

EMPLOYEE EMPOWERMENT IN GLOBAL SCENARIO: AN EMPIRICLE STUDY**Ms. Rajnil Sharma****Assistant Professor****Department Of Commerce****St. Aloysius College****Jabalpur (M.P.)****India****ABSTRACT**

Organizations are continuously upgrading their technology, processes, and systems to cope with competition, challenging environment and meeting customers demands. However they have failed to act upon the satisfaction of the employees, who are the internal customers of the firm. Can an organization service the needs of the customers properly when they fail to satisfy the needs of the internal customers? Organization's success depends on employees' performance. Creating a well-rounded approach for managing and coaching your work force requires the expertise of a human resources leader and the support of your company's executive leadership. Employee, the key asset of every organization, is undoubtedly an indispensable factor determining the scope and success of any entity. No matter how capital intensive a company or industry may grow to be, one can't but admit that certain roles and functionalities require human interference and no kind of technology can replace such human indulgence. In this era of globalisation there is need for employees' empowerment in order to enable organisation to respond quickly to any changes in the macro- environment. Therefore, the aim of this paper was to find out what should be done in organisations to enhance employee empowerment. The outcome from the review indicates that employee empowerment is essential in this era of globalisation to enable the organisation to respond quickly to any changes in the environment and reduce employee turnover and increase job satisfaction among employees.

Keywords: Empowerment, Employee Performance, Job Satisfaction, Productivity, Commitment.

INTRODUCTION

In the global scenario there is need for employees' empowerment in organisation so that employees will be in position to make quick decision and respond quickly to any changes in the environment. Employee's are the key asset of every organization, and an indispensable factor determining the scope and success of any organisation. Employee empowerment refers to a process where an employee is given autonomy to decide on aspects of his work and take responsibility for the results of his decisions. Employee empowerment may be understood as a strategy and philosophy that allows employees to make decisions about their jobs. Such strategy helps employees own their work and take responsibility for results of their decisions.

Employee Empowerment is not an activity, but a process which enables the employee to think, act and control work independently. This tends to give a sense of elation to the employee who feels self empowered. Where an organisation wishes to motivate, develop and retain employees; empowerment can prove to be a very powerful tool in achieving this end.

OBJECTIVE OF STUDY

This study aims to show the importance of empowerment in improving employee's performance in many ways. Empowerment is essential for employees since it gives them more power, knowledge, experience, meaning, opportunities and status. It is beneficial for organizations since it enhances individual performance thus improving overall organizational performance. For society, empowerment is positive since it ends with better service and life for people (employees and customers). The major objectives of study are to give brief review on empowerment and answer some question like

- What is empowerment?
- How to apply "empowerment" in the real organizational life?
- What is impact of empowerment on employees?
- What are major problems associated with "empowerment"?
- How to overcome "empowerment" problems?
- Draw some conclusions on the subject matter "empowerment" of importance for researchers and practitioners in management and organizations.

WHAT IS EMPOWERMENT

Empowerment is a management practice of sharing information, rewards, and power with employees so that they can take initiative and make decisions to solve problems and improve service and performance. Empowerment is based on the idea that giving employees skills, resources, authority, opportunity, motivation, as well holding them responsible and accountable for outcomes of their actions, will contribute to their competence and satisfaction. Empowerment means ensuring that individuals have the capacity and opportunity to equip themselves with the skills and knowledge necessary to make informed life choices.

METHODOLOGY

This study employs descriptive-analytic approach in achieving its goals. It utilizes ready sources of information and data. The study relies on related literature review. The methodology adopted in this paper is to review critically the existing literature on employee empowerment both online and print.

WHY EMPOWERMENT?

If your organization is looking for a way to speed processes and still produce quality materials and services, focus on Employee Empowerment. When you show your employees you trust them, and give them timely information and the authority to find solutions, they will be able to solve problems and provide solutions more rapidly than someone without that empowerment. The following are some reason why one should focus on empowerment;

Innovative Thinking

When an employees feels a sense of accomplishment and feels valued, they are more likely to engage in critical and innovative thinking. When you empower employees to take initiative, they may find unique ways to add to your company's worth, market your services to clients

and revise processes or policies that no longer are efficient. This removes some of the pressure on management to constantly innovate and stay ahead of the industry.

Job Satisfaction

Empowerment provides your employees with a sense of autonomy, which will increase their job satisfaction. Happy employees provide the best customer service, and leave a good impression of your company.

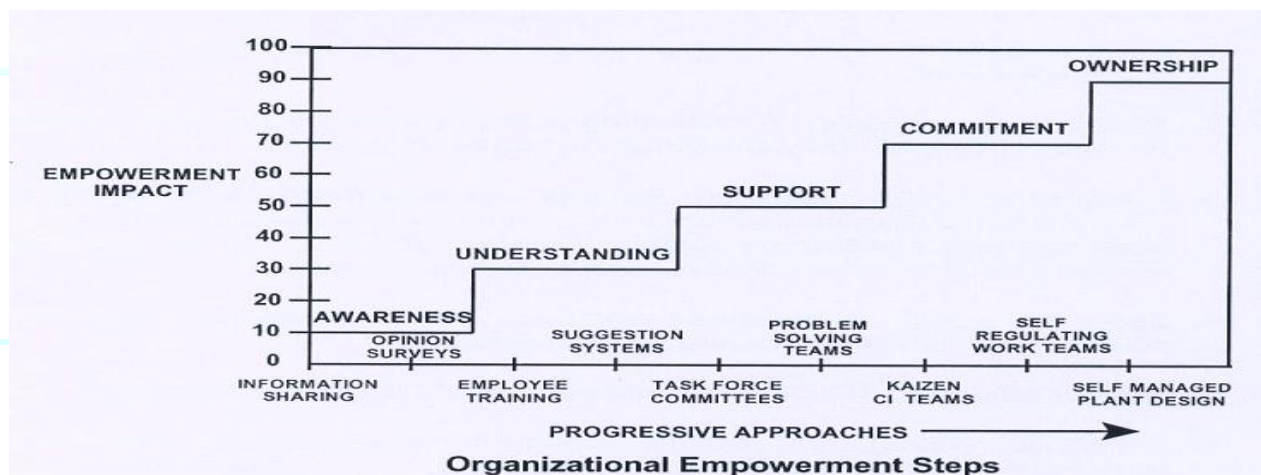
Decision-Making

In a world in which technology changes daily, and customers find information, products and services in increasingly diverse ways, your employees need to make quick decisions that benefit your operation. If you've spent time and effort providing training in decision-making, the employees most likely will respond to change quickly and find new ways to meet customer demands.

Loyalty

Employees exhibit loyalty if they have been well-trained, supported, respected, listened to and valued within an organization. They also are less likely to leave your company, and more likely to recommend other qualified individuals for job openings.

BENEFITS OF EMPOWERMENT



In order to solidify your understanding of why companies choose to embrace employee empowerment, you must first realize the benefits associated with employee empowerment. Let us take a closer look at some of the positive impacts that empowering employees can have on an organization's quality of work, employee satisfaction, collaboration, productivity, and costs.

Quality of Work

Employees have a need to feel like they are participating in the well-being of the organization. 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.

Employee Satisfaction

Research often cites high levels of employee satisfaction as a major advantage to empowering people in the workplace. In a 1999 research study conducted by the National Association of Working People, companies with high levels of employee satisfaction were examined to uncover the source of satisfaction. The case study discovered that companies with high levels of employee satisfaction had a flexible, engaging work culture, which empowered employees. In addition, Wagner & Harter (2006) reconfirmed this notion, citing empowered employees with higher levels of satisfaction than organizations with more structured, hierarchical, and less flexible work environments. In these environments where employees were empowered, employees were granted the power to identify problems, provide solutions, and make important decisions. Increased responsibility, flexible work schedules, a fun work culture, and public recognition for success stories all contributed to the employees' sense of feeling empowered. In return, employees rated their satisfaction levels as high compared to other organizations with cultures that prohibited employee empowerment. According to Wagner & Harter (2006), increased levels of employee satisfaction lead to higher levels of loyalty, resulting in increased retention ratios. In addition, the quality of work produced by satisfied workers tends to be higher, reducing the number of product defects and poor service issues. Overall, these items contribute to increased productivity for the employee and the organization, resulting in an improved bottom-line for the company.

Collaboration

As employees are empowered and treated as vital components of the organization, they gain self-confidence in their abilities to positively influence the organization. Employees with healthy levels of self-confidence and self-esteem are more willing to share information with others. They feel comfortable exchanging ideas and collaborating with others in an honest and open manner. These behaviors promote teamwork and active involvement in support of company-wide goals that could not be achieved with a disjointed, non-connected workforce. As the famous saying from Helen Keller goes, "Alone we can do so little; together we can do so much." Collaboration often allows for an organization to achieve so much more than any one individual can achieve on his or her own.

Productivity

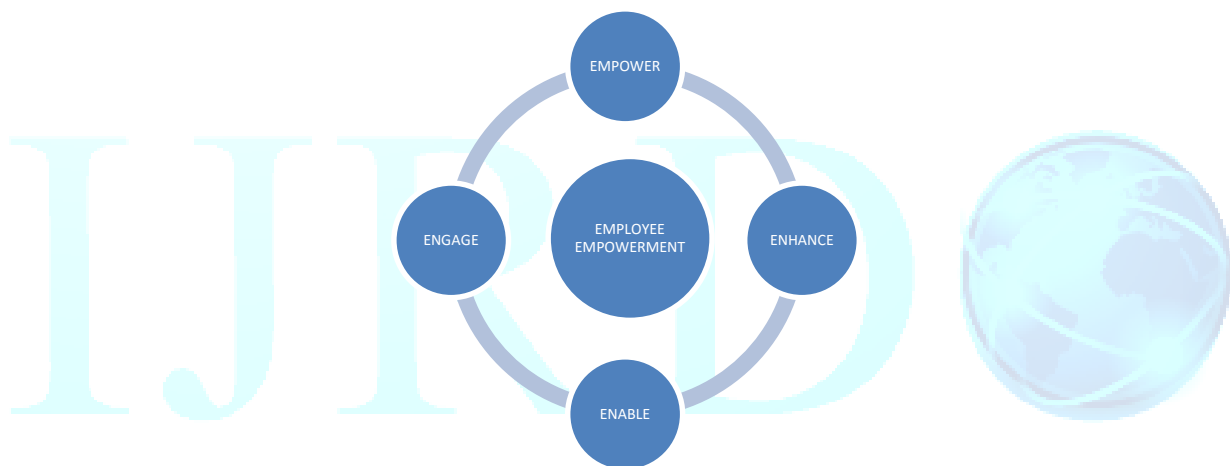
Employees who are granted the power to take charge at work feel an increased sense of responsibility, accountability, and ownership for their work. They work diligently to meet project deadlines and organizational goals. They feel energized to do what it takes to get the job done and to do it right. All of these reasons fuel an empowered employee to be more productive, providing better performance results for the organization. For example, GE instituted a "work-out" program intended to empower employees to identify and eliminate redundancy, waste, and bureaucracy that exist in big corporations like GE. Employees felt energized to meet the challenge and their creativity was unleashed as they restructured daily job functions and processes. As a result, employee productivity skyrocketed and transformed GE into one of the largest, most profitable companies in the world.

Costs

Reduction of costs is another advantage of empowering employees. Many factors contribute to this advantage. For instance, as employee satisfaction increases for empowered employees, employees' sense of loyalty and dedication to their job and the organization also increases. According to Wagner & Harter (2006), these actions result in longer-term employees, less job transitioning, and improved retention rates, thus reducing employee turnover costs. Another cost reduction factor is the increased efficiency of operations due to more engaged and accountable employees. As employees become involved in day-to-day decisions and take a

sense of pride in their work, they become aware of inefficiencies in routine functions that cost the company money. According to The Gallop Organization, organizations that enable employees to be more empowered and engaged, experience 27% higher profits (Wagner & Harter, 2006). Empowered employees feel comfortable sharing their innovative solutions with management, providing cost-cutting measures that benefit the organization. These solutions are invaluable to the organization running both efficiently and effectively without excess overhead costs. Empowered employees also contribute to reducing costs associated with customer service issues. Employees with the power to make decisions and find solutions to customer complaints are able to provide exceptional customer service, yielding happier customers with increased loyalty to the company. The Gallop Organization notes that organizations that empower employees experience 50% higher customer loyalty (Wagner & Harter 2006). As customer retention and satisfaction increases, costs associated with keeping and maintaining the organization's customer base decreases. Hence, company resources are freed up to focus on growing the business instead of on how to stop customers from leaving.

EMPOWERING EMPLOYEES



Empowered employees is the dream of every leader. Below are some tips to empower employees;

1. Foster Open Communication

Give employees structured ways to make their thoughts, feelings and observations known easily and regularly. Help them understand that their input is valued even if you decide to go a different way. Make sure you acknowledge them for sharing and reward valuable input that helps the company.

2. Reward Self-Improvement

Help employees set a plan for growth and reward them as they advance. They'll be grateful and apply their newly-learned skills as they step up to leadership opportunities.

3. Encourage Safe Failure

Give employees the opportunity to try new things in a way that doesn't put the company in danger. Create milestone checkpoints or set up laboratory environments where people can test new ideas and learn from the failures as well as the successes. Then your employees will gain understanding and feel comfortable innovating.

4. Provide Plenty of Context

Most leaders carry lots of information in their brains. Unfortunately, many employees don't get the benefit of all that information, yet they are expected to take action and make good decisions as if they understood every nuance. Great leaders figure out how to extract the important information from their minds and share it in a structured and consistent manner. An employee who clearly understands the core values, purpose and direction of the company can easily make consistent decisions and take appropriate action at any junction.

5. Clearly Define Roles

People who don't know what they are supposed to do can't do it very well and they need to know their boundaries. Establish specific roles and responsibilities with employees so all are clear and can work together cooperatively.

6. Require Accountability

People need to know when they are meeting expectations and, more importantly, when they are not. No one will maintain accountability if they don't understand the consequences of failure. And if they see others not being held accountable, they will see little need to make the extra effort for success. Be consistent and diligent in your measurement and rewards so employees are motivated to do their best.

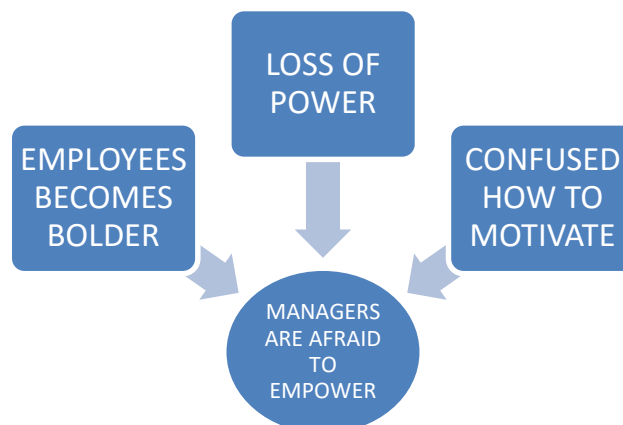
7. Support Their Independence

Give your employees reasons and opportunity to stretch out on their own and even lead others. They may stumble, but they'll learn a lot and build the respect of their colleagues while preparing to be great empowering leaders themselves someday.

8. Appreciate Their Efforts

Empowered people need a greater level of satisfaction than simply financial stability. They need to feel that leadership appreciates their contribution and values their participation. Don't be shy about finding ways to say "thank you" or celebrating the good things your employees do. If they have to ask how they are doing, you are doing your job poorly as a leader.

BARRIORS TO EMPOWERMENT



Some of the most important barriers to empowerment are as follows:

1. In India, some sort of organizational culture is found incongruent with the concept of employee empowerment,. In India, family-run -enterprises present such incongruent culture

to empowerment. In these organisations, the management philosophy is moulded by the whims and fancies of the owner-CEO. These CEOs are hardly enlightened with education, but enriched by wealth. As such, they follow dictatorship and run the administration with an iron hand.

2. There are organisations where employees have no inclination towards the concept of empowerment. This, then, provides a situation just like taking the horse to the water, but the horse is not interested in drinking water. Then, the process of empowerment is inevitable to be meaningless.

3. Some employees may have fear in their minds that they will be punished if they will take initiative in the matter of empowerment. Thus, fear of retribution by subordinates adversely affects the implementation of empowerment.

A recent survey shows that workers are often reluctant to take the initiative unless they have a union to protect them. Management, of course, can change its organisational culture to be more supportive or empowerment friendly. But this is typically a long term proposition.

4. Employees who are either under prolonged autocratic leaderships or possessing external locus-of-control, want the security of having someone tell them what to do and when to do it. They will, therefore, resist empowerment. Training and education can often be effective in overcoming this obstacle.

5. The superiors who are power hungry never would like to part their authority with their subordinates/employees. Mary-Parker Follet has described the “power-on” “power-over” behaviour of such persons. They, thus, act as a barrier to empowerment.

This situation can be overcome by changing their attitude in favour of empowerment. However, people cannot change overnight from their habits. Attitudinal changing is a time taking process. This change process should be started from the school level itself as is done in Japan. As mentioned at the outset, Japan is the excellent example of success in empowerment of our times.

CONCLUSION

Empowering the employee is a move in the right direction. It is not just the mantra of Organizations these days, but is soon becoming a fetish among all kinds of industry. Empowering employees is an important process in the organization to foster the decision making, issues and to motivate the employees who get immense job satisfaction. Empowered employees are committed, loyal and conscientious. They are eager to share ideas and can serve as strong ambassadors for their organizations. In the contemporary business

environment, empowerment is essential to be more competitive, productive and beneficial both to the employees as well as to the organization. In most of the organizations, empowerment is not practiced in true spirit because of the absence of a positive organizational culture that believes in trust, transparency and employee development that needs to be taken care of. In most of the organizations, the senior management has preached the relevance of empowerment, but unfortunately very few of them have actually empowered people in reality. The HR professionals need to initiate work culture in influencing the organization to make the step-down method a success and to develop a winning strategy.

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