Studying the relationship between organizational forgetting and empowerment of the employees; Case Study: Employees of Saipa Yadak
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Abstract
This study aims to investigate the relationship between organizational forgetting and empowering employees of Saipa Yadak Company. Given the importance of empowering employees in this company, the variables that affect this relationship and controlling them, requires special needs. Evaluation of organizational forgetting and forgetting instructions, methods and past processes and learning new strategies can be very useful for the staff and it also helps to improve the training courses results on employees empowerment. To this end, the De Holan (2004) model of organizational forgetting and Thomas and Velthouse (1990) model of employees' empowerment were chosen as the research model and Research hypotheses were expressed based on the variables in these models. The statistical population was Saipa Yadak employees and the questionnaires were distributed among a sample of 310 members. Conducted test results shows that in Saipa Yadak Company, empowerment of employees and its dimensions has a correlation with organizational forgetting and its deliberate and un-intentional aspects.

Keywords: Organizational forgetting, Deliberate Forgetting, Unwanted Forgetting, Empowerment of the Staff

1. Introduction

In recent years, various organizations have begun to join the knowledge process, and new concepts, such as knowledge work, knowledge workers (the student), knowledge management and knowledge organization, announces the intensification of this process. By using these words, Peter Drucker, introduces a new kind of organization in which, instead of physical strength, the power of mind is sovereign. According to this theory, in the future, only communities with more knowledge can expect development and progress. Therefore, having Natural resources is not as important as knowledge. Knowledge organization will gain such a power that is able to turn low power into an immense one. These organizations are faced with new challenges. The conditions and competitive environment of the organizations has become more complex and variable. This atmosphere is changing so rapidly that for most organizations, this is much faster than the speed of response and the ability to adapt them. Continuous changes of knowledge, has also created a new state of imbalance for organizations. The endless flow of knowledge, constantly changing markets, has forced organizations to constant change. Forgetting is a general concept that can be examined at different levels. Forgetting in the level of creatures equipped with learning becomes relevant and therefore it can be examined at individual, group or organization level. Each of these levels is examined at various fields. Forgetting is studied at individual level in the field of psychology and at group level in the field of social psychology and sociology and Organizational forgetting will be examined at field of management. In this paper, the third level of forgetting (organizational forgetting), have been studied. If organizational forgetting has an important role in increasing or decreasing employees empowerment, using or avoiding it should be tried. If organizational forgetting and its consequences have a significant impact on employees' empowerment, it can be used as a supplementary system in the organization.

Thus, organizations which seek empowered employees, in addition to utilizing conventional techniques in empowering, such as education (Sadeghi, 2011), can also apply the methods of organizational forgetting. Nevertheless, Organizational forgetting may have an opposite effect on employees' empowerment. The importance and necessity of the present study is in investigating the correlation between organizational forgetting and empowering employees. The findings of this research can be an effective approach for the organizations and their managers. Due to car market conditions after improvement of Iran's relations with automakers countries, competitive market and decline in market share of the domestic automakers can be
expected. Such a situation requires Saipa Yadak Company to focus all its power on improvement of operations and increasing performance. One of the most important and central assets of this company is its staff. Empowering the staff with all power and maximum use of their potential for their growth and excellence and also the company’s, could pave the grounds for achieving further goals. Given the importance of empowering employees in Saipa Yadak Company, Study of the important variables that affect it and controlling them has special necessity. Evaluation of organizational forgetting and forgetting instructions, methods and past processes and learning new strategies can be very useful for the staff and it also helps to improve the training courses results on employees empowerment. In this study the relationship between organizational forgetting and empowering employees of Saipa Yadak Company will be examined.

2. Literature Review

2-1. Research Concepts

2-1-1. Organizational forgetting

Organizational forgetting is a management concept that has received little attention. Sometimes forgetting unnecessary data is obligatory and sometimes avoiding forget useful information seems important. Adopting appropriate strategies in organizational forgetting is one of the success and failure factors in organizations. Despite the urgent need to develop organizational learning capabilities, studies have shown that organizations do not always learn easily. Kun Klein argues that organizations naturally tend to forget. Organizational learning refers to processes that increase human knowledge. In contrast organizational forgetting is the loss of such knowledge. When an organization is suffering from forgetting, it is actually unable to do the activities that it had previously been unable to. Forgetting valuable information, skills and knowledge of the organization for any reason can cause loss of competitive advantage, although in some situations, Organizational forgetting increases competition and leads to elimination of useless knowledge. However, this phenomenon should be managed in a way that organizations benefit from it (Ozedmir, 2010). It seems that, this is an essential process to manage change. (De Holan, 2004).

Fernandez and Sune refer to a number of studies that show organizations are prone to forgetting. This research suggests that many organizations repeat their mistakes on a regular basis and offer repeated solutions that could be presented in past experiences. This indicates that organizations are quite vulnerable to Forgetting (Fernandez and Sune, 2009). In tasks that are performed frequently, knowledge can be forgotten after a while. The rate of forgetting depends on the effectiveness of knowledge transfer tools and time off work (Tavakol et al., 2009). Fernandez and Sune as well consider Organizational forgetting basically as inability to take advantage of past experiences and knowledge. In other words, Organizational forgetting is failing to exploit the lessons that have happened in the past (Fernandez and Sune, 2009). According to the definition of these scholars, Organizational forgetting is not disability to learn organizational issues, but is a process that takes place after learning. This means that an organization learns the knowledge first and then consciously or unconsciously forgets it. In this paper, Organizational forgetting is defined as below:

Organizational forgetting is the consequence of internal and external set of activities (or company) in which an organization consciously and unconsciously loses the knowledge of the organization (or company). This knowledge includes such as skills, methods, processes, practices, techniques and documentations used in the organization.

Azmi, divides forgetting into planned and unplanned. In his view, planned forgetting is an active and conscious act in which information and knowledge in organization are excluded. On the other hand, the unplanned forgetting is a passive and often involuntary act under which the organization's vital information and knowledge is forgotten. He has also paid attention to the consequences of forgetting and classified it as positive or negative. De Holan classifies organizational forgetting based on two dimensions. To describe it, he attempts to link the procedure of forgetting and the type of forgotten knowledge. First dimension shows the difference between conscious and unconscious forgetting and the second one refers to the source of knowledge. In many cases, the organization consciously and unconsciously forgets its skills and knowledge, and sometimes new Logged in knowledge is forgotten consciously or unconsciously. New knowledge refers to a knowledge that is created by Creativity and Innovation of the staff or has been transferred from outside the organization. (De Holan, 2004).
2-1-2. Employees empowerment

Empowering staff is the set of systems, methods, and actions that by developing people’s competence in order to improve and increase productivity, grow and Prosperity of the organization and manpower are employed according to the goals of the organization (Carter, 2001). Lee (2001) considers empowering as the groundwork for increasing dialogues, critical thinking and work in small groups and argues that allowing such activities to go beyond the sharing, distribution and refining the experience, thinking, seeing, and conversations are the main components of empowerment (Abdollahi and Naveh Ibrahim, 2004).

In a valuable study, Thomas and Velthouse defined four dimensions of psychological empowerment in a conceptual model: Effect, Self-decision, competence, purposefulness. The effect is that whether conducting a particular job or task, affects the entire work. The more officials believe the impact to be greater, the more they feel motivated. Self-decision or self-selection means that a person determines his own behavior. According to this model as long as people have more opportunity to choose their work, how they work and responsibility for work outcomes, they feel more empowered. The third dimension is competence. In order to be empowered, the person whom work is delegated to should have the skills, knowledge, experience and capabilities which are necessary to move forward. Finally, purposefulness of work is vital to a person's sense of empowerment and depends on the value of job or task in connection with the opinions, ideas and personal standards (Eskandari and Farhangi, 2000).

2-2. Studying literature background

Fernandez and Sune (2010) state that organizational forgetting is related to innovation. If innovation takes place within the organization, it is conscious, but if it takes place outside, it is unconscious. (Fernandez and Sune, 2010). Hosseini et al., 2008 conducted a study on the organizational forgetting and its outcomes in private and public sector organizations. In this paper, after a review of organizational forgetting concept and its related categories, the relationship between three dimensions of forgetting (forgetting type, the result of forgetting and forgetting process) have been examined in three hypotheses (Hosseini et al., 2008). Jimenez-Jimenez and Sanz-Valle in 2011 examined the relationship between empowerment, knowledge change and its impact on organizational learning. These researchers, who have completed their investigation in Dutch companies, concluded that Employees empowerment has a positive effect on organizational learning (Jimenez-Jimenez and Sanz-Valle, 2011).

2-3 research model

According to studies, the research model is depicted as follows:

Figure1. The research model based on the model of Thomas and Velthouse (1990) and two-dimensional model of De Holan (2004).

The research model is derived from De Holan (2004) and Thomas and Velthouse (1990). Identified variables in the organizational forgetting are conscious and unconscious forgetting. Meanwhile, Employees empowerment based on Thomas and Velthouse model includes effective choice, competence and meaningfulness.
2-4 Research hypotheses

The main hypothesis
There is a meaningful correlation between organizational forgetting and employees empowerment in Saipa Yadak Company.
Secondary hypotheses
There is a meaningful correlation between consciousness forgetting and employees empowerment in Saipa Yadak Company.
There is a meaningful correlation between unwanted forgetting and Employees empowerment in Saipa Yadak Company.

3. Methodology

The present study is correlative as well. In this type of study, the relationship between the variables is analyzed based on research objective. In other words, the purpose of the correlative research is the Study of changes in one or more variables, with some changes in one or more other variables.

3-1. Population and Sample Size

The investigated population is Saipa Yadak staff. Given the breadth of the sample, and other limitations such as availability and time constraints, we attempted sampling. As mentioned, Cochran's formula was used to determine the sample size.

\[ n = \frac{Z^2 p q}{e^2(N - 1)} + \frac{Z^2 p q}{e^2} \]

According to the above formula, the sample size for a society with 1,600 members and 95 percent Confidence interval is 309 people. To ensure the collection of the questionnaires, 320 questionnaires were distributed among the members of the sample. Sampling was done randomly.

3-2. Data collection tools

In this study, a questionnaire was used to collect data. In the following, structure of the questionnaire and the number of items for each variable is mentioned:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Aspect</th>
<th>Items</th>
<th>Number of Items</th>
<th>Cronbach Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees empowerment</td>
<td>Being Effective</td>
<td>11</td>
<td>8, 9, 15, 16, 17, 18, 19, 25, 35, 36, 37</td>
<td>0.84</td>
</tr>
<tr>
<td></td>
<td>Choosing right</td>
<td>10</td>
<td>1, 2, 20, 21, 22, 23, 27, 28, 33, 34</td>
<td>0.88</td>
</tr>
<tr>
<td></td>
<td>Competency</td>
<td>7</td>
<td>4, 5, 7, 10, 11, 13, 14</td>
<td>0.86</td>
</tr>
<tr>
<td></td>
<td>Meaningfulness</td>
<td>9</td>
<td>3, 6, 12, 24, 26, 29, 30, 31, 32</td>
<td>0.76</td>
</tr>
<tr>
<td>Organizational forgetting</td>
<td>Consciousness forgetting</td>
<td>14</td>
<td>1-14</td>
<td>0.89</td>
</tr>
<tr>
<td></td>
<td>Unwanted forgetting</td>
<td>10</td>
<td>15-24</td>
<td>0.87</td>
</tr>
</tbody>
</table>
3-3. Reliability and validity of measuring instruments

3-3-1. Validity

In this study, in order to increase the reliability and Validity of assessment tools, employees empowerment measure questionnaires of Thomas and Velthouse and Hosseini et al (2008) questionnaire to measure organizational forgetting were used. The panel of experts is also used to confirm the validity.

3-3-2. Reliability

The method used in this study is calculating Cronbach’s alpha. If the obtained Cronbach's alpha coefficient is greater than 0.7 the reliability of the questionnaire will be sufficient. To assess the reliability of the questionnaire, 35 questionnaires were distributed among members of society. Then using SPSS, the reliability of the questionnaire was calculated as 0.88, which is higher than the acceptable level. Also the reliability of each research component is specified in Table 1.

4. Research Findings

4-1 Normality test

The Kolmogorov-Smirnov test was first used to check the normality of the data. The use of these tests shows which statistical methods to use for investigating hypotheses. Should take advantage of parametric statistical or nonparametric statistics? Normality test deals with the normality of data distribution. Kolmogorov-Smirnov test results for data on empowerment and organizational forgetting are proposed in table 2.

<table>
<thead>
<tr>
<th>Variable</th>
<th>No.</th>
<th>parameters of the normal distribution</th>
<th>Kolmogorov-Smirnov Z test</th>
<th>Sig</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mean</td>
<td>SD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees empowerment</td>
<td>310</td>
<td>4.02</td>
<td>0.36</td>
<td>0.793</td>
<td>0.556</td>
</tr>
<tr>
<td>Organizational forgetting</td>
<td>310</td>
<td>4.01</td>
<td>0.46</td>
<td>0.964</td>
<td>0.310</td>
</tr>
</tbody>
</table>

If the calculated significance level for each of the above assumptions is higher than 0.05, we can say that it is a normal distribution function. With respect to the amount of data obtained from Kolmogorov-Smirnov z test for empowerment and organizational forgetting and Comparing it to the significance level of 0.05, it was observed that the distribution in this hypothesis is normal (05/0 <p).

4-2. Hypothesis survey

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Sig</th>
<th>Pearson correlation coefficient</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypo 1</td>
<td>Organizational forgetting</td>
<td>Employees empowerment</td>
<td>0.000</td>
<td>0.824</td>
<td>H₀ is Rejected</td>
</tr>
<tr>
<td>Hypo 2</td>
<td>Consciousness forgetting</td>
<td>Employees empowerment</td>
<td>0.001</td>
<td>0.816</td>
<td>H₀ is Rejected</td>
</tr>
<tr>
<td>Hypo 3</td>
<td>Unwanted forgetting</td>
<td>Employees empowerment</td>
<td>0.000</td>
<td>0.751</td>
<td>H₀ is Rejected</td>
</tr>
</tbody>
</table>
4-3. examining linear equations of relationship between variables

In the following, the impact of influential independent variable (organizational forgetting) on empowering employees is examined.

**Table 4. Regression coefficients for regression testing**

<table>
<thead>
<tr>
<th>Model</th>
<th>Not Standard Coefficient</th>
<th>Standard Coefficient</th>
<th>t statistic</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>Std. Error</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.311</td>
<td>0.218</td>
<td>0.333</td>
<td>1.381</td>
</tr>
<tr>
<td>Organizational forgetting</td>
<td>0.593</td>
<td>0.148</td>
<td>0.519</td>
<td>2.062</td>
</tr>
</tbody>
</table>

According to the above table, Beta coefficient of the relevant variable is 0.311 and beta coefficient for organizational forgetting is 0.593. According to the results of Table 4, after inserting Beta coefficients from the regression, the following model is given:

\[ \hat{y} = 0.311 + 0.593 X \]

In the above model Y is the symbol of empowerment and X is the symbol of organizational forgetting. A regression coefficient and a significance level for each independent variable in the model are calculated, and the regression coefficient indicates the size and direction of the relationship. 0.311 coefficients in the linear model represent the fixed amount that exists without independent variable. Fixed amount is the effect of variables that are outside the scope of the study but affect the behavior of the dependent variable. Figure 2 displays the regression coefficients in the model.

![Figure 2](image)

Figure 2 displays the regression coefficients of the original variables.

In the following, to determine linear equation of independent variables (intentional and unintentional forgetting) on dependent (empowerment), the following results were obtained:

**Table 5. Regression coefficients of regression testing**

<table>
<thead>
<tr>
<th>Model</th>
<th>Not Standard Coefficient</th>
<th>Standard Coefficient</th>
<th>t statistic</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>Std. Error</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.197</td>
<td>0.199</td>
<td>0.069</td>
<td>1.043</td>
</tr>
<tr>
<td>Consciousness forgetting</td>
<td>0.438</td>
<td>0.125</td>
<td>0.201</td>
<td>2.604</td>
</tr>
<tr>
<td>Unwanted forgetting</td>
<td>0.361</td>
<td>0.176</td>
<td>0.18</td>
<td>2.893</td>
</tr>
</tbody>
</table>

According to the results of Table 5, the beta coefficient of fixed variable is 0.197 and Beta coefficient for intentional and unintentional forgetting is respectively 0.438 and 0.361. According to the results of Table 5, after the placement of beta coefficients of regression, the model is shown as follows:

\[ \hat{y} = 0.197 + 0.438 X_1 + 0.361 X_2 \]

In the above model Y is the symbol of empowerment, X_1 is the symbol of intentional forgetting and X_2 is the symbol of unintentional forgetting. The above model shows that empowerment is affected by two variables: intentional forgetting and of unintentional forgetting. This means that each change unit in intentional forgetting causes 0.438 changes in employees' empowerment. Unintentional forgetting causes 0.36 change in employees' empowerment.

In Figure 3, regression coefficients of model are displayed.

![Figure 3](image)

Figure 3. Regression coefficients
5. Discussion and conclusions

Organizational forgetting is not always a harmful case and sometimes, some organizational information must be lost. Keeping information relating to the past and unimportant parts in the organization costs money and leads to useless accumulation of data. According to the results of the Evaluation of the research hypothesis, managers need to properly classify the information by the help of management information systems. The use of (Data Mining) can help to find the information which is considered unimportant by the managers and keeping them in the organization is unnecessary. In line with the main hypothesis, managers need to be informed about managing available knowledge and new information to control and manage the flow of knowledge in the organization. New information in organizations can take many forms. Recruiting and hiring new employees, taking advantage of knowledge workers, the use of consulting companies in the field of knowledge, taking advantage of training courses for the staff of the organization which is the main process of knowledge entry. In order to survive, organizations try to turn outside threats into remarkable opportunities with the use of updated technology and better use of management and employees' knowledge. Management information systems in the organization, by optimum control and managing data, remove old and unnecessary information and members and staff will have access only to data and information that is vital to the organization. The second hypothesis of the study was concerned with the impact of unwanted forgetting on employees' empowerment. Management information system is an integrated system of user and machine for providing information to support operations, management and decision making in organizations. This system uses computer hardware and software, manuals, guidelines, models for analysis, planning, control and decision making, and a database. It collects Environmental data and records corporate operations and transactions data. Then it filters, collects and organizes the information and offers it to the managers. It provides a tool for administrators to generate the required information. Capabilities, features and components of these systems are not identical. In fact, there are a range of management information systems that one end of it is a simplified manual reporting system and the other is an integrated computer system with a variety of reports and decision models.

References