.178
Procedural	1.336	0.056
Managerial	1.247	0.077
Performance assessment	1.608	0.104
Environmental	1.090	0.093
Organizational culture	0.874	0.214

**Table3. The results of the Kolmogorov-Smirnov test for empowerment variable and its dimensions**

Component	Kolmogorov-Smirnov	Sig
Feeling competent	0.997	0.200
Feeling effective	1.048	0.082
Feeling sensible	0.833	0.710
Feeling of having confidence in others	1.011	0.119
Feeling self-sufficient	1.036	0.218
Empowerment	0.961	0.409

Factor analysis is a technique that allows the reduction of a large number of dependent variables in the form of a smaller number of dimensions of the latent variable or agents (factors), in which the least amount of data loss exists. Its main purpose is to summarize the data. This method examines the internal correlation of a large number of variables and ultimately categorizes and describes them in the form of finite general factors. Therefore, the value of factor analysis is

that it provides a useful organizational design that can be used to interpret a large amount of behaviour with the greatest savings in explanatory structures. The Kaiser-Meyer-Olkin statistical index (KMO) is always fluctuating between zero and one; if this index is less than 0.5, then the data will not be suitable for an analysis, if it is between 0.5 and 0.69, the data is moderate and if this the index is larger than 0.7, correlations between the data will be suitable for factor analysis. In

addition, for the interpretation of the factors, it is determined which of the factor loads should be considered as significant values. This means that the higher the factor load, the higher their significance level in factor interpretation. Factor loads greater than 0.03 are significant, larger than 0.05, have high significant level and factor loads exceeding 0.07 are considered to be very significant (Eydi & Azadi, 2015). To do this, we first use Kaiser-Meyer-Olkin statistical index to determine the suitability of sampling and Bartlett's test to determine whether the correlation matrix is suitable for understanding the structure. Then, using Varimax focal and rotational components analysis, the dimensions of organizational culture variable were investigated in five individual factors (15 items) of the procedural (13 items), managerial (11 items), performance evaluation (2 items) and environmental (4 items). Also, the empowerment of employees in the five factors of the sense of competence in the job (4 items), the feeling of effectiveness in the job (4 items), the feeling of

meaningfulness in the job (4 items), the feeling of trust in colleagues (4 items) and the feeling self-sufficient in the job (4 items) have been reported. The results of exploratory factor analysis for organizational culture and employee empowerment dimensions are shown in Table 4. Table 4 shows the KMO index, the Bartlett test statistic (which is an approximation of Chi-square statistics), the degree of freedom, and the significance level of the test and the amount of factor load for the dimensions of organizational culture and employee empowerment dimensions, respectively. Since the value of KMO indicator for the main variables of organizational culture and employee empowerment is 0.909 and 0.808 (more than 50. 0 respectively), the number of samples is sufficient for factor analysis. Moreover, the value of significance level (sig) of the Bartlett test is less than 5%, which shows that factor analysis is suitable for identifying the structure of the factor model and the assumption of known correlation matrix is rejected.

**Table4. Total determined variance for organizational culture and empowerment dimensions of employees**

Variables	Dimensions	Factor load	KMO	BT	DF	Sig
Dimensions of organizational culture	Individual	0.969	0.909	1141.870	10	0.000
	Procedural	0.968				
	Managerial	0.968				
	Assessment	0.879				
	Environmental	0.925				
Dimensions of employee empowerment	Competency	0.832	0.808	364.111	10	0.000
	Effectiveness	0.893				
	Sensibility	0.759				
	Trust	0.759				
	Self-sufficiency	0.908				

As shown in Table 4, the factor load of all dimensions of the variables is greater than 0.07, which means that the factor loads are significant. Accordingly, the dimensions of organizational culture are categorized as follows: individual factor of 0.996%, procedural and managerial factors of 0.968% and environmental variable of 0.925% and evaluation variable of 0.897 on organizational culture extension. In addition, according to Table 3, the dimensions of employees' empowerment were as follows: self-sufficiency at work (0.908%), feelings of effectiveness at work (0.893%), sense of competence at work (0.832%), and the factors of sensibility and trust at work (0.759%).

Table 5 represents the fitness test in confirmatory factor analysis and path. The RMSEA should be less than 3% and the  $\chi^2 / df$  index must be less than three non-standard fit indicators of (NNFI), (CFI), and (IFI), Goodness index of fitness (GFI) is higher than 90%, as well as the value of (T-value) of the coefficients of each variable is greater than 1.96 and less than -1.96, so that the model has good fitness. As shown in Table 5, the ratio of Chi-square to the degree of freedom is less than three, and other fitness indicators all indicate an acceptable fit of the research model.

**Table5. Fitness indices of conceptual model**

Row	Fitness Indices						
Symbol	IFI	NNFI	CFI	GFI	RMR	RMSEA	$\chi^2/df$
Empowering employees	0.91	0.95	0.90	0.96	0.088	0.030	1.11
Organizational culture	0.90	0.93	0.93	0.93	0.14	0.015	2.13
Overall research model	0.99	0.99	0.99	0.99	0.0001	0.00	0.00

In Figure 2, the overall model and the results of the hypotheses are shown in the standard state. The high numbers of arrows are the values of the standard coefficient of each of the independent variables, which indicates how much the dependent variable is predicted. The predictive power of path coefficients is determined by a significant level of t.

According to Chen (1998), path coefficients with a coefficient of significance (T-value) greater than 1.96

and smaller than 1.96 indicates a 95% confidence level (Aburub, 2015); hence, in Fig. 3, the measurement model of overall model and the results of the hypotheses are shown in a significant state. The high numbers of arrows show the values of t-value or significant level of each of the variables, all of which are outside the range  $[-1.96, +1.96]$  that is, all research hypotheses with a 95% confidence coefficient are significant.

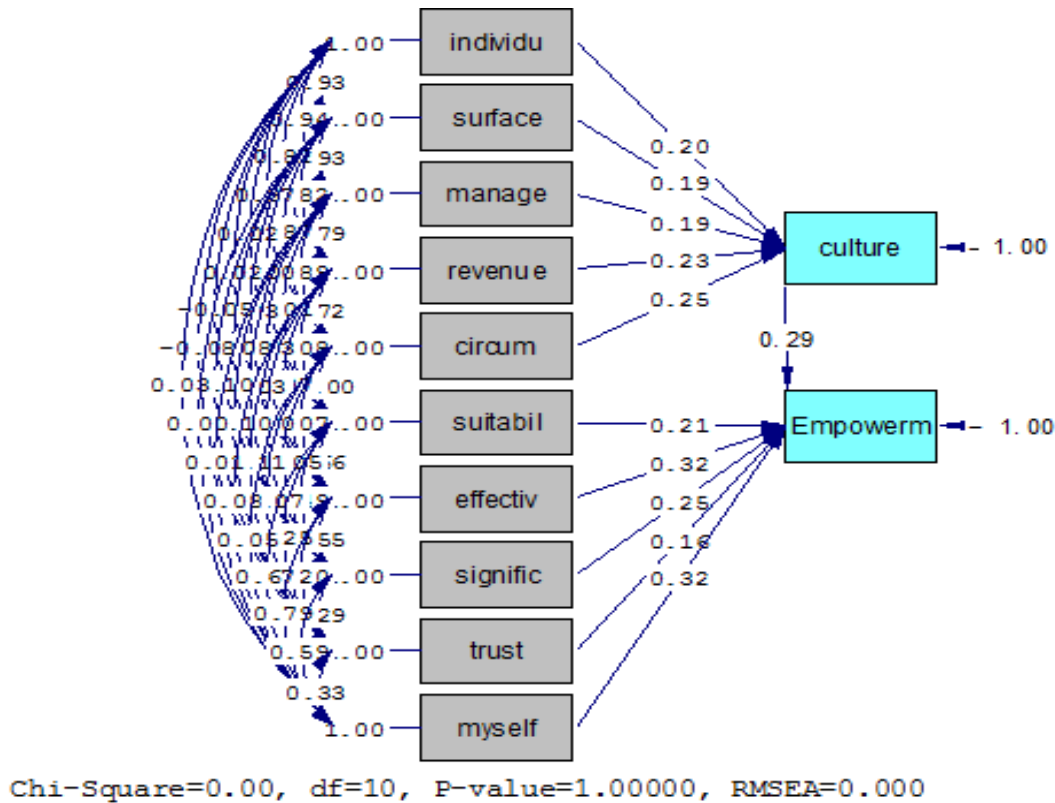


Fig2. Measurement of the overall model and the results of the hypotheses in the standard state

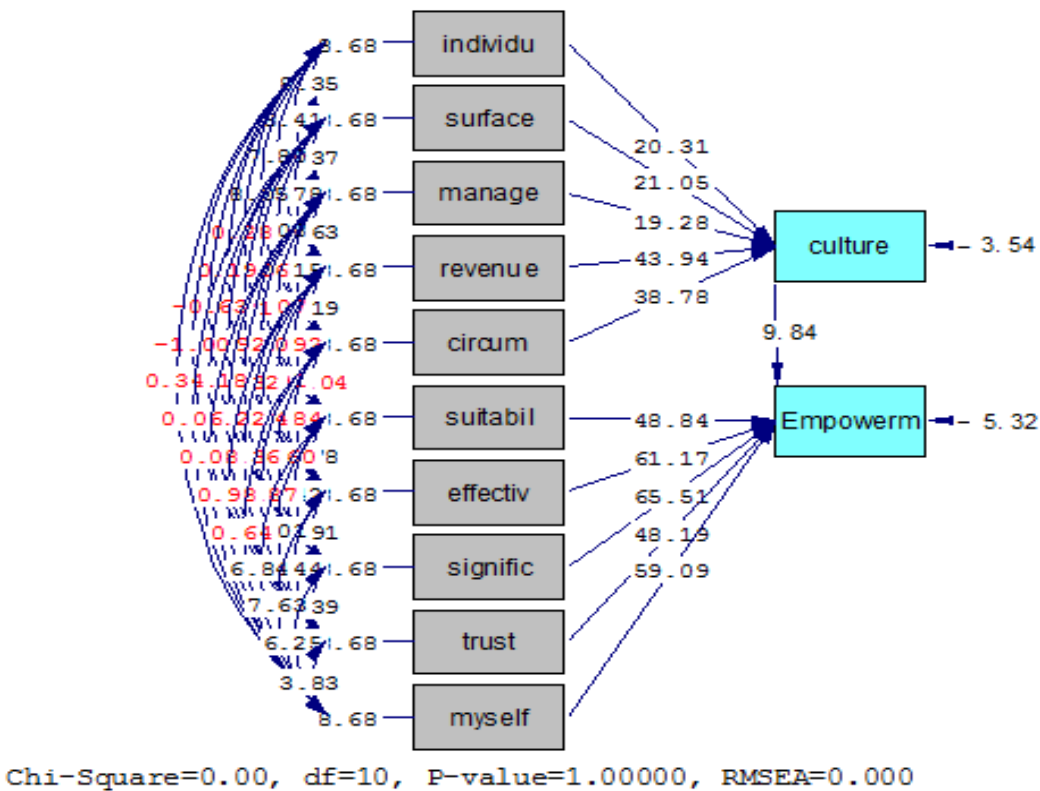


Fig3. Measurement of the overall model and the results of the hypotheses in the significant state

## 6- Conclusion and Discussion

The development of the banking system of the country in recent decades and the increasing number of banks and financial institutions in the country have raised the issue of providing appropriate services and attracting citizens' finances as a major concern for Iran banks. According to planners and policy makers of Bank Shahr, as a young organization in a changing and challenging business environment, strengthening the bank's ability in this area is one of the most important issues. On the other hand, the role of bank staff, as a link between citizens and the bank, is of great importance. It is evident that more employees' ability to provide services to citizens will lead to their satisfaction and attract more financial resources for the bank; therefore, studying the ways of empowering Bank Shahr employees is very important as one of the important issues in the field of human resources management of the bank.

The results of this study showed that individual, procedural, managerial, performance and environmental assessment factors have a positive effect on organizational culture, which indicates that improvement or non-improvement in these factors leads to improvement or non-improvement of organizational culture in the headquarters of Tehran Bank Shahr. All dimensions of empowerment of employees (feeling competent at work, feeling of being effective at work, a sensitive feeling at work, feeling of trust in others at work and feeling of self-sufficiency) have a positive and significant effect on the empowerment of employees, which increase or decrease of these dimensions leads to improvement or non-improvement of empowering staff at the headquarter of Tehran Bank Shahr.

In addition, the results indicated that organizational culture has a positive effect on staff empowerment in the central headquarters of Tehran Bank Shahr. Therefore, any improvement or lack of improvement in organizational culture leads to an increase or decrease in employee empowerment at the headquarters of Bank Shahr of Tehran. In this regard, directors and supervisors of central offices of Bank Shahr are recommended to pay special attention to appropriate remuneration, qualitative and quantitative improvement of daily operations and increase the simplicity of the work environment. Because empowered people feel confident, they can do the job adequately; therefore, the ground should be prepared to improve organizational culture at Bank Shahr. It should be noted that conducting training courses is one of the major strategies for improving organizational change and enhancing employee empowerment.

Moreover, regarding the adaptation of employees to the rules and regulations, common practices, policies and practices in the organization, increasing responsibility of employees, improving their individual creativity, increasing employee identification, increasing compromise with existing conflicts, increasing commitment to organizational values, improving the flexibility of employees, increasing their thresholds of tolerance, improving collectivism, reducing individuality, to improve organizational culture and, consequently, increase empowerment of employees at Bank Shahr, necessary steps should be taken.

On the whole, with the promotion of organizational culture at Bank Shahr, employees feel their personal superiority and believe that they can learn and grow up to face new challenges, they will be

able to take independent initiatives on their own initiative, and to test new thoughts, all of which will lead to bank efficiency and achieve organizational goals and missions.

## 7- References

- Aboodi, H., Lotfi, D., & Kazemiyan, f. (2014). The Relationship between Organizational Culture and Empowerment of Employees. *Journal of research in human resources management*, 6(1), 223-244.
- Aburub, F. (2015). Impact of ERP systems usage on organizational agility: An empirical investigation in the banking sector. *Information Technology & People*, 28(3), 570-588.
- Ahadi, S., Suandi, T., Ismail, M., & Omar, Z. (2011). Influence of Organizational Culture on Psychological Empowerment of Academicians in Research Universities. In *12th International Conference on HRD Research and Practice across Europe: Sustaining Growth through Human Resource Development* (pp. 25-27).
- Alvani, S.M. (2014). *Public Administration*, Tehran: Ney Pubs.
- Amirkabiri, A. (2016). *Advanced management theories; postmodern vision*. Tehran: Negahe Danesh Pubs.
- Atafar, A. (1996). *Organizational culture and way of creating transformation*, Isfahan: Seminar on Isfahan labor culture.
- Azizi, F., Khosravani, E., & Mosayebi, A. (2012). The Effect of Internal Marketing on Personnel Customer-Oriented, Emphasizing on Vision Indicators, Improvement and Development, Reward (Case Study: Employees of Bank Melli Branches of Mazandaran Province). *Organizational Resources Management Studies*, 2(4), 133-154.
- Chiz, P., Thomas, R., & Greek, E. (2015). *Talent-Oriented Organization: Strategies for the Globalization of Talent Management and Performance Improvement*. Translated by: Naveh Ebrahim, A. & Keshvari, H. Tehran: Iranian Institute of Industrial Education and Research.
- Choi, Y. S., Seo, M., Scott, D., & Martin, J. (2010). Validation of the organizational culture assessment instrument: An application of the Korean version. *Journal of Sport Management*, 24(2), 169-189.
- Eydi, H., & Azadi, R. (2015). Exploratory Factor Analysis of Barriers to Establishing Management Information Systems (MIS) in Sports and Youth Departments. *Communication management in sports media*, 2(8), 10-20.
- Fernandez, S., & Moldogaziev, T. (2015). Employee empowerment and job satisfaction in the US Federal Bureaucracy: A self-determination theory perspective. *The American review of public administration*, 45(4), 375-401.
- Hooman, H.A. (2011). *Structural Equation Modeling Using LISREL Software*. 4<sup>th</sup> edition, Tehran: SAMT.
- Jofreh, M., Aghaei, T., & Nia, R. A. (2014). The Effect of Organizational Culture on Staff Employees' Empowerment Shahid Beheshti University of Medical Sciences.
- Jordão, R. V. D., Souza, A. A., & Avelar, E. A. (2014). Organizational culture and post-acquisition changes in management control systems: An analysis of a successful Brazilian case. *Journal of Business Research*, 67(4), 542-549.
- Khan, M. M., & Rasli, A. M.. (2015). Relationship between organization culture, empowerment and conflict. *International Journal of Economics and Financial*, Issues, 5.
- Mcshane, S. L., & Glinow, M. A. V. (2000). *Organizational behavior*. New York, McGraw Hill.
- Mohammadpour Zarandi, H., Rahimiyan, H., & Tabatabaei Mozdabadi, S.M. (2014). The Role of Organizational Culture in Change Managing of Bank Shahr Staff. *Quarterly Journal of Urban Economics and Management*, 3(9), 15-28.
- Paktinat, E., & Fathizadeh, A. (2008). Empowering employees: necessities and

- solutions, *Quarterly Journal of Management*, 5(11), 33-47.
- Rasooli, R. & Rashidi, M. (2015). Designing and explaining the maintenance model of basic knowledge workers. *Human resources management studies*, 7(1), 39-56.
- Sahebi, M. (2004). *Relations of Religion and Culture in Iranian Society*. Tehran: Islamic Culture and Guidance.
- Sakhrekar, S., & Deshmukh, R. (2014). Impact of Organizational Culture on Employees: Concise Study of Literature. *International Journal of Organizational Behaviour & Management Perspectives*, 3(4), 1294.
- Sotirofski, K. (2014). Organizational Culture Impact on Psychological Empowerment of Academic Staff. *European Journal of Sustainable Development*, 3(2), 119-132.
- Votten, D., & Cameron, K. (2002). *Empowerment and delegation of authority*, translated by: Yazdani, B. Tehran: Management Training Research Institute.
- Yilmaz, C., & Ergun, E. (2008). Organizational culture and firm effectiveness: An examination of relative effects of culture traits and the balanced culture hypothesis in an emerging economy. *Journal of world business*, 43(3), 290-306.
- Zammuto, R. F., & Krakower, J. Y. (1991). *Quantitative and qualitative studies of organizational culture* (pp. 83-114). JAI Press Inc.
- ZareieMatin, H. (1993). Organizational culture and performance. *Journal of management knowledge*, 23.