

**Research Article**

**INVESTIGATING THE RELATIONSHIP BETWEEN WORK INDEPENDENCE AND PARTICIPATORY MANAGEMENT AND ORGANIZATION PERFORMANCE IMPROVEMENT**

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**ABSTRACT**

Nowadays, what make organizations to surpass other companies is not merely using new technology, but also high level of self-confidence and commitment of employees to organizational goals. To pass through different stages, organizations should adapt themselves to different situations and get new methods. To achieve this goal, they must identify the factors that can be effective in building the work environment. In new organizations, employees feel responsible not only for their duties, but also for improving the performance of whole organization. They actively work together to continuously increase productivity. In the present study, the relationship between work independence and participatory management and improvement of performance of Tax Affairs General Administration of East Tehran Province was examined. The present study is considered as an applied study in terms of aim and descriptive, survey and correlational in terms of research method. The statistical population of the present study included all 4000 employees of Tax Affairs General Administration of East Tehran Province. Using Morgan table, 196 people were selected as the sample size among statistical population of the study. There was a significant relationship between the components of work independence, implementation of participatory management, employee learning and giving feedback based on organization performance.

**Keywords:** Organization Performance, Participatory Management, Job Independence, Tax Affairs General Administration, Tehran

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**INTRODUCTION**

Applying various resources such as financial, material, information and human resources, organizations achieve their goals. Among these resources, human resource is the most important resource that is driving force of organizations and the progress and continuity of organizations depends on their capabilities. Cooperation and participation of employees is necessary in today's business environment where there is increasing competition among companies and institutions and quality of goods and services provided and attracting and retaining customers is crucial (Abbas Zadegan and Hassanzadeh, 2006, p. 8). Employee empowerment is one of the effective techniques to increase employee productivity and optimal use of their individual and group capacity and abilities to achieve organizational goals. Empowerment is a process that helps to continuous improvement of performance by developing and expanding the influence and capability of individuals and teams. In other words, empowerment is a strategy for organizational development and prosperity (Sajedi and Omidvari, 2007). In the present age, empowerment is known as a tool by which managers will be able to run today's organizations efficiently with characteristics such as diversity of goods, growing reliance on horizontal structure and co-worker networks, small differences between managers and employees and reduced organizational belonging (Seyed Javadin et al., 2009, p. 76). In fact, empowerment involves developing capabilities and competencies in employees by creating interest, motivation and training, and assigning the tasks to capable people to achieve the organizational goals. The element of creativity and knowledge has been proposed as superiority in competition (Seyed Javadin et al., 2009, p. 75). One of the rational, correct and effective ways to enhance the performance of employees in the organization is the correct implementation of factors and variables that empower the employees. By empowering human resources, organizations will contribute to growth and improvement of performance of the human resources.

Based on three strategies that Blanchard has proposed for employee empowerment, including employee information sharing, determining autonomy scope, building autonomous teams and performance rewards (Gorji, 2009, p. 39), one of the goals of Tax Affairs General

Administration of East Tehran Province is to provide better services and increase the productivity and efficiency of the organization and its employees. In this regard, Tax Affairs General Administration of East Tehran Province has empowered employees in various departments and implementation of empowerment factors in the Tax Affairs General Administration of East Tehran Province has improved the performance of this organization. Thus, the main aim of this study is to explain the relationship between human resource empowerment and performance improvement in the Tax Affairs General Administration of East Tehran Province. Empowerment is an inevitable program for more work at a lower cost. Organizations have fewer options to decide whether they want to train empowered managers and employees. Empowerment happens since most of successful organizations are discovering better ways to make full use of their employees' intellectual resources. These reasons reflect the growing trend towards empowerment. Thus, given the importance of the subject in this research, we attempt to answer the following question: What is the relationship between creating autonomy by setting boundaries (work independence) and participatory management and improvement of performance of organization in the Tax Affairs General Administration in East Tehran Province?

**THEORETICAL FOUNDATIONS OF RESEARCH:**

**Empowerment**

Nowadays, management is not interested in using force to subdue subordinates, but it focuses on empowering them. Management is interested in the self-fulfillment of employees in a kind of stimulating relationship in belonging to organization and determining its identity. The first step in achieving this goal is changing the attitude of managers towards members of organization. Y type attitude in Theory X and Y (1960) is a good theoretical basis for empowerment. This view leads to preference of social and democratic management style in the organization instead of using the dictatorship and an authoritarian style (Hersey and Keyzir, 1992) in organizations. However, to achieve a capable organization, an empowering organizational culture is required. In an empowering organizational culture, community

building, democratic styles, open organizational communication, and low formality in the organization are encouraged and issues such as team building and the free flow of information vertically and horizontally are emphasized. Although the term empowerment became popular in 1990s, a review of its history reveals that its theoretical foundations had been already discussed. In this regard, three perspectives can be identified for empowerment that the first two perspectives are less considered nowadays and the third perspective is more important (Farhangi and Eskandari, 2003, pp. 101 and 102).

### Performance appraisal

Management experts have provided various definitions of performance appraisal in the public sector. In one of the most comprehensive definitions, performance appraisal refers to a set of actions and information to increase the level of optimal use of facilities and resources to achieve goals in an economical, efficient and effective manner. Performance appraisal in terms of using resources is mainly described in the form of indicators of efficiency and economic efficiency, and the performance appraisal system in fact measures the efficiency and economic efficiency of management decisions regarding the use of resources and facilities. Performance appraisal organizationally is usually synonymous with effectiveness of activities. Audit and Management Committee of the American Association of Certified Public Accountants considers performance appraisal as comparing the ways of directing and executing the organization's activities with operational goals set by management, such as policies, standards, goals, and organizational operational goals, and other appropriate criteria. Audit Committee of the Auditing Organization has also defined performance appraisal as comparing the performances and results of operations with the goals set by management or other appropriate measurement criteria (Bani Fatemi, 2007, p. 42).

### Necessity of performance appraisal

Since improving the performance of executive organizations creates a potential force that supports many growth opportunities, governments and organizations are working hard in this regard. Performance appraisal can raise awareness of level of progress in performance improvement and, as a result, provide the needed motivation and opportunity to improve performance of organizations. Performance appraisal also stimulates curiosity, inquiry and challenges about the way of doing the works and the way of allocating the resources. Thus, performance appraisal leads to intelligence of system and motivates people to behave optimally. Given what was stated above, performance appraisal can provide the necessary feedback in the following cases:

- The degree of implementation of formulated policies successfully,
- The level of correctly formulation of policies,
- Providing organizational growth indicators,
- Gaining information about the current status of the organization,
- Identifying the cases that have potential for improvement in the performance of organization,
- The level of efficiency and effectiveness of programs and activities,
- Ensuring a continuous process of performance improvement,
- Identifying problems, opportunities and limitations,
- Future perspective and direction of programs in the national and international space,
- The way of allocating resources and facilities and human resources and the level of employee participation in the implementation of approved programs
- Level of responsibility or accountability

Also, the use of performance appraisal systems and methods brings three key benefits to organizations:

- 1- Determining the strategic and long-term goals of organization

2- Providing information to respond to stakeholders

3-Emphasis on the public participation of organization's employees (Bani Fatemi, 2007, p. 43)

Participatory management: Duty of organization's leaders is to provide facilities for implementation of empowerment strategy. These strategies directly change the attitude and behavior of employees and provide the basis for training a skilled and capable workforce. Collaborative management is a process in which subordinates share important levels of decision-making power with their superiors. Autonomy and independence of work across the boundaries of the organization: the boundaries of organization are specified through destination (why you work), values (what guides your action), ideas (what are your perception of future), goals (what, when, where, how and why you do), roles (who you are) and the organizational system and structure (how your work is supported).

### Review of literature

In a study entitled "Evaluating the impact of empowerment on employee performance", Mohammad Gorji (2010) in achieved the following results: Environmental changes and increasing global competition, empowerment and the effect empowerment on performance have drawn the attention of managers. In this regard, Golestan Province Telecommunication Company has started to empower employees. The question is to what extent empowerment in this company has achieved organizational goals by improving employee performance. Hence, the main question of the present study is if implementation of empowerment in Golestan Telecommunication Company could affect the performance of employees. The present study is applied in terms of type and descriptive and causal or post-event in terms of method. The statistical population of the study included all 551 employees of telecommunication company employees Golestan province and 226 of them were selected as sample using a convenience random sampling method. The library and field method was used to collect data and tools such as questionnaires and review of documents were used in data collection. The reliability of the first and second questionnaires was estimated at 98% and 95%, respectively, using Cronbach's alpha method, respectively. Also, the validity of the questionnaires was confirmed using the content validity method. To analyze the data, simple regression, Wilcoxon and Spearman coefficients were used to confirm or reject the research hypotheses. Finally, the results obtained from testing the hypotheses showed that they were confirmed with 99% confidence.

In a study entitled "The impact of human resource empowerment on the performance of employees of General Administration of Cooperative of Hamadan Province", Samadi and Souri (2009) examined the employees empowerment on their performance found that based on Thomas and Velthouse model. Based on this model, the variable of empowerment from a cognitive perspective includes four dimensions of feeling of competence, feeling of effectiveness, feeling of autonomy, and feeling of job meaning. The statistical population of the mentioned study included all employees of the General Administration of Hamadan Province. Using proportional random sampling method, 132 people were selected as a sample in 2009. The data collection tool was a questionnaire.

The relationship between the variables was examined by Kolmogorov-Smirnov tests and Pearson correlation in SPSS software. Results revealed that all four emotional dimensions had a significant relationship with employee performance. In other words, with increasing these feelings in employees, their performance will be better. Mirjafari et al (2010) examined the relationship between empowerment and communication skills and job performance of employees of Shiraz Petrochemical Industries Design and Engineering Company in a descriptive-correlational study. The statistical population of the mentioned study included all 500 employees of the Shiraz Petrochemical Industries Design and Engineering Company in 2009, which 217 of them were randomly selected as sample according to Morgan table and they responded to psychological empowerment,

communication skills and job performance questionnaires. Multivariate regression and correlation coefficient statistical tests were used to analyze the data. Their results showed that there was a significant positive relationship between empowerment components and job performance. Also, empowerment components could predict job performance. There was no significant relationship between the components of communication skills and job performance and they were not predictors of job performance. A significant relationship was also observed between the components of empowerment and the components of communication skills.

A study conducted by Chow et al. (2006) investigated the effect of developmental experience, empowerment and organizational support on the performance of catering service staff. Their study focused on selecting three aspects of human resource development, including access to developmental experience, organizational support and empowerment and its impact on customer orientation and

performance outcomes. The results showed that organizational support had a significant effect on customer orientation. Empowerment increased performance and organizational support increased employees' sense of pride and significantly improved it. In an article aimed at defining and measuring empowering leader behaviors: developing feedback instruments, Konczak presented a model of empowerment that includes six dimensions of delegation, responsibility, autonomous decision-making, information sharing, ability development and performance counseling of innovators. He argued that with increasing these six dimensions in managers' behaviors, employees would show a sense of cognitive ability. This model is important because it is the first step in developing a quantitative scale to measure the level of employee competence and provides a diagnostic tool in determining shortages in management skills associated with empowerment facilitation.

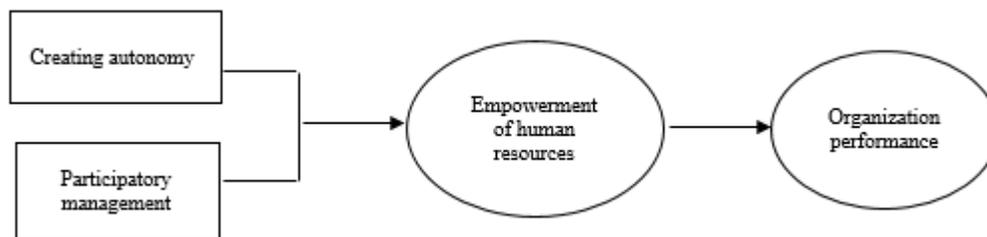


Figure 1-Research conceptual model (Gorji and Raesi, 2008)

## METHODS

The present study is considered as an applied study in terms of aim and descriptive, survey and correlational in terms of method. The statistical population of the present study included all 400 employees of the Tax Affairs General Administration in east of Tehran province. Proportional sampling was used in this study and research sample size was estimated to be 196 people selected among a population of 400 people using Morgan table.

Data collection tools: Library methods (Internet, books, articles, dissertations and reports) were used to obtain information on the subject and background of the research. In the field method, a questionnaire was used to collect data. In this study, to evaluate and measure human resource empowerment, a researcher-made questionnaire was used. Also, a 25-item organizational performance questionnaire that measures organizational performance on a five-point Likert scale (very low, low, moderate, high and very high) was used in this study.

Validity of questionnaire: The prepared questionnaire was submitted to a number of experts and professors. Based on research hypotheses, inappropriate questions were deleted and by adding questions and making corrections, if needed, the questionnaire was recognized to be appropriate.

Reliability of questionnaire: Cronbach's alpha method was used to calculate the reliability coefficient of the questionnaire as a measurement tool. Cronbach's alpha method is used to calculate the internal consistency of measurement tools such as questionnaires. The alpha value was obtained more than 70% in the analysis, so the reliability of the questionnaire is acceptable.

### Data analysis method

Descriptive statistics methods including mean and inferential statistics such as Pearson correlation coefficient were used to analyze the obtained data.

## RESULTS

### Descriptive Statistics

The table and diagram below describe the variable of gender in the statistical sample.

Table 1- Investigation of demographic characteristics of the studied sample

Gender	Frequency	Percentage of frequency
female	57	29.1
Male	139	70.9
Total	196	100

Employment history	Frequency	Percentage of frequency
0-5 years	30	15.3
6-10 years	28	14.3
11-15 years	45	23.0
16-20 years	43	21.9
21-25 years	42	21.4
26-30 years	8	4.1
total	196	100

As shown in Table 1, out of 196 subjects, 29% are female and 71% are male. Also, out of 196 subjects, 15% have an employment history of 5 years, 14% have an employment history 6 to 10 years, 23% have an employment history of 11 to 15 years, 22% have an employment history of 16 to 20 years, 22% have an employment history of 21 to 25 years and 4% have an employment history of 26 to 30 years.

Description of research variables

Table 2 shows the research variables that were entered into SPSS after sorting the collected data.

**Table 2 - Descriptive data of research variables**

	N	Minimum	Maximum	Mean	Std.Deviation
Work independence	196	1.17	4.00	2.8554	<b>66287</b>
Implementation of participatory management	196	1.25	4.12	2.9356	<b>61165</b>
Empowerment	196	1.54	4.14	3.0267	<b>51233</b>
organization performance	196	1.72	3.84	2.9912	<b>38223</b>
<b>Valid N (Listwise)</b>	<b>196</b>				

**Normality test**

Kolmogorov-Smirnov (K-S) test was used to show the normality or non-normality of the distributions (variables) (Table 3)

**Table 3 - Kolmogorov-Smirnov test for research variables**

variables	P-value	Test result
Work independence	0.000	Non-normal
Implementation of participatory management	0.020	Non-normal
Empowerment	0.002	Non-normal
organization performance	0.002	Non-normal

Conclusion: Since in all research variables, significance level is smaller than 0.05 (Sig <0.05), we conclude that the research variables are not normal, so the nonparametric Spearman test is used to examine the relationship between independent and dependent variables.

Hypothesis testing:

1- There is a relationship between creating autonomy and determining the boundaries (work independence) and improving organization performance in the Tax Affairs General Administration of East Tehran Province.

Null hypothesis: There is no relationship between creating autonomy and determining the boundaries (work independence) and improving organization performance in the Tax Affairs General Administration of East Tehran Province.

Hypothesis 1: There is a relationship between creating autonomy and determining the boundaries (work independence) and improving organization performance in the Tax Affairs General Administration of East Tehran Province.

**Table 4 - Results of the first hypothesis**

Variables	Number of respondents	Pearson coefficient	α	p-value
Work independence and improvement of organizational performance	196	0.424	0.05	0.000

Correlations

		Work independence	Performance
Speaman's rho	Correlation Coefficient	1.000	<b>424</b>
	Sig.(2-tailed)	.	<b>000</b>
	N	196	<b>196</b>

	Performance	Correlation Coefficient	424	<b>1.000</b>
		Sig.(2-tailed)	000	.
		N	196	<b>196</b>

\*\* Correlations is significant at the 0.01 level (2-trailed)

Based on the result obtained from SPSS software in Table 4, the correlation between the two variables of work independence and organizational performance improvement is R=0.424, indicating a direct correlation between the above two variables and since sig <0.05, the null hypothesis is rejected. It means that there is a relationship between creating autonomy by setting boundaries (work independence) and performance organization improvement.

2- There is a relationship between the implementation of participatory management and organization performance improvement in Tax Affairs General Administration of East Tehran Province.

Null hypothesis: There is no relationship between the implementation of participatory management and organization performance improvement in Tax Affairs General Administration of East Tehran Province.

Hypothesis 1: There is a relationship between the implementation of participatory management and organization performance improvement in Tax Affairs General Administration of East Tehran Province.

Statistical hypothesis:

H<sub>0</sub> : ρ=0

H<sub>1</sub> : ρ≠0

**Table 4- Correlation examination of the second hypothesis**

Variables	Number of respondents	Pearson coefficient	α	p-value
Implementing participatory management and organizational performance improvement	196	0.157	0.05	0.028

The result obtained from SPSS software showed that the correlation between the two variables of participatory management implementation and organizational performance improvement is R = 0.157, indicating a direct correlation between the two variables and since Sig is <0.05, the null hypothesis is rejected. It means that there is a relationship between the participatory management implementation and organization performance improvement.

**DISCUSSION AND CONCLUSION**

The results of Spearman correlation coefficient test are as follows:

Hypothesis 1 - The results of the analysis show a direct correlation between the two variables of creating autonomy and setting the boundaries (work independence) and organization performance improvement. Since sig<0.05, the null hypothesis is rejected. It means that creating autonomy by setting boundaries (work independence) is associated with organization performance improvement in Tax Affairs General Administration of East Tehran Province.

Hypothesis 2: The results of the analysis show a direct correlation between the two variables of participatory management implementation and organization performance improvement and since sig <0.05, the null hypothesis is rejected. It means that there is a relationship between participatory management implementation and organization performance improvement in the Tax Affairs General Administration of East Tehran Province. These results are in line with those of previous research.

The results of a study conducted by Gorji (2010), which examined the relationship between employee empowerment and employee performance showed a relationship between employee empowerment and employee performance and between the components of information availability, work independence, implementation of participatory management, employee learning and giving feedback and employee performance. The researcher assessed the relationship between empowerment and organizational performance and its results were confirmed. Samadi and Souri (2009) investigated the effect of human resource empowerment on employee performance using the Spritz psychological empowerment model and confirmed this effect, but the researcher of the present study examined the performance of organization and used the Gorji model. Mirjafari et al (2010) investigated the relationship between empowerment and communication skills and job performance of employees of Shiraz Petrochemical Design and Engineering Company and showed a significant positive relationship between empowerment components and job performance. Also, empowerment components could predict job performance. In general, the results of this study showed high similarity with results of studies of other researchers and confirmed them.

#### Applied recommendations

In this research, the following recommendations are presented:

- The relationship between autonomy and performance
  - 1- Joint meetings between employees and managers to determine the scope of free activity of individuals (for work and decision-making)
  - 2- Giving employees the freedom of action in tasks limited to themselves and removing controls, constraints and barriers by managers and motivating employees, and guiding and encouraging their behaviors.
  - 3- Delegating organizational authority clearly and without ambiguity and allowing employees to make decisions in the area of job tasks and duties and using all capacities of employees in the organization.
- The relationship between participatory management and performance
  1. Establishing a recommendation system in the organization and being aware of the opinions of employees' ideas.
  2. Forming different teams and groups to participate in various projects and programs and giving privileges to employees who participate in collaborative activities.
  3. Delegating authority and giving responsibility of making some decisions to employees, providing the information needed to make the necessary decisions, and supporting and encouraging employees to accept executive responsibilities.

#### Management applied recommendations

- 1- Using scientific and accurate methods of performance appraisal in the organization
- 2- The possibility of employees' access to the rules and regulations and circulars of organization and a complete and clear definition of senior managers of the missions and policies of the organization
- 3- Using participatory management in job decisions related to employees and forming different teams and groups to participate in various projects and programs and giving

points to employees who participate in collaborative activities.

#### Recommendations for future studies

- 1- Identifying the relationship between empowerment and employee performance in other organizations and comparing the obtained results with the results of this research
- 2- Identifying the relationship between each dimension of empowerment and employee performance

#### Research limitations

- 1- Involvement of personal issues and inner desire of individuals in answering questions
- 2- Intrinsic limitations of using questionnaire and its use as a tool for measuring and quantifying qualitative points related to research hypotheses.

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