

Investigating the Relationship between Employee Empowerment in Terms of Knowledge and Specialized Skills and Organizational Justice and Job Insecurity at the Tabriz Tractor Manufacturing Company

Abstract

Human resources are pivotal and differ from material and structural resources. The most important organizational assets are human resources. This is why giving importance to peoples' needs and values constitutes the most significant step to meeting organizational goals. This study aims to investigate the relationship between employee empowerment and organizational justice and their job insecurity at the Tabriz Tractor Manufacturing Company.

The present study is an applied study and to determine the relationship; this article uses a standard Maslach questionnaire which includes a standard Job Insecurity Scale which includes two sections qualitative job insecurity and quantitative job insecurity. Also, to determine the organizational justice, it uses the standard Niehoff and Mormon Questionnaire which includes distributive, procedural, and interpersonal justice. Here, the criterion of action for the employees is their knowledge and specialization capacity. The statistical population consisted of 700 people including 350 ones working in the parts-making division with an average education level of diploma (low empowerment) and 350 more working in the administration division with an average education level of M.A. (higher empowerment), out of whom 248 people were selected via stratified random sampling and use of the Cochran formula at an error rate of 0.05. Results showed that there is a significant relationship between the variable of employee empowerment and quantitative and qualitative job insecurity and procedural organizational justice. Employee empowerment has a significant inverse relationship and quantitative job insecurity. Also, employees' empowerment has a significant direct relationship with qualitative job insecurity and procedural and interpersonal justice.

Keywords: *Employees' empowerment, Organizational justice, Job insecurity, Knowledge*

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Introduction

In the new age, organizations strive for development and survival, and this, they use accessible optimal resources and improve their operations on a global scale in order to achieve profitability, flexibility, fast growth, efficiency, preparation for the future and meet a superior position within their sphere of activities.

One of the factors that motivate the employees to improve organizational efficiency is job security. Job security refers to a psychological state that results from employees' perception of possibly finding a job similar to their current job as they lose it (Greenberg, 1990). With the development of industries and specialization of the affairs and employment of new types of machinery in industrial societies, organizational reconstruction may be due to a lack of demands, stagnant labor market, and inability to comply with world standards, all of which cause labor layoffs, which is followed by job insecurity. This causes a sense of job insecurity among laborers and hinders organizational excellence. A large part of laborers' perception of job insecurity or the risk of losing the job may be due to fear of expulsion because of the severe labor market (Roskies & Louis-Guerin, 1990).

However, job insecurity could also happen during periods of profitability which may challenge legal measures aimed at

supporting the laborers. Just as providing appropriate job security and necessary support with fair payments can increase productivity and improve various sectors, job insecurity can make employees fear losing their jobs or becoming unemployed. This will inevitably result in employees changing the quality of work, as this perception may affect their behaviors and cause them to quit. For Hoy (2004), quitting a job incurs heavy costs for the organizations, because most organizations make large investments to gain effective manpower in the areas of recruitment, training, and development of the workforce, and it is critical for the organizations to maintain the skillful and qualified employees (Delafrooz, 2009).

As a professional stressor, job insecurity challenges the labor force in various forms. In the meantime, it is clear that employees' peace of mind can be pivotal for the excellence of the organization; organizational excellence is achieved when organizational justice is administered. Organizational justice is a feeling that employees express against the way they are treated (Hoy & Tarter, 2004). Organizational justice is made of three components: procedural, distributive, and interpersonal justice (Ismail et al. 2006). Job security in the modern world differs from its old sense. It is concerned with empowering and training people and increasing their skills to

do the job. It is also defined as the ability of the organization to lay the ground for individual empowerment (Na'ami et al. 2004). This research investigates the relationship between employees' abilities (knowledge and specialization skills) with job insecurity and organizational justice.

Theoretical Foundations

Employee Empowerment

Today, organizations need creative, innovative, and problem-solving people who use their own capacities to help the organization survive in a competitive environment. Organizations are nowadays coming up with the idea that their today's confidence and tomorrow's success are greatly dependent on the talents, understanding, and perceptions of their members. Thus, employees form the central rationality of each organization. In his famous book "The Empty Raincoat", Charles Handy stresses concentrated intelligence. Technical knowledge and the ability to employ knowledge are new wealth sources, as empowerment is aimed at operating peoples' brains like their hands" (Katouzian, 1997).

Advantages of employee empowerment:

Conger et al (1988) enumerated the following empowerment advantages:

- Subordinate empowerment is pivotal for the organizational and management efficacy
- A review of authority and control in organizations indicates that the engagement of the employees in authority and control will increase organizational efficacy.
- Employee empowerment strategies are critical for the group's survival.

Empowered employees feel responsible for what they do and thus empower the organization. Thus, managers need to identify and remove the conditions which cause powerlessness and resentment of employees and create a conducive environment and necessary guidelines for the employees' empowerment (Buttle, 1998, 377). Cohen and Spritzer argue that even though empowerment is a competitive advantage for the organization and that many managers believe that empowerment is highly desirable, most organizations find it difficult to provide it (Boekaerts, 1997, 37).

Characteristics of an empowered organization

1. Empowered employees
2. Clarity of goals
3. Communication organization (research has shown that open communications are the first step to orienting people's work)
4. Healthy organizational environment
5. Preservation of employees' worthiness
6. Appreciation of employees

7. Importance for group work (as per the synergy principle, the formation of good working groups creates higher returns than individual work)
8. Training mechanisms
9. Concentration over performance, and
10. Visible leadership

Significance of human workforce empowerment

- Customers' scope of expectations about quality, prices, and services is broadened, and when the organization fails to meet these expectations, the customers turn to competitive organizations.
- Customers' wants need to be met based on organizational profitability because there is always the risk that meeting the customer's needs incurs huge losses for the organization (Alwani et al. 1999).
- Global competition pressures on the organization which cause them to make changes and developments and also the pressures from the customers and the introduction of new technologies all demonstrate that what appeared to be extraordinary in the past seems ordinary today.

Scott (1995) maintains that organizations should work to empower the employees to meet the customer needs. In the meantime, strong competition on a global scale, fast technological changes, and new demands for quality and services despite limited resources require rapid organizational responsiveness. Thus, employees need meaningful jobs and should be empowered to actualize their skills to better serve the organization.

Causes of barriers to employee empowerment on the part of managers

Watson (1999) believes that managers' attitudes are one of the reasons why managers do not tend to empower employees. Manager attitudes are summarized in three categories:

- a) Managers' attitudes about subordinates: Managers who obstruct their employee empowerment maintain that their inferiors lack adequate proficiency to do the entrusted job and are not interested in shouldering more responsibilities.
- b) Lack of personal security: Some managers fear losing rewards and bonuses related to the successful doing of the job if they begin empowering their employees. They don't want others to engage in their skills and expertise and thus fear losing their position.
- c) Need to control others: Managers who hinder their employee empowerment usually tend to control and lead what is underway.

Job Insecurity:

One of the main concerns of employees is job insecurity which has a negative impact on them. This issue is quite problematic for organizations. Job insecurity affects the senior officials, desirable organizational performance, and use of other resources. It also hinders the organization to meet its goals. In this regard, it is important to investigate such issues as loss of job, job changes, failure to meet an appropriate job, etc. Some industrial and organizational psychologists maintain that one of the factors which contribute to job satisfaction is job security. Today, job security is interrelated with social security. The modern concept of job security differs from the old sense of it which sought to train and develop employees' skills. When employees achieve a desirable level of peace of mind, they will provide the organization with their intellectual energy and capacity and help remove organizational tensions. By security, it is meant employee empowerment, not a guarantee of the payments and bonuses. Job security helps the organizations lay the ground for giving power to the employees (Na'ami et al. 2004).

There are two types of job insecurity:

One is quantitative job insecurity which refers to the preservation and loss of one's job in general; quantitative job insecurity deals with one's concerns with continuing the occupation which occurs in two states of employment and unemployment. People who experience quantitative job insecurity feel that the continuation of their current job has been threatened.

The other type is qualitative job insecurity which is defined as one's concern for reduced employment in the future, lack of occupational opportunities and promotion, worsening working conditions, degradation, reduced payments, etc. (Harsi, 1988).

Job insecurity is a challenging issue in Iran. In the meantime, due to all the problems in the working environment, employees are constantly under threat from managers. Under this situation, employees become very impatient, violent, and bad-tempered as they transfer this growing psychological pressure that they have sustained to their families and society as a whole. This causes internal conflict, aggression, divorce, child abuse, and running away from home. A sense of job insecurity disrupts the psychological state of employees and leads the person to have suicidal ideation. In this regard, unemployed men account for a large percentage of suicides. The most important thing to creating a normal society is to provide all citizens with the work they need (Najafi, Mehdi & Lotfi, Forouzan, 2018).

Organizational justice: It refers to the fair and moral behavior of people inside the organization (Naderi & Tanova, 2010). Organizational justice includes procedural, distributive, and interpersonal justice.

Distributive justice: It refers to a fair judgment of result distribution, such as the level of payment and promotion opportunities in an organization

Procedural justice: It refers to the fair process of gaining fair results by people

Interpersonal justice: People are not allowed to establish unfair communication and interaction with others when seeking to achieve fair results.

The development of justice serves as a key tool for managers to achieve their organizational goals. By organizational justice in this article, it is meant the organization will not treat the employees with discrimination within the three areas of justice mentioned above.

Literature Review

- Huang et al. (2015) did a study on the impacts of job security on employees' satisfaction, job engagement, and their intention to quit jobs, concluding that job security has effects on employees' satisfaction, occupational engagement, and their intention to quit jobs. They also demonstrated the mediating role of job satisfaction between job security and occupational engagement and the intention to quit the job.
- Huang et al. (2015) also investigated the effects of job security on organizational performance, suggesting that in recent years, managers have sought to meet job satisfaction through job security. They maintain that job security is a pivotal issue in organizations that affects the mental and physical situation of employees and can help produce positive results and organizational commitment. Their findings also suggested that job security is a factor that is inversely and significantly related to an employee's job quit.
- Yadegar and Seif (2018) concluded that the perception of injustice in the organization is thought to be an occupational stressor that eventually causes job burnout.
- In their study, Mirmohammadi et al. (2019) stated that job insecurity or job burnout are significantly related to emotional exhaustion.
- Research results by Jafarpour et al. (2016) demonstrated a significantly negative relationship between organizational support, organizational justice, and physical conditions of the place of work with job burnout, concluding that women's job burnout is greater than their counterparts.
- In their study, Siavoshi and Esmati Moghaddam found that the outcomes of quantitative and qualitative job insecurity (job insecurity) on employees' health and attitudes differ from each other.

- In their study, Ghanayan et al. (2018) maintained that job insecurity has a significant relationship with job burnout, and it can explain job burnout. However, organizational justice has had a quantitative role in explaining job burnout. They concluded that organizational justice and security will reduce employees' intention to quit their jobs.
- In their research entitled: "Predicting employees' performance based on organizational justice and job security variables in Zahedan Municipality", Keikha, Alemeh, et al. (2018) concluded that employees' job security affects their organizational performance.
- In an article entitled: "Relationship between job security and job burnout in a 350-people sample of school teachers, Jalilvand et al. (2015) found that there is an inversely significant relationship between job burnout and job security. This inversely significant relationship was also confirmed.

Methodology

The present study is an applied study. The statistical population consisted of 700 people including 350 ones working in the parts-making division with an average education level of diploma (low empowerment) and 350 more working in the administration division with an average education level of M.A. (higher empowerment), out of whom 248 people were selected via stratified random sampling and use of the Cochran formula at an error rate of 0.05. To gather data, and to determine the organizational justice, the study uses the standard Niehoff and Mormon Questionnaire which includes distributive, procedural, and interpersonal justice (20 items), and the standard Francis and Parling's Job Insecurity questionnaire (2005) which has 5 items which measure both quantitative and qualitative dimensions. The validity of this study was confirmed by the Confirmatory factor analysis and its reliability was examined by Cronbach's alpha. To analyze the hypotheses, the structural equation modeling method was used. Data were analyzed by the SPSS software.

Scales

Job Insecurity Questionnaire

Table 1: Descriptive indicators of Job burnout

Variables	No.	Mean	SD	Skewness	Kurtosis	Min.	Max.
Job burnout	281	3.75	0.73	-0.65	-0.32	1.89	5.00
Job insecurity	281	3.51	0.77	-0.34	-0.79	1.60	5.00
Qualitative dimension of job insecurity	281	3.47	0.78	0.09	-0.52	1.50	5.00

Data needed were incorporated into a standard job insecurity questionnaire which is itself divided into two qualitative job insecurity (items 1-4) and quantitative job insecurity (item 5). In this research, job insecurity is based on scores of subjects obtained in the job insecurity questionnaires introduced by Francis and Parling (2005) which contains 5 items. Consistent with the five-degree Likert scale (1= very low to 5=very high) in this questionnaire, the minimum score is 5 and the maximum is 25. An increase in the scores means an increase in the level of job security. As Francis and Parling suggested, the job insecurity questionnaire has high validity and a Cronbach's alpha of 0.81. Its reliability was found to be 0.845 by Cronbach's alpha in Forouhan's research (2016). An example of the items is as follows:

"I am confident that the job I am holding has been a good one since I found it."

Organizational Justice Questionnaire

This scale was developed by Niehoff and Mormon (1993) and includes 20 items. It measures three dimensions of organizational justice (e.g., procedural, distributive, and interpersonal). Distributive justice has 5 items, procedural justice has 6 items and interpersonal justice has 9 items. Using Cronbach's alpha, the validity of the scale was 0.91 for the distributive justice, 0.76 for the interpersonal justice, and 0.92 for the procedural justice while the overall organizational justice validity was 0.94 (Naderi & Tanova, 2010). The Cronbach's alpha was 0.88 for distributive justice, 0.76 for interpersonal justice, and 0.90 for procedural justice. The validity of this scale was examined using Cronbach's alpha and half-split test and the results indicated a Cronbach's alpha of 85% and a half-split test of 75%.

Employee Job Burnout Questionnaire

This test was developed by Maslach in 1981 and measures emotional exhaustion, depersonalization, and lack of personal success in the framework of professional activities. This scale is also used to measure and prevent burnout in professional groups and is based on a 5-degree Likert scale containing never, low, medium, high, and very high.

Results

Research variables description

Quantitative dimension of job insecurity	281	3.53	0.90	-0.44	-0.98	1.33	5.00
	281						
Organizational justice	281	2.85	0.88	0.52	-0.02	1.05	4.80
Distributive justice	281	2.63	1.10	0.50	-0.67	1.00	5.00
Procedural justice	281	3.03	0.94	0.14	-0.38	1.00	5.00
Interpersonal justice	281	2.84	0.90	0.47	-0.15	1.00	4.78

Consistent with Table 1, the mean job burnout is 3.75, as the lowest value is 1.89 and the highest value is 5.0. The mean qualitative dimension of job insecurity is 3.47 while the mean quantitative job insecurity is 3.53. The mean distributive justice is 2.63, procedural justice is 3.03 and interpersonal justice is 2.84.

Examining the normality of the variable distribution

Kolmogorov-Smirnov Test was used to examine the normality of the variable distribution. The null hypothesis in this test is the normality of the variable distribution. If the significance level is greater than 0.05, the null hypothesis is supported and the intended variable distribution is concluded to be normal. Given the significance levels, it is concluded that all the variables have a normal distribution (significance levels greater than 0.05). According to the Table 2

Table 2: Kolmogorov-Smirnov Test results for variable distribution normality

Variables	No.	Z statistic of Kolmogorov-Smirnov	Sig.
Job burnout	281	1.297	0.077
Job insecurity	281	1.275	0.081
Qualitative dimension of job insecurity	281	1.318	0.068
Quantitative dimension of job insecurity	281	1.308	0.071
Organizational justice	281	1.24	0.097

Distributive justice	281	1.308	0.071
Procedural justice	281	1.287	0.079
Interpersonal justice	281	1.261	0.083

Hypothesis Testing

Structural equation modeling is used to test the hypotheses. First, the model is fit and the hypotheses are then examined. Fitting indicators include three types: absolute, comparative, and parsimony, each containing indicators. This research reports two indicators of each, and if three of the indicators are acceptable, the model is concluded to have a good fit. The significance level of the Chi-square statistic is 0.001 which, consistent with the criterion intended (greater than 0.05), is not acceptable; however, since the significance level is sensitive to

the number of the samples and is almost always significant in larger samples, other indicators are used to fit the model.

The value of the critical ratio to the degree of freedom (CMIN / DF) is 3.30, the comparative fit index (CFI) is 0.92, and the Parsimonious Normed Fit Index (PNFI) is 0.64 and the root means the square error of approximation (RMSEA) is also 0.065. All of these indicators are in a good fit range. Also, the goodness-of-fit index (GFI) is 0.88 and the Tucker-Lewis index (TLI) is 0.88, which is acceptable given the fact that they have an insignificant difference from the intended criterion. It is thus concluded that the proposed structural model has a good fit. (Table 3)

Table 3: Structural model fit indicators on the effect of job insecurity on employee burnout mediated by organizational justice

Fit indicators	Value	Criterion	Result
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Absolute	CMIN/DF	3.30	Less than 5	Desirable
	p-value χ^2	0.001	Greater than 0.05	Unacceptable
	(GFI)	0.88	Greater than 0.90	Acceptable
Comparative	(TLI)	0.88	Greater than 0.90	Acceptable
	(CFI)	0.92	Greater than 0.90	Desirable
Parsimony	(RMSEA)	0.065	Less than 0.08	Desirable
	(PNFI)	0.64	Greater than 0.5	Desirable

Table 4: Estimated coefficients of the structural model of job insecurity on employee burnout mediated by organizational justice

Path	Estimated coefficients	standard error of estimate	Critical ratio	Sig.	Standard direct effect
A direct effect of job insecurity on burnout (without the intervention of the mediating organizational justice variable)	0.274	0.044	6.199	0.001	0.718
Direct effect of job insecurity on burnout (with the intervention of mediating organizational justice variable)	0.25	0.041	6.045	0.001	0.654
Indirect effect of job insecurity on burnout	0.025	0.022		0.001	0.064

As Table 4 shows, it is noted that without the intervention of the mediating organizational justice variable, job insecurity has a significantly positive effect on employee burnout ($p = 0.001$, $t = 6.199$). Thus, mediation analysis can be continued.

The standardized regression coefficient for the indirect path of job insecurity - organizational justice – job burnout is 0.064 which is significant at the confidence level of 95%. On the

other hand, consistent with the mediation model, the direct path of job insecurity on employees' job burnout is significant at the confidence level of 95% ($p = 0.001$). It is thus concluded that organizational justice has a partial mediating effect between employee job insecurity and job burnout at the Tabriz Tractor Manufacturing Company.

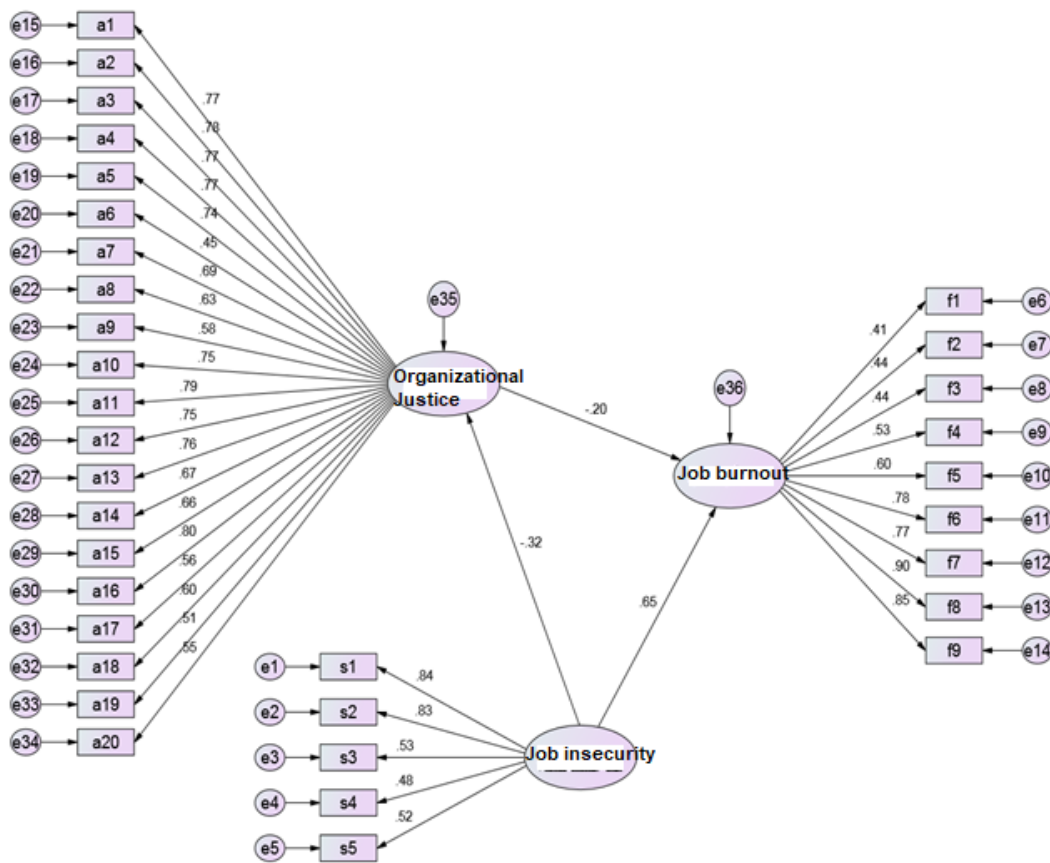


Figure 1- Structural model of the effect of job insecurity on employee burnout mediated by organizational justice

Conclusion

This research investigates the relationship between employee abilities (knowledge and specialization skills) with job insecurity and organizational justice. Results showed that there is a significant relationship between the variable of employees’ empowerment with quantitative and qualitative job insecurity and procedural organizational justice. Employee empowerment has a significant reverse relationship and quantitative job insecurity; also, employee empowerment has a significant direct relationship with qualitative job insecurity and procedural and interpersonal justice.

The findings of this research are consistent with those of Bloom et al. (2015) and Ozturk et al. (2013) who concluded that job insecurity was significantly related to job burnout and emotional exhaustion.

The findings also suggest that job security is one of the factors which affects employee job burnout, and they are vulnerable to their job security. To remove this problem, corporate managers and directors must pay attention to this issue. Various methods have been proposed by researchers to reduce job security, as social psychologists have introduced structural changes in the company such as changing the number of the employees relative to the workload, reducing work speed,

granting more freedom to the employees to select their working programs and drawing the attention of the officials to employee problems. However, most social psychologists maintain that primary prevention is the best method to fight job burnout. Managers are thus advised to create job security for the employees by providing better conditions such as timely payment of the rewards and incentives, bonuses, and appreciation of the employees, which would eventually lead to a more conducive condition.

When employees enjoy their work and have more occupational satisfaction, they will have little or no intention to quit their jobs. Job satisfaction can also be provided by job rotation and development which will prevent boring jobs. The effectiveness and efficiency of manpower, especially managers will have a pivotal role in the efficacy of the organization. Thus, increasing organizational justice and job satisfaction and reducing job security for employees are the major duties of the organizations. As leaders, managers make numerous organizational decisions that could directly affect their daily policies. On the hand, the extent to which employees feel justice in these policies is a major concern. A bilateral commitment will be created between the employees and the organization when organizational justice and job security are increased, on the one hand, and employees perceive and

observe organizational justice, on the other hand, which would finally increase organizational performance. As regards the effect of job security, if increased, employee performance also increases, so job security serves as a strong antidote to employee dissatisfaction with their job, which prevents employees from quitting their jobs in the organization. It also increases employees' quality of performance. Job security refers to peoples' perceptions. If people have a sense of job insecurity, it'll be considered a crisis. Thus, managers are recommended to maximize job security for the employees. Organizations should also establish a fair payment system and provide individual and group bonuses and rewards to increase employee performance. To improve employee performance, managers are suggested to pay more attention to the fair payment of the salaries and remove discrimination. They are also recommended to follow organizational rules and regulations and focus on administering organizational justice and work to fairly divide the workload among the employees and pay the bonuses on time and justly. This will increase their job security and lead to better organizational results. In the end, employees' sense of job satisfaction will increase. Accordingly, managers should maintain the employee commitment to the organization and for this, they should use their commitment and participation in decision-making to provide an acceptable level of job security (Alvani & Memarzadeh, 1995).

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Conflict of interest

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Ethics statement

None

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