Role of Employee Empowerment in Organizational Development

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ABSTRACT:
Organizations today understand that in a knowledge-driven economy, speed in taking decisions, efficient methods of functioning and innovative ideas help them gain an edge over competitors. This view point that organizations are adopting a strategy of employee empowerment.
Employee empowerment is considered as an important issue in human resource management organizations and it is important that each of the individuals feel about their competence. Human resources consider as strategic asset of the organization and empowerment of employees, is a new approach in order to human resource development that cause increase productivity improve quality, and profitability of products and services of organizations.
Sharing power with others will expand one's own power. People who have higher opportunity for growth and mobility in their work are more likely to have high aspiration and to be more committed to the organization.
This article explain the importance of empowerment in organizational development and also the role of management, employers and employees in organization development though empowerment.

Key words: Open communication, Decentralization, Quality of Work

INTRODUCTION:

Changes in business environment have forced organizations to review management systems in order to remain competitive in today's turbulent economy. "Empowering" employees has become a central theme of related management and leadership practices that have been endorsed to allow organizations to become more competitive.

The purpose of empowerment in an organization is to decentralize management and control throughout the organization. The overall effect is to build customer loyalty by creating internal employee ownership of productivity, quality and the principles for which an organization stands.

EMPLOYEE EMPOWERMENT:

"Employee empowerment" is a term that is used to express the ways in which non-managerial staff members can make decisions without consulting their bosses or managers. These decisions can be small or large, depending upon the degree of power with which the company wishes to invest employees. Employee empowerment can begin with training and converting a whole company to an empowerment model.

Conversely, it might merely mean giving employees the ability to make some decisions on their own.

Employee empowerment has been defined in many ways but generally means the process of allowing employees to have input and control over their work, and the ability to openly share suggestions and ideas about their work and the organization as a whole. Empowered employees are committed, loyal and conscientious. They are eager to share ideas and can serve as strong ambassadors for their organizations.

Many managers feel that by empowering employees, they relinquish the responsibility to lead and control the organization. This is not the case. Empowerment is actually a culmination of many of the ideas and tenets of employee satisfaction.

Empowered employees are not just proud of their work they are more productive than their disempowered colleagues. In general, they are also more satisfied, so they bring in more business by making customers happier, which translates into greater profits. This holds true in both the individual and collective senses. From a financial perspective, employee empowerment is good business.

Empowering employee's leads to organizational encouragement of entrepreneurial traits and prompts employees to make decisions, take action, and foster their belief that they can take control of their own destinies. This belief leads to self-motivation and a sense of independence that is translated into greater loyalty and extra effort for the organization. Empowered employees come to believe that they control their own success through their efforts and hard work, which in turn benefits the success of the entire institution.

STEPS TO EMPOWER EMPLOYEES:

- **Identify the reasons of empowerment:** Upper management starts the empowerment process. They must be identify the reasons and benefit to relinquish authority and decision-making power to lower levels of the organization.
- **Choose employees to empower:** Employees must want to be empowered. Some employees are unwilling to accept additional responsibilities and decision-making power

regardless of potential rewards. They need skills to make correct decisions and accomplish additional responsibilities.

- **Provide role information**: The management must be define the role and assigns responsibilities, authority, and decision-making power to meet company and department goals and also define boundaries to clarify decisions employees will and will not make. Also, specify performance criteria and rewards for outstanding achievement.
- **Share company information:** the management share the information relating to organization issues. Explain company vision and values, clarify priorities, share some sensitive information, list facts people have and need, share good and bad information, and view mistakes positively and teach decision-making and problem-solving skills it help people to understand the need for change.
- **Provide training to employees:** Teach them the basics of cost and revenue. Open financial books and inform employees of the situation so they can feel more related to the company. Let employees decide how to handle clients, and give them discretionary power when deciding what to spend in order to mend a certain problem.
- **Inspire individual initiatives**: An inspired employee is a highly productive resource to a company and department. Management should take initiation to motivate the employees through rewards.

EMPOWERMENT FROM THE EMPLOYER PERSPECTIVE:

- **Influence through context: The employer** influence through context implies trust in a higher principle or guiding force and belief in the creative potential of human nature. It is a mater of trusting the process. It is not "giving power," but creating a context where empowerment is released and nurtured. Leaders define the context and standards at every level by giving people freedom to act and innovate, thereby developing leadership and producing proactive employees, giving them a competitive edge.
- **Create a feeling of inclusion**: Develop an atmosphere of inclusion across all levels, making sure that everyone has a voice and that their voices are heard. Leaders welcome dissent as a source of objectivity and innovation. New ideas must be allowed in the decision-making processes to

generate solutions superior to those achieved through the exercise of positional power.

- **Support employee empowerment:** Support of superiors is critical. Fear of reprimand or sanctions—because a decision didn't work out—will kill efforts to empower. This is not delegating. Delegating is assigning a task to someone. Empowerment is giving responsibility and the freedom to choose the means of accomplishment. It means the leader moves from "boss" to "coach." However, the objective must be clearly understood.

- **Articulate the common purpose**: The employer needs to create the vision and clarify goals. A lack of clarity about desired outcomes and role expectations is disempowering. Being accountable for specific expectations is better than not knowing where you stand. It is critical for the leader to clearly define the common purpose, goals, and limitations. If not, employees will be hesitant. Pass the ball and let the associate run with it—but run within the ball field. Stay inbounds. Responsibility for and commitment to a clearly articulated mission is essential.

- **Equip people for success:** Equip people for success to insure a good chance of success. This involves training, resources, and information. Too often employees are given responsibility for which they are not equipped. This entrapment brings the feeling of being set up. Consider setting up an unallocated resource pool for solving unforeseen problems. Leaders provide their people with all the information they need by making information readily available to people at all levels through more channels.

EMPOWERMENT FROM THE EMPLOYEE'S PERSPECTIVE:

- **Open communication:** Open communication is a willingness to put our thoughts on the table; to be exposed to scrutiny; to own up to one's ideas, assumptions, biases and fears; and help others to do the same. Corporate cultures that promote creativity are characterized by direct interaction and openness—a climate where ideas are owned and challenged through honest dialogue. It may not be comfortable but it is a necessary condition of empowerment.

- **Willingness and know-how for working in teams:** It is a collective change that comes by learning respect for the

contributions of others. Empowerment is not a Win-Lose paradigm where an increase in the power of one results in a decrease in the power of others. In MMC's Team-Building course, participants learn to value the uniqueness of the other players. By discovering and emphasizing the gifts of each individual, the experience of empowerment increases for everyone on the team.

- **Gain wisdom to be fully empowered**: To move from dependence on superiors for decisions, one must move beyond data, information, and knowledge to make appropriate decisions. Data is a collection of categorized numbers. Information is the meaning extracted from data. Knowledge consists of sets of information put in context, and wisdom is merging knowledge with universal principles for application to real-life situations. This requires a higher level of involvement than the old scientific management paradigm that treated employees like machines. In empowered organizations, employees across the board are committed to thinking and acting for success of the organization, as does top management, but more effectively. Wisdom is the result of thinking about the future, recognizing trends and anticipating events or outcomes that may affect the organization and from interactions with customers, suppliers, and others with whom employees interface directly.

- **Tolerate uncertainty**: Empowerment can be threatening. Expect some employees to resist empowerment. This is especially true when not only the outcomes, but the means and ways have always been clearly defined for them by others. Decisions about how to get things done, when left to the employee, is disquieting for the leader. This uncertainty is a change from working in an established routine where employees adhere to the rules and procedures. Under pressure, employees tend to run to the leader seeking resolution and closure. Leaders who do not understand the dynamics of empowerment, out of misdirected compassion or because it makes them feel more powerful, often succumb to these requests by telling them what to do. This is disempowering and reestablishes dependence. If employees are encouraged to think for themselves, goals and boundaries need to be clearly defined.

- **Resilience and courage come from within**: The source of confidence is not in others but in one's own inner

strength. Empowerment means to be forward thinking enough to live with mistakes and failures without being impaired. Those living with self-doubt will be unlikely to accept the challenge of empowerment because, for them, more responsibility means more chance of failure, and failure threatens their sense of self-worth. Empowerment is very personal. Acceptance of higher levels of responsibility is inherent in an empowering context.

- **Accept responsibility for outcomes:** Empowerment goes beyond delegation, and encompasses the burden of responsibility. They cannot blame upper management, suppliers, other department heads, or anyone else for failure to produce desired results. This enables them to learn from their mistakes. Empowered employees are willing to have their performance measured by objective written assessments because these are opportunities for feedback and improvement.

EMPOWERMENT FROM THE ORGANIZATION'S PERSPECTIVE:

- **Decentralization**: This means giving employees the authority to make timely decisions. Individual empowerment cannot occur within a highly centralized system of control because such systems reserve decision-making power for the few who occupy the center, thus inhibiting individual initiative. People are not motivated to change when they don't have authority to do anything with what they have learned.

- **Information sharing**: Information sharing is empowering. Employees need information about the organization's mission and goals, information needed to meet team objectives, and information about their individual performance. In empowering organizations, information is no longer the property of individuals, but now belongs to the entire group. As information is more openly shared, the organization will begin to function less on the basis of opinion and bias and more on the basis of facts. Systems must be in place to enable access to both general information about the organization and also specific information about the performance of their particular department or team.

- **Contingent rewards**: Empowerment works best when a reward system distinguishes between employees based on performance. Empowering organizations reward employees who make decisions that contribute to the accomplishment of the organization's purpose and goals. Make sure that what is rewarded reflects goals of the organization. To automatically punish failure inhibits empowerment. It is better to reward employees for attempting new ideas, even ones that fail.

- **Teams development:** when individuals move outside themselves and become concerned with the success of all other members. This means that employees become concerned, not only with the success of their immediate responsibility, but also with success of the other members of the team. Then the group becomes a unit where the development of one member increases the power of the team.

- **Alignment**: Empower people in an unaligned organization can be counterproductive. If people do not share a common vision, and do not share common goals, empowering people will increase organizational stress and make it impossible to maintain coherence and direction. An organizational commitment to empowerment would be foolish if leaders did not share the same visions and goals. Empowered organizations must structure processes, goals, people, and reward systems aligned with each other.

FACTORS THAT DRIVE ORGANIZATIONS TOWARDS EMPLOYEE EMPOWERMENT:

- **Encourage creativity and innovation:** By empowering their employees, organizations value their contribution. This encourages employees to work towards meeting organizational objectives. They develop creative and innovative ideas that might improve the systems and processes. Employee initiation and creativity helps organizations to innovate and improve their processes.

- **Increase productivity:** It is true that empowered employees are more productive as they are free to make decisions, act quickly without wasting time and work as a part of self-managed teams. Naturally, a team of empowered employees working collectively are more successful in improving the productivity of the organization.

- **Align goals of employees with those of the organization:** Empowerment provides employees a clearer view of organizational goals and strategies. They understand their role and value the autonomy given to them. Employees are

satisfied and display enthusiasm towards their jobs and align their goals with organizational goals.

- **Help in employee retention:** Being part of an organization, where employees are given autonomy in the way they work and function, is fulfilling. It also helps them in developing their skills and knowledge as they need to shoulder increased responsibilities

- **Quality of Work**: Employees have a need to feel like they are participating in the well-being of the organization. They want to know that they are contributing to the organization's success and that they are making a difference in the world. In organizations that provide employees with the freedom and flexibility to make a difference, employees feel empowered to deliver high quality work. For instance HCL Technologies' empowerment philosophy has enabled the company to provide innovative, high quality service to their customers, resulting in revenues tripling and customer satisfaction increasing by 73% in the last 5 years. Empowered employees take personal pride in their work and responsibility for doing a good job. As a result, organizations reap the benefits of empowered employees by delivering high quality products and services.

CONCLUSION:

Employee empowerment is a philosophy associated with real benefits for an organization. Its underlying principle of giving employees the freedom, flexibility, and power to make decisions and solve problems leaves an employee feeling energized, capable, and determined to make the organization successful. As a result of these management practices, quality of work increases, employee satisfaction increases, collaboration increases, employee productivity rises, and organizational costs decrease. All of these benefits enable an organization to achieve a competitive advantage and to bolster its bottom line.

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