

## **The Impact of Structural Empowerment on Risk Management Practices: A Case Study of Saudi Arabia Construction Small and Medium-Sized Enterprises**

**Authors :** S. Alyami, S. Mohammad

**Abstract :** These Risk management practices have a significant impact on construction SMEs. The effective utilisation of these practices depends on culture change in order to optimise decision making for critical activities within construction projects. Thus, successful implementation of empowerment strategies would enhance operational employees to participate in effective decision making. However, there remain many barriers to individuals and organisations within empowerment strategies that require empirical investigation before the industry can benefit from their implementation. Gaps in understanding the relationship between employee empowerment and risk management practices still exist. This research paper aims to examine the impact of the structural empowerment on risk management practices in construction SMEs. The questionnaire has been distributed to participants (162 employees) that involve projects and civil engineers within a case study from Saudi construction SMEs. Partial least squares based structural equation modeling (PLS-SEM) was utilised to perform analysis. The results reveal a positive relationship between empowerment and risk management practices. The study shows how structural empowerment contributes to operational employees in risk management practices through involving activities such as decision making, self-efficiency, and autonomy. The findings of this study will contribute to close the current gaps in the construction SMEs context.

**Keywords :** construction SMEs, culture, decision making, empowerment, risk management

**Conference Title :** ICMCRA 2020 : International Conference on Management in Construction and Risk Analysis

**Conference Location :** Berlin, Germany

**Conference Dates :** May 21-22, 2020