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**EMPOWERMENT AND
ENTREPRENEURSHIP: CONCEPTUAL
ISSUES AND EMPIRICAL TESTS**

Introduction

In organizations performing in unstable and uncertain environment entrepreneurship and entrepreneurial behaviors of organizational participants receive special importance. Nowadays entrepreneurship is considered as a fundamental driver of achieving and maintaining competitive advantage (Zahra, 1999). Entrepreneurial organizations are able to take risk and experiment, capable of introducing innovation, tend to identify the existing opportunities and use them before their competitors, able to deal with uncertainty, ready for changes, which appear continuously in the highly-competitive, discontinued environment (Doh, 2000).

In the same time, the dynamic growth of competition accompanied by continuous changes and instability of the environment results in the search for new methods of management, which could help to face the uncertainty of the contemporary world. The concept greatly contributing to the discussed issue is employee empowerment. Studies of literature on the subject point out to the importance of empowerment in the context of new leadership methods, which fit into the requirements of contemporary environment. In this paper we are focused on employee empowerment, its dimensions and its ties with entrepreneurial behaviours of organizational participants as the way of improving organizational performance.

1. Employee empowerment – conceptual issues

Empowerment is understood in a variety of ways by theoreticians and practitioners of management and there are many definitions of this notion. These problems stem from the very concept of employee empowerment, which is a very complex and ambiguous phenomenon. It is analyzed both as a rational and as a cognitive construct. As some researchers maintain empowerment may be considered from two different but interrelated perspectives – organizational and individual (Herrenkohl, Judson, & Heffner, 1999). The former understands empowerment as a set of managerial actions and practices giving power, control and authority to subordinates. Evaluation of empowerment practices focuses on

managerial actions leading to empowering employees. In this context empowerment may be considered as an instrument of leadership (Block, 1989). The other notion of empowerment is included in the first one. According to this concept, empowerment is the perception of being empowered (Corsun & Enz, 1999). It is also described as a empowered state of mind (Spreitzer, 1995; 1996). In this context empowerment may be considered as the result of the leaders' actions and behaviours.

Conger and Kanungo (1988a) were first to make a rough attempt at combining organizational and individual perspectives, making frequent references to works on self-efficacy (Bandura, 1977). They defined empowerment as the process of increasing the level of self-efficacy perceived by organizational members through identification of conditions provoking incapacity and elimination thereof – using both managerial practices as well as informal techniques of ensuring self-efficacy information (Conger & Kanungo, 1988a). Basing on Conger and Kanungo's findings Thomas and Velthouse (1990) developed their empowerment model. Their model encompasses four dimensions: competence, autonomy, impact and meaning, which are cognitive categories reflecting subjective feelings of the individual towards organizational situation. Speitzer (1995, 1996) continued Thomas and Velthouse's work. She confirmed empowerment as a multidimensional phenomenon and has found empirical support for the hypothesis stating that there are four different dimensions of empowerment. Moreover, she proved that empowered supervisors are more innovative, upward influencing and inspirational (Speitzer, De Janasz, & Quinn, 1999). Contemporary leaders should be active in coping with continuous changes and instability of the environment. They must encourage new ways of thinking and acting of employees, and support experimenting and search for creative problem solutions and new ideas (Bass, 1985; Conger & Kanungo, 1988b, 1988c; Speitzer, De Janasz, & Quinn, 1999). Nowadays leaders should stimulate enthusiasm of their subordinates, inspiring and motivating them to realize their vision of coping with the uncertainty of the environment (Conger & Kanungo, 1987; Speitzer, De Janasz, & Quinn, 1999). Therefore, employee empowerment has been a very popular management initiative since late 1980s, when great dynamic growth of competition and increased instability of market conditions were observed.

Employee empowerment is one of many concepts of management, which in assumptions are aimed at making employees more independent. Empowerment is based on the assumption that people are an untapped source of creativity, knowledge and initiative and all organizational participants may considerably contribute to organizational success. Numerous scholars put emphasis on the

importance of the power aspect. One of the best known conceptions is the one developed by Kanter (1989) who defines employee empowerment as passing power to employees. She is considering the continuum of power – from total powerlessness to the state of being empowered. From this perspective employee empowerment can be considered as a set of leaders' intentional actions aimed at empowering employees through creating an organizational context stimulating the empowered state (Eylon & Bamberger, 2000). For Bowen and Lawler (1995) employee empowerment is based on sharing information, knowledge and power to make decisions with employees as well as on efficiency-based rewarding.

Undoubtedly, an important function of empowerment, stressed by the majority of researchers examining this concept, is "downward" redistribution of power and involving employees in the decision making and informational processes in an organization (Block, 1989; Kanter, 1989; Niehoff, Moorman, Blakely, & Fuller, 2001). However, the key aims of empowerment are not primarily democratic but economic. Despite its apparent similarity to such concepts as Industrial Democracy or Quality of Working Life, empowerment in its principle is aimed at maximization of employees' contribution to the organization and thus stimulating the empowered state of employees. Empowerment is focused upon the attempt to improve organizational performance in terms of both productivity and quality, because it takes place within the context of strict management agenda (Redman & Wilkinson, 2001, p. 336-337). However, it is also based on the assumptions that increase of employees' job satisfaction and their commitment would result in higher effectiveness and quality of organizational performance (Ellickson, 2000). In its principles, empowerment touches upon the very essence of the problem – through its subjective perspective, where employees and their perception of being empowered often becomes the point of reference and this is what constitutes the exceptionality and power of this concept. It combines individual and organizational perspectives, taking into consideration relationships between them.

Thorough literature study and diversity of the proposed approaches convinced us that the presented models mostly seem to encompass only a few out of many diverse empowerment dimensions. Therefore, the main objective of our research was to investigate the multidimensional nature of empowerment and to find its new empirical dimensions. The following research hypothesis has been therefore formulated:

Hypothesis 1: Employee empowerment is a multidimensional phenomenon.

2. Employee empowerment and entrepreneurial behaviors

In recent years there has been a great deal of interest in management methods encouraging entrepreneurial behaviors of employees since, as Spreitzer and Mishra argue, “contemporary organizations require the initiative of employees to seek out opportunities and respond to customers needs” (1999, p. 155). Because a particularly important thing for entrepreneurship in an organization is what people do and not who they are (Wickham, 2001) – therefore the idea of entrepreneurial individuals, who show in their behaviors particular qualities – entrepreneurial attributes (Bratnicki, Dyduch, & Kulikowska, 2002). Entrepreneurial individuals are able to deal with uncertainty, are able to make use of it and to take risk which is always connected with uncertainty. They are characterized by high uncertainty tolerance. Entrepreneurial people perceive uncertainty as a “sea of opportunities”. Thus, contemporary leaders should support entrepreneurial behaviors of employees. In this context many researchers point to the importance of employee empowerment because empowerment encourages employees to realize their creative energy and initiative (Kuratko, Ireland, & Hornsby, 2001; Venkataraman, 1997). In some opinions even, its crusading message is that everybody may become a pioneer and an entrepreneur (Miles, Snow, Mathews, Miles, & Coleman Jr., 1997; Redman & Wilkinson, 2001).

The traditional organizational model is stifling innovativeness because it limits the ability of employees to act in an entrepreneurial way, e.g. by limiting individual responsibilities of employees and standardizing human behaviors. The traditional organizational model, built around rigid hierarchies and closely defined roles of organizational members, creates organizational boundaries, since as Dess and Lumpkin claim “a central premise is that such models impede entrepreneurial behaviors because they emphasize clearly defined boundaries to limit flexibility and choke communication” (1999, p. 98). Removing these boundaries is a critical factor for entrepreneurial behaviours of employees (Slevin & Covin, 1990). Empowerment in its assumptions is not only aimed at removing tangible barriers, but also intangible ones existing within people – those inside human consciousness, which are much more difficult to overcome. In order to be able to face entrepreneurial challenges, employees must be aware of their potential and, as Kuratko, Ireland, and Hornsby state, they should “feel free to use their knowledge, intelligence, skills, and creativity while working together” (2001, p. 63). Employees should be intrinsically ready and willing to take entrepreneurial ac-

tions and employee empowerment may significantly contribute to it (Eylon & Bamberger, 2000; Klagge, 1998; Miles et al., 1997; Minnett & Ellis, 1997).

Undoubtedly, numerous organizations that introduced employee empowerment achieved significant increase in innovativeness as well as in the pace and quality of responsiveness to market demands (Kuratko et al., 2001). Unfortunately, in spite of the intuitive relationship between employee empowerment and entrepreneurial behaviors of employees indicated by many researchers, there is a lack of empirical research directly linking these phenomena. We have decided to examine entrepreneurial behaviors' dimensions in order to determine the level of entrepreneurial behaviors in Polish organizations. One of the aims of our research was to answer the question, whether, and to what extent employee empowerment influences entrepreneurial behaviors of employees. The following research hypothesis was formulated:

Hypothesis 2: Employee empowerment influences intensity of entrepreneurial behaviors in Polish organizations.

3. Relating empowerment to organizational performance

Many researchers point out to the potential relationship between employee empowerment and organizational performance (Eylon & Bamberger, 2000; Congera & Kanungo, 1988a; Koberg, Boss, Senjem, & Goodman, 1999; Spreitzer, 1995). In some opinions, employee empowerment may constitute the basis for high performance of contemporary organizations because uncertainty and instability of the environment require flexibility and responsible autonomy of acting of empowered employees (Miles et al., 1997). As many researchers indicate, empowerment increases employees' commitment and job satisfaction leading to the growth of work effectiveness and productivity, and contributing to individuals' and organizations' success (Fulford & Enz, 1995; Koberg at al., 1999; Spreitzer 1995). Furthermore, involving employees in decision making, which is an important element of employee empowerment, results in higher quality of the decisions taken, simultaneously improving organizational performance (Appelbaum, Bailey, Berg, & Kollberg, 2000; Batt, 2002; Bowen & Lawler, 1995).

Empowerment entails changes in organizational control systems and limitation of traditional top-down control in favor of self-control through shaping

appropriate attitudes and behaviors of employees. Aligning the interests of employees with the interest of the organization constitutes an important mechanism allowing replacement of control with self-control and it creates the opportunity for the empowered employees to do on their own what their supervisors would require them to do in a traditional organization. Entrepreneurial firms have found that by empowering employees at lower organization levels, they can reduce costs previously associated with close control, which is replaced with self-control (Kanter, 1989). As Ghoshal and Gratton (2002) state, traditional hierarchical control mechanism is not viable because it stifles employees' initiative. Zahra's (1991) extensive study also indicates that close control is negatively associated with entrepreneurship. Conversely, self-control allows maintaining flexibility of actions, necessary in uncertain work conditions. Therefore the introduction of employee empowerment makes it possible to reduce the number of management levels and to replace top-down control with self-control, what may enhance organizational performance. Empirical findings also suggest that empowerment may positively affect organizational performance (Eylon & Bamberger, 2000; Koberg et al, 1999; Siegall & Gardner, 2000; Spreitzer 1995). Unfortunately, only a few studies examined directly the influence of empowerment on performance.

Effectiveness, productivity and flexibility are key factors of organizational performance that determine competitiveness of the organizations. Effectiveness defines the level at which the organization satisfies its needs and expectations of major stakeholders and the value generated by the organization for its stakeholders. We attempt to answer the question of whether and how employee empowerment affected organizational effectiveness measured by sales growth rate and the McKenzie rate, thus the following research hypothesis has been formulated:

Hypothesis 3: Employee empowerment positively influences organizational effectiveness measured by sales growth rate and McKenzie rate.

4. Measurement, sampling and data collection

The measurement instrument consists of four basic groups measuring employee empowerment, entrepreneurial behaviors, effectiveness and control variables. Control variables encompass number of employees, kind of economic activity, period of organization existence. On the basis of thorough literature

study, detailed factors encompassing employee empowerment were distinguished and operationalized. A 50-item scale measuring empowerment and a 38-item scale measuring entrepreneurial behaviors were applied. For the sake of exploratory character of the research, reliability analysis was applied (with the use of Cronbach- α test). This analysis revealed very high reliability of the developed measures (all indices were above 0.96).

In order to examine entrepreneurial behaviors' dimensions we decided to use the measurement instrument created by Kulikowska (Bratnicki, Dyduch, Kozłowski, Kulikowska, Strużyna, & Zbierowski, 2003) based on 7-item Likert scale. In this case the reliability analysis was also applied, which revealed high reliability of the examined tools (all indices exceeded 0.95).

Effectiveness as a dependent variable was used many times in empirical research. It can be evaluated by means of several indicators, e.g. ROA, ROE, ROS, etc. (Dalton, Daily, Johnson, & Ellstrand, 1999). We decided to apply the McKenzie rate (McKenzie, 1996), and sales growth rate (Autio, Sapienza, & Almeida, 2000) as the indicators of organizational effectiveness. Sales growth rate is the key indicator of effectiveness treated as a category of organizational effectiveness evaluation, the McKenzie rate can be applied to measure the level of effectiveness in an organization of any size or business activity (McKenzie, 1996). Moreover, its construction excludes the influence of taxes, what is particularly important when current effectiveness is estimated. Therefore, we decided to use the McKenzie rate and sales growth rate to measure organizational effectiveness.

The empirical research was carried out in 2002. The sample consisted of 202 organizations operating in southern Poland. The multi-stage selection method was applied to ensure high representativeness of the obtained data. The data were gathered by means of questionnaires. The questionnaires were personally delivered to and collected from all participants. This approach resulted in 90% usable response rate. The respondents belonged to top and middle management level. 31.2% of the organizations dealt with production activity, 16.3% with wholesale and retail trade, 10.9% with financial services, 8.9% with construction industry, 5.5% with real estate, renting and business activities, the others constitute 27.2%. Sample structure according to the number of employees can be presented as follows: between 1 and 49 employees – 40.59%, 50-149 employees – 20.30%, 150-249 employees – 6.44%, 250-499 employees – 4.46%; between 500 and 1499 employees – 14.86%; over 1500 employees – 13.37%. 15.35% of the organisations existed for up to 5 years, 51.48% between 6 and 13 years, 6.44% between 14 and 21 years, 26.7% existed for over 22 years.

5. Data analysis and results

5.1. Factor analysis

Data was processed using SPSS for Windows. In order to identify empowerment dimensions factor analysis with principal component analysis and with VARIMAX rotation was applied. 10 factors created as a result from 50 items were logically and plausibly interpreted and they represent primary features of empowerment – its dimensions. It should be stressed that the 10 distinguished factors explain 69.3% of variation of all examined variables. Each factor was titled based on the items comprising it. The factors covered are: (1) job competences (13 items), (2) cognitive competences (7 items), (3) identification with the organization (3 items), (4) social acceptance of creative effort (6 items), (5) meaning and sense of activity (7 items), (6) personal causal control (4 items), (7) social usefulness of organizational role (4 items), (8) reputation (2 items), (9) planned development (2 items), (10) analytical competences (2 items). On the basis of the obtained results we conclude that there are no reasons to reject hypothesis H1, stating that employee empowerment is a multidimensional phenomenon.

5.2. The relationship between empowerment and entrepreneurial behaviors

In order to verify hypothesis H2 correlation analysis and multiple regression analysis have been employed. Eight dimensions of entrepreneurial behaviors identified by Kulikowska (Bratnicki et al., 2003) have been applied: flexible, professional thinking and action; visionary leadership action; self-controlled action; experimenting; citizenship opportunity-oriented action; courage, consistency in action; self-dependent, realistic decision making; and incremental, responsible risk taking. These dimensions encompass 38 entrepreneurial behaviors recognized by Kulikowska (Bratnicki et al., 2002). Table 1 presents the results of the analysis of correlations between entrepreneurial behaviors' dimensions and empowerment dimensions.

Table 1

Pearson's correlations between dimensions of entrepreneurial behaviors and dimensions of empowerment

Entrepreneurial behaviors dimensions	Empowerment dimensions										
	1. Job competences	2. Cognitive competences	3. Identification with the organization	4. Social acceptance of creative effort	5. Meaning and sense of activity	6. Personal causal control	7. Social usefulness of organizational role	8. Reputation	9. Planned development	10. Analytical competences	Total empowerment
1. Flexible, professional thinking and action	.62	.49	.42	.66	.54	.56	.51	.51	.52	.42	.71
2. Visionary leadership action	.52	.40	.34	.53	.41	.41	.42	.38	.40	.29	.56
3. Self-controlled action	.44	.30	.34	.39	.38	.41	.34	.31	.34	.24	.47
4. Experimenting	.43	.30	.18	.44	.29	.38	.29	.29	.32	.23	.43
5. Citizenship opportunity-oriented action	.56	.44	.42	.62	.52	.51	.44	.49	.41	.41	.65
6. Courage, consistency in action	.51	.40	.40	.57	.50	.44	.42	.47	.42	.34	.60
7. Self-dependent, realistic decision making	.45	.31	.42	.57	.44	.42	.37	.45	.36	.22	.54
8. Incremental, responsible risk taking	.50	.40	.39	.56	.50	.44	.42	.47	.41	.35	.59
Total entrepreneurial behaviors	.60	.45	.43	.64	.53	.53	.47	.50	.47	.37	.67

all $p < 0.01$

Pearson's correlation rates clearly show that all of the examined dimensions of empowerment reveal significant statistical relationships with analyzed dimensions of entrepreneurial behaviors (table 1). Therefore, the results of the analysis obviously indicate that there is a relationship between entrepreneurial behaviors and empowerment. Among the researched relationships the strongest correlations were observed between, flexible, professional thinking and action and job competences, social acceptance of creative effort, personal causal control, and meaning and sense of activity. Generally, the analysis revealed that among the examined dimensions of empowerment job competences and social acceptance of creative effort were relatively the most strongly correlated with the examined dimensions of entrepreneurial behaviors.

In order to create a more complete picture of the relationships between empowerment and entrepreneurial behaviors' dimensions, multiple linear regression function was estimated. Six multiple regression functions being statistical models of relations between particular dimensions of empowerment (as the independent variables) and the aggregated variable representing entrepreneurial behaviors' dimensions (as a dependent variable) were obtained as the result of estimation. The obtained statistical models are presented in table 2. In order to select independent variables backward selection method has been used. The last regression model encompasses five independent variables: job competences, social acceptance of creative effort, reputation, planned development, and identification with the organization. All these variables are characterized by satisfactory statistical significance level.

Table 2

Multiple regression models of relationships between the dimensions of empowerment (independent variables) and variable representing entrepreneurial behaviours dimensions (dependent variable)

Independent variables	MODEL 1		MODEL 2		MODEL 3		MODEL 4		MODEL 5		MODEL 6	
	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta
1. Job competences	.202**	.166**	.201**	.166**	.179*	.147*	.202**	.167**	.171*	.141*	.196**	.161**
2. Cognitive competences	.076	.076	.075	.075	.078	.079						
3. Identification with the organization	.086	.097	.088	.099	.087	.098	.086	.097	.084	.094	.096*	.108*
4. Social acceptance of creative effort	.346**	.358**	.348**	.359**	.338**	.349**	.343**	.355**	.337**	.349**	.346**	.357**
5. Meaning and sense of activity	.006	.007										
6. Personal causal control	-0.045	-0.046	-0.045	-0.046								
7. Social usefulness of organizational role	.053	.056	.055	.058	.057	.056	.057	.060	.058	.062		
8. Reputation	.119**	.147**	.121**	.149**	.117**	.142**	.117**	.144**	.112**	.138**	.120**	.148**
9. Planned development	.143**	.135**	.144**	.135**	.135**	.132**	.135**	.127**	.140**	.131**	.136**	.127**
10. Analytical competences	-.096	-.095	-.095	-.094	-.052	-.101	-.052	-.052				
Constant	-.012		-.015		-.017		-.019		-.069		-.031	
R	.715		.715		.715		.714		.713		.711	
R Square	.512		.512		.511		.509		.508		.506	
Adjusted R Square	.486		.489		.491		.492		.493		.493	
Standard Error of the Estimate	.686		.684		.683		.682		.682		.681	

** p ≤ 0.05, * p ≤ 0.1

The R Square of the sixth estimated model is 0.67, which means that the presented regression function explains about 50.6% of total variance of dependent variables. Multiple correlation coefficient indicates strong relationships between empowerment dimensions and the aggregated variable representing the entrepreneurial behaviours' dimensions (table 2). Basing on the results of the correlation and regression analyses we can conclude that there are no reasons to reject the hypothesis H2, stating that employee empowerment influences corporate entrepreneurship.

5.3. The relationship between empowerment and effectiveness in Polish organizations

Organizational performance is in most cases examined by financial indicators. Consequently, we decided to use the sales growth and McKenzie rates as indicators of organizational effectiveness. In order to verify the hypothesis H3, the correlation analysis and multiple regression functions were calculated. Table 3 shows the results of the analysis of the relationships between particular dimensions of empowerment and organizational effectiveness measured by sales growth rate and McKenzie rate.

Pearson correlation coefficients indicate that all identified empowerment dimensions show moderate positive correlations with sales growth rate and McKenzie rate. Among the examined relationships between empowerment dimensions and sales growth rate the strongest correlations have been observed between the latter and meaning and sense of activity, job competences, personal causal control and social acceptance of creative effort. Among the relationships between empowerment and McKenzie rate the strongest correlations have occurred between McKenzie rate and job competences, social acceptance of creative effort, personal causal control, analytical competences. All correlations are characterized by high level of significance (table 3).

Table 3

Pearson's correlations

Empowerment dimensions	Sales growth rate	McKenzie rate
1. Job competences	.472	.466
2. Cognitive competences	.376	.365
3. Identification with the organization	.313	.291
4. Social acceptance of creative effort	.436	.402
5. Meaning and sense of activity	.474	.367
6. Personal causal control	.448	.376
7. Social usefulness of organizational role	.418	.352
8. Reputation	.342	.351
9. Planned development	.322	.238
10. Analytical competences	.372	.389
Total empowerment	.547	.487

all $p \leq 0.01$

In order to determine the influence of particular empowerment dimensions on effectiveness, we carried out the regression analysis. We used multiple linear regression functions with backward selection method. Sales growth rate and McKenzie rate are dependent variables and dimensions of empowerment are independent variables (tables 4 and 5). In the case of sales growth rate we have obtained nine regression models (table 4). The last model, which represents optimal combination of independent variables, encompasses only two significant variables: job competences and meaning and sense of activity and has explanatory power of 27,9%. Multiple correlation rate ranges from 0.55 to 0.53 what indicates strong correlation between empowerment dimensions and sales growth rate.

Table 4

Statistical multiple regression models of relationships between the dimensions of empowerment (independent variables) and sales growth rate (dependent variable)

Independent variables	MODEL 1		MODEL 2		MODEL 3		MODEL 4		MODEL 5		MODEL 6		MODEL 7		MODEL 8		MODEL 9	
	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta
1. Job competences	.06	.132	.06	.132	.061	.133	.06	.131	.069	.152	.084	.183	.102	.223**	.115**	.252**	.138**	.301**
2. Cognitive competences	0	0																
3. Identification with the organization	-.007	-.022	-.007	-.022	-.008	-.024												
4. Social acceptance of creative effort	.025	.068	.025	.068	.025	.068	.025	.068	.026	.07	.031	.086						
5. Meaning and sense of activity	.076**	.219**	.076**	.219**	.075**	.212**	.069**	.2	.072**	.207**	.075**	.218**	.084**	.243**	.1**	.29**	.105**	.304**
6. Personal causal control	.026	.07	.026	.07	.025	.067	.025	.066	.027	.072								
7. Social usefulness of organizational role	.034	.097	.034	.097	.034	.096	.033	.094	.032	.089	.032	.09	.033	.093	.037	.096		
8. Reputation	-.005	-.018	-.005	-.018														
9. Planned development	.018	.045	.018	.045	.017	.043	.017	.043										
10. Analytical competences	.035	.091	.035	.091	.034	.09	.034	.089	.032	.085	.035	.093	.038	.099				
Constant	-.818**		-.818**		-.818**		-.83**		-.793**		-.785**		-.802**		-.778**		-.749**	
R		.55		.55		.55		.55		.549		.547		.544		.54		.535
R Square		.303		.303		.303		.302		.301		.299		.296		.292		.286
Adjusted R Square		.266		.27		.274		.277		.28		.281		.282		.281		.279
Standard Error of the Estimate		.309		.308		.307		.306		.306		.305		.305		.305		.306

** p ≤ 0.05, * p ≤ 0.1

Table 5

Statistical multiple regression models of relationships between the dimensions of empowerment (independent variables) and McKenzie rate (dependent variable)

Independent variables	MODEL 1		MODEL 2		MODEL 3		MODEL 4		MODEL 5		MODEL 6		MODEL 7		MODEL 8	
	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta	B	Beta
1. Job competences	.054**	.318**	.054**	.318**	.055**	.32**	.05**	.288**	.042*	.249*	.039**	.226**	.043**	.252**	.052**	.305**
2. Cognitive competences	-.018**	-.1268**	-.018	-.126	-.018	-.127	-.017	-.120	-.015	-.109						
3. Identification with the organization	.004	.031	.004	.030												
4. Social acceptance of creative effort	.016	.115	.016	.114	.016	.117	.013	.099	.013	.091	.011	.084	.0131	.097		
5. Meaning and sense of activity	-.0005	-.004														
6. Personal causal control	-.011	-.079	-.011	-.079	-.011	-.079										
7. Social usefulness of organizational role	.01	.073	.01	.072	.011	.072	.01	.075	.01	.080	.01	.074				
8. Reputation	.015*	.133*	.015*	.132*	.016*	.132*	.015*	.128*	.015*	.116*	.013*	.115*	.015*	.131*	.017**	.148**
9. Planned development	-.01	-.065	-.01	-.065	-.01	-.065	-.011	-.071								
10. Analytical competences	.032**	.223**	.03**	.223**	.032*	.223*	.032*	.212*	.03*	.212*	.020*	.143*	.020*	.142*	.022**	.151**
Constant	-.191**		-.191**		-.186**		-.186**		-.209**		-.206**		-.197**		-.203**	
R		.520		.520		.519		.517		.514		.511		.507		.503
R Square		.270		.270		.269		.267		.264		.261		.257		.253
Adjusted R Square		.232		.236		.239		.241		.241		.242		.242		.241
Standard Error of the Estimate		.118		.117		.117		.117		.117		.117		.117		.117

** p ≤ 0.05, * p ≤ 0.1

Next, in order to further analyze the relationship between particular empowerment dimensions and McKenzie rate we have also applied the multiple linear regression analysis. The last, eighth model encompasses only three significant empowerment dimensions: job competences, analytical competences and reputation and has explanatory power of 24,1%. Results confirm the key impact of job competences dimensions on the value of McKenzie rate (table 5). The obtained results allow us to partly confirm hypothesis H3 assuming that empowerment influences organizational effectiveness measured by sales growth rate and McKenzie rate.

6. Discussion and conclusions

The conducted factor analysis identified 10 factors, which can be logically and plausibly interpreted. These factors represent primary features of empowerment – the dimensions underlying this concept. Some of them may be viewed as corresponding to the dimensions previously identified by researchers, e.g. job competences, meaning and sense of activity, personal causal control, identification with the organization (Menon, 2001; Thomas & Velthouse, 1990) but also completely new dimensions have been identified, e.g. cognitive competences, social acceptance of creative effort, reputation, cognitive competences, planned development, analytical competences. Despite the exploratory nature of our research, its results have provided convincing evidence regarding positive relationships between the intensity of entrepreneurial behaviors and employee empowerment. Moreover, we found that empowerment positively affects intensity of entrepreneurial behaviors, what confirms our second hypothesis. The carried out analyses also revealed positive relationships between empowerment and organizational performance, partly allowing us to confirm the third hypothesis. Studies on employee empowerment bring new challenges, such as working out a procedure of its effective introduction into organizations and its adaptation to different organizational situations, e.g. employee competencies' levels, branches, sizes of organization, competitive positions of an organization, etc.

In the light of the presented research results, employee empowerment seems to be an important instrument of leadership, which helps organizations and their participants to cope with uncertainty, discontinuity and ambiguity of contemporary market conditions. The results indicate that empowerment may encourage entrepreneurial potential latent in organizational participants. Employees should be intrinsically ready and willing to face continuous changes and

uncertainty of contemporary world. As our study indicates, employee empowerment may significantly contribute to it as empowerment makes them aware of their potential, decreases fear of changes and makes them ready to take entrepreneurial challenges – empowerment stimulates entrepreneurial behaviors of organizational participants. Change begins in a human being, in one's consciousness, since our mental state creates and changes the image of surrounding reality. The entrepreneurial mindset provides the image of the contemporary uncertain world as a "sea of opportunities", while the entrepreneurial behaviors are its effect. Employee empowerment creates suitable conditions in which entrepreneurial intentions of employees may be fully realized providing organizational members freedom of acting and showing their creativity, initiative and responsible autonomy. The times of drawing up simple recipes for effective management are gone, as those recipes do not prove useful in today's dynamic world, which brings a great number of surprises and changes. Contemporary leaders act in conditions of uncertainty, complexity, and constant clashing of opposite forces, needs and demands that have become a natural part of the surrounding reality. In many respects, empowerment is the rejection of traditional management approach which was based on simplified picture of organizational existence and arbitrary choices of proper solutions to complex problems by management that "gathered all brain power" in organizations. Employee empowerment becomes an inherent part of contemporary leadership practices that are aimed at involving all organizational participants in the process of creating the organization's well-being through encouraging employees' initiatives, creativity and proactiveness.

Moreover, it is important to emphasise that this research is the first attempt to link employee empowerment with performance in transition economy. In the face of European Union enlargement different economic conditions give rise to the increasing focus on competitiveness, effectiveness and entrepreneurship in contemporary Polish organizations. We are deeply convinced that our approach to employee empowerment could be an important factor that contributes to encouraging entrepreneurship in Polish organizations performing in new uncertain free market conditions.

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