

Role of Employee Empowerment in Organizational Performance

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Abstract: The general purpose of this study is to investigate the employee empowerment and its impact on the performance of employees. It is the fact that the approach of employee's empowerment is one of the modern approaches in the field of human resources management. This approach may be used to improve performance, productivity, service quality, satisfaction of employees and customers and increasing organizational efficiency. It should be indicated that raising the level of performance of employees may be attained through investigating and analysing employee empowerment, taking into account that the diagnosis and analysis of the requirements necessary to apply employee empowerment (such as organizational culture, participation effective communication, continuous training, incentives system, managerial trust, clarity of role, organizational support, getting the required information and teamwork) and dimensions of empowerment (such as work importance, efficiency, freedom of choice and influence) are vital means through which Organizations may improve the performance of its employees. This means that the diagnosis and analysis of the requirements and dimensions of employee empowerment and recognition of the role of each employee provide the logical framework and necessary procedure required to pave the way for improving the performance of employees.

Key words: Employee empowerment, Significance of employee empowerment, Organizational Performance, Organizational Culture.

Definition of Employee Empowerment:

Employee empowerment is giving employees a certain degree of autonomy and responsibility for decision-making regarding their specific organizational tasks. It allows decisions to be made at the lower levels of an organization where employees have a unique view of the issues and problems facing the organization at a certain level.

People talk about employee empowerment in many different ways, but the basic theme remains: give your employees the means for making important decisions, and making those decisions the right ones.

The results, when this process is done right, are heightened productivity and a better quality of work life.

Employee empowerment means different things in different organizations, based on culture and work design. However, empowerment is based on the concepts of job enlargement and job enrichment.

- **Job enlargement:** Changing the scope of the job to include a greater portion of the horizontal process. **Example:** A bank teller not only handles deposits and disbursement, but also distributes traveler's checks and sells certificates of deposit.
- **Job enrichment:** Increasing the depth of the job to include responsibilities that have traditionally been carried out at higher levels of the organization. **Example:** The teller also has the authority to help a client fill out a loan application, and to determine whether or not to approve the loan.

As these examples show, employee empowerment requires:

- Training in the skills necessary to carry out the additional responsibilities.
- Access to information on which decisions can be made.
- Initiative and confidence on the part of the employee to take on greater responsibility.

Employee empowerment also means giving up some of the power traditionally held by management, which means managers also must take on new roles, knowledge and responsibilities.

It does not mean that management relinquishes all authority, totally delegates decision-making and allows operations to run without accountability. It requires a significant investment of time and effort to develop mutual trust, assess and add to individuals' capabilities and develop clear agreements about roles, responsibilities, risk taking and boundaries.

Employee empowerment is creating a working environment where an employee is allowed to make his own decisions in specific work-related situations. The decisions can be big or small, and the size and effect of the decision is up to the employer. The **logic behind employee empowerment** is to increase the employee's responsibility, to build employee morale and to improve the quality of your employee's work life. Ideally, when an employee feels vested in an organization, he will be more productive, loyal and more confident.

Empowerment allows people, individually and in groups, to use their talents and knowledge to make decisions that affect their work. People are held accountable for the results produced by others, whose formal role gives them the right to command but who lack informal influence, access to resources, outside status, sponsorship, or mobility prospects, are rendered powerless in the organization. Empowerment is not a programme. It is a culture change. Empowerment is the process of enabling or authorizing an individual to think, behave, and take action, and control work and decision-making in autonomous ways. It is the state of feeling self-empowered to take control of one's own destiny.

1. Empowerment has become necessary due to the following reasons:

- 1.1. Time to respond is much shorter today.
- 1.2. First line employees must make many decisions.
- 1.3. There is great-untapped potential.
- 1.4. Employees feel much more control over their lives.
- 1.5. Empowered people do not feel like victims.

2. Pre-Requisites for employee empowerment:

Employee empowerment provides people the responsibility and authority to make decisions. Empowerment frequently results in greater commitment and cooperation; creative ideas and solutions; is greater ownership from employees, Creating an empowered workforce is a great to increase organizational effectiveness and success. Empowerment works they are given the necessary resources, properly trained and managed. Then only they will be able to successfully perform and make effective decision.

2.1 Involvement:

Employees feel more committed to the organization when they are involved in the decision making process.

2.2 Quick Decision Making:

Employees sometimes need on the spot decisions for the benefit of the organization. Employees work say in customer service need to be able to quickly respond to customer's need and problems without

having constantly go up the chain of command.

2.3 Solving Complex Problems:

Employees directly involved with a problem can better determine the optimal solution. For example, a work group can figure out how to re-engineer its work process far better than employees/managers that do not directly work on the process/project.

3. Types of Empowerment:

The types of empowerment are depicted below:

3.1 Structured Empowerment:

It includes **close control**, formal; sets out **clear boundaries; clear rules** passed on through training.

3.2 Flexible Empowerment:

It includes certain **boundaries set; expecting employees to use their experience/common sense to make decision; guidelines rather than rules.**

4. Principles of Employee Empowerment:

These are the **ten most important principles** for managing people in a way that reinforces employee empowerment, accomplishment, and contribution. These management actions enable both the people who work with you and the people who report to you to soar.

4.1. Demonstrate You Value People:

Your regard for people shines through in all of your actions and words. Your facial **expression**, your **body language**, and your words express what you are thinking about the people who report to you. Your goal is to demonstrate your appreciation for each person's unique value. No matter how an employee is performing on their current task, your value for the employee as a human being should never falter and always be visible.

4.2. Share Leadership Vision:

Help people feel that they are part of something bigger than themselves and their individual job. Do this by making sure they know and have access to the organization's overall mission, vision, and strategic plans.

4.3. Share Goals and Direction:

Share the most important goals and direction for your group. Where possible, either make progress on goals measurable and observable, or ascertain that you have shared your picture of a positive outcome with the people responsible for accomplishing the results.

4.4. Trust People:

Trust the intentions of people to do the right thing, make the right decision, and make choices that, while maybe not exactly what you would decide, still work.

4.5. Provide Information for Decision Making:

Make certain that you have given people, or made sure that they have access to, all of the information they need to make thoughtful decisions.

4.6. Delegate Authority and Impact Opportunities, Not Just More Work:

Don't just delegates the drudge work; delegate some of the fun stuff, too. You know, delegate the important meetings, the committee memberships that influence product development and decision making, and the projects that people and customers notice. The employee will grow and develop new

skills. Your plate will be less full so you can concentrate on contribution. Your reporting staff will gratefully shine - and so will you.

4.7. Provide Frequent Feedback:

Provide frequent feedback so that people know how they are doing. Sometimes, the purpose of feedback is reward and recognition. **People deserve your constructive feedback**, too, so they can continue to develop their knowledge and skills.

4.8. Solve Problems: Don't Pinpoint Problem People:

When a problem occurs, ask what is wrong with the work system that caused the people to fail, not what is wrong with the people. Worst case response to problems? **Seek to identify and punish the guilty.**

4.9. Listen to Learn and Ask Questions to Provide Guidance:

Provide a space in which people will communicate by listening to them and asking them questions. Guide by asking questions, not by telling grown up people what to do. People generally know the right answers if they have the opportunity to produce them.

4.10. Help Employees Feel Rewarded and Recognized for Empowered Behavior:

When employees feel under-compensated, under-titled for the responsibilities they take on, under-noticed, under-praised, and under-appreciated, don't expect results from employee empowerment.

5. Steps in employee's empowerment:

- 5.1. **Clarity** of the purpose, goals and objectives of empowerment.
- 5.2. Willingness by employees and supervisors to accept **responsibility**.
- 5.3. **Communication** and feedback to supervisors.
- 5.4. **Reward** and recognition.

For example CMD won Baldrige award in 1994 as ATR&T consumer communication services. They do it through 6 interconnect approaches :-

- a) Common bond
- b) Ask question
- c) Process management team
- d) Quality improvement team
- e) Corrective and preventive action system
- f) Communication

6. Employee Empowerment and employee Motivation are part of employee development:

Every business and work process eventually requires that people make decisions to do the right thing. For employees to act appropriately there must be employee motivation that is a natural growth from employee development and employee empowerment. Usually an active employee development training program is required to develop employee empowerment. As human beings we are all created with a free will and the capability to make decisions. When employees are not making the correct decisions, no matter how good the process or system, problems will soon develop. Active employee development and employee empowerment will help create the environment where employee motivation can develop so more of these decisions beneficial to your organization. Every level of needs to understand employee development and employee empowerment. A consistent training

plan that starts with executive coaching and includes management training as well as supervisor training while offering leadership skills development for all employees will speed realization of empowered employees.

There are an almost infinite number of small details that no one except the person actually doing the work can ever know. Without employee empowerment it is difficult to take advantage of this knowledge. All of this knowledge is valuable and waiting to be tapped for your organization's benefit. Many organizations make a halfhearted attempt at employee empowerment with the Suggestion Box that is never opened. The last one I had opened contained several gum wrappers and one suggestion; it was over six months old. While this may fool some into thinking they have an avenue for participation and employee empowerment, others are successfully tapping this resource. Employee attitude and willingness to participate based not on the actual employee motivation but employee reaction to the way they are treated by supervision. In many organizations there is essentially no employee empowerment, no freedom to make even basic decisions. These same employees are community leaders, serve on church boards, are elected officials, do volunteer work, have their own businesses, and in a variety of other ways demonstrate a capability far above what is used in their work. What could happen to your business if through employee development and employee empowerment your employees brought the same dedication, effort and thought to work that they freely give away outside of work? Improvements in productivity of 25% to 50% have been demonstrated when employers are willing to engage their employee and create an environment where employee motivation is the norm not the exception. The synergy of work process/improvements can be amazing.

7. Small but Effective Examples of Employee Empowerment:

Often simple examples of empowerment can be found in giving employees a say in the areas that affect workplace policies and procedures.

7.1 Employee Suggestion Box:- Some of the best ideas are generated from employee suggestion boxes that can lead to improve every aspect of the workplace. To generate continuous positive feelings of empowerment, good suggestions need to be implemented, recognized, and rewarded by management.

7.2 Flextime Policies: - Creating a flextime policy based upon workers' input speaks loudly and directly to the issue of empowerment because an employee's time is no longer micromanaged. Setting one's schedule is empowering because we don't all operate at our peak performance between 9 to 5. Recognizing a person's work clock is different will also harness the employee's creativity.

7.3 Greater Control Over an Individual's Work Area:-Working in an environment that is comfortable is important to overall job satisfaction. When employees have control over their individual workspace and can create their own comfort zones they feel empowered. Whenever feasible, employees should be provided with the ability to control the temperature and lightening in their individual work area and be consulted concerning climate conditions in areas shared with other co-workers.

7.4 Break Room Decor and Policies:- For common areas such as the break room, giving employees the opportunity to choose the decor and set the policies regarding the use and upkeep instills in them another sense of ownership and pride in their workplace. Also it is another opportunity for employees to work together as team to make decisions that affect them personally when they are momentarily off the clock.

7.5 Casual Dress Code: - Setting a casual dress code policy is a subtle but effective way to empower employees. Allowing employees to determine the style of dress to match the type of work they do everyday sends a powerful message of confidence. In analyzing the pros and cons of the casual dress code, make sure you determine that a dress code is appropriate for your organization and whether some broad guidelines are needed.

Every example of employment empowerment, no matter how great or small, can stimulate employees renewed interest in their workplace while increasing their awareness of how their individual contributions lead to the success of the organization.

8. The Apprenticeship Model:

Apprenticeship, as commonly practiced in the trades, consists of three levels of competency and an associated level of empowerment. This concept can easily be transferred to any organizational environment. Employees do the work and make the decisions for which they have sufficient skills and knowledge. Employees and their employer also recognize their responsibility to continue the training and development of the employee. Because the empowerment concept calls for recognition of the value of every employee (Blanchard & Bowles, 1998), no employee is looked down upon based upon his or her job responsibilities or level of skill.

8.1 Apprentice level:

Rather than as a lowly, know-nothing, the apprentice is viewed as an unskilled worker with potential. He or she may be assigned tasks which are seemingly menial yet are essential to the effective working of the shop. The apprentice is expected to be aware of how the organization works and to ask questions at appropriate times. Also he or she is expected to be eager to learn new skills and to practice these skills under the guidance of journeymen and masters.

8.2 Journeyman level:

Journeyman do the primary work of the organization. In order to be considered a journeyman an individual is expected to have all but the most specialized skills of their craft. She or he must be able to work without supervision. There must also be a recognition of one's responsibility to provide skills training for apprentices. Journeymen know how to get the answers to their questions, and are developing the sense of what are the right questions to ask.

8.3 Master level:

Masters provide the overall direction and vision for the organization. They decide which jobs to do and how they can be done. Masters understand their responsibility to supervise the continued development of journeymen so as to teach and develop the next generation of leaders. As part of sharing their vision, masters provide information about the overall organization to both journeymen and apprentices. As befitting their advanced knowledge, masters advance the trade through innovation and complete the work for which only they are trained. This model is deceptively simple. Anyone can quickly grasp the three levels (Freedman, 1998) and place workers they know into one of the three categories. However, it is important to realize that the model calls for a recognition that an individual could be at any one of the three levels for different aspects of their job.

9. Benefit of Empowerment:

The major benefits are employee empowerment is as under:

9.1 Having an employee empowerment effort will help an organization by improving individual self-esteem, self-efficacy, and other behaviours. The investment in the workforce will yield direct cost saving for the organization- as well as improved morale of employees.

9.2 Employee empowerment helps in getting individuals to be more self-reliant. However, the critical difference is the ability of this process to enable employees to take control of their responsibilities, better utilizes existing resources and makes wiser decisions.

9.3 Development of interpersonal, analytical, and leadership skills

9.4 Instilling a quality consciousness among all employees

9.5 Higher quality product

9.6 More effective use of resource

9.7 More individual job satisfaction Improved two-way communications between employees and their management

9.8 Management should understand primary aim for the company, obstacles for employee's productivity, sources of employee's motivation and knowing the empowerment level of the employees.

10. Barriers to empowerment:

Empowerment can fail for any one of several reasons:

10.1 The manager's fear of losing power.

10.2 Pressure from the manager's boss to be on top of all details.

10.3 Rationalization that employees are not ready.

10.4 Fear of losing control reduces empowerment.

10.5 The feeling that "Only I can make the right decisions".

10.6 Fear of having nothing to do...being redundant or having no purpose.

10.7 Fear of losing face or status.

10.8 Not accepting that subordinates are more knowledgeable or better placed to make some decisions.

10.9 Lack of support from the organization's culture - demands for more centralized decision making.

10.10 Preaching the value of making mistakes while still punishing them.

10.11 Not providing clear authority or boundaries.

Conclusion:

Empowerment is one of the most effective ways of enabling employees at all levels to use their creative abilities to improve the performance of the organization they work for, and the quality of their own working life. Employee empowerment is a process whereby a culture of empowerment is developed information—in the form of a shared vision, clear goals, boundaries for decision making, and the results of efforts and their impact on the whole is shared competency in the form of training

and experience is developed; resources, or the competency to obtain them when needed to be effective in their jobs, are provided; and support in the form of mentoring, cultural support, and encouragement of risk-taking is provided. Companies have been forced to face the harsh reality that management cannot bestow empowerment any more than it can bestow self-esteem.

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