RESEARCH ARTICLE

THE IMPACT OF EMPLOYEE EMPOWERMENT ON ORGANIZATION PERFORMANCE

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ABSTRACT

Empowerment means encouraging the people to make decisions with least intervention from higher management. Employee empowerment is defined as giving the power to employee to make decisions. It is form of freedom in which employee takes decision to ensure maximum satisfaction to organization. Empowerment is the initial, fundamental and enhances the productivity. Employees are the assets of organizations. Implementation of empowerment programs seems to be the biggest challenge organizations face. The organization has the responsibility to create a work environment which helps foster the ability and desire of employees to act in empowered ways. The implementation often takes years, especially if the organization has a bureaucratic culture. It also seems that empowerment implementation efforts are often haphazard. Employee empowerment is proper procedure to compete the capability of worker for enhancing their commitment and achievement of growth and success of organization.

INTRODUCTION

Nowadays many firms like to concentrate on gaining a competitive advantage in the market. The advance equipments, new technology, good marketing strategic, excellent customer services and many other elements can be the factors to build up for the advantages. However, human resource is the most important assets of an enterprise and its success or failure depends on their qualifications and performance .The employees are the repository of knowledge, skills and abilities that can't be imitated by the competitors. Technologies, products and processes are easily imitated by the competitors; however, at the end of the day, employees are the most strategic resource of the company. A new way of management is employee empowerment or participative management Involving the people responsible for the work processes-the people who know the processes best is where quality starts. Some think that employees work only for financial return. If they are incapable to be an integral part of the organization, this may be true. Allowing employees to have independence and feedback within the organization is what makes the empowerment process successful.

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Employee empowerment does not mean that management abandon from its responsibility of performance or for leading the organization. Rather, in an employee empowered organization, management's responsibility comes to create and foster an environment in which it is apparent that employee input is desired and cultivated. The management must trust and communicate with employees. 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 employee's work life. Ideally, when an employee feels vested in an organization, he will be more productive, loyal and more confident. Some writers indicate that employee empowerment is a strategy and philosophy that enables employees to make decisions about their jobs. It helps employees own their work and take responsibility for their results. It is also known as a process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways. Others say that empowerment occurs when the organization's processes are set-up to allow for it. Implementation of empowerment programs seems to be the biggest challenge organizations face. The organization has the responsibility to create a work environment which helps foster the ability and desire of employees to act in empowered ways.

The implementation often takes years, especially if the organization has a bureaucratic culture. It also seems that empowerment implementation efforts are often haphazard. However, it has been shown that employee empowerment results in increased employee satisfaction, increased productivity, and increased customer satisfaction.

CONCEPTOF EMPOWERMENT

Employee empowerment is an absolute business essential today. It involves the expressions and avenues through which the non-managerial staff members are conditioned to be able to make certain important company decisions, with the support and backing of a well-planned empowerment programme. The self-willed decision-making capacity is generated from the amount of the power vested by the management within the employees, during the training provided. Training actually culminates in the whole set-up becoming an empowerment model. The guided ability to take some decisions empowers the employees and also adds to the retaining module adopted by the company. The basic concept behind the employee empowerment is to give power to the individual, which in turn gives the company happier employees, who feel important! The delegated choice and participation and subsequently responsibility make them feel like first-hand representatives of the business. Employee empowerment can only work if the management team believes in it. The issuing of authority could be graded, but it needs to be a rippling activity within the organization and consistent in nature. The entrepreneur or management should be completely committed to allowing the employees to make decisions and execute them, also taking responsibility. The management could predetermine and define the scope of decisions made and work towards effectively building decision-making teams. The implementation of empowering employees involves managers willing to give up control in certain areas of work production. The system must have scope for improvement of flexibility within teams. The ability of the employees to contribute to a choice and direct decisions, leads to an alleviated feeling of self-worth and dedication. The sense of self and the retaining of some power is a deadly combination that works wonders on their psyche. The elimination of the hawk's eye and the regular criticism creates a more Positive environment.

WHY EMPLOYEE EMPOWERMENT FAILS: There are a variety of possible reasons for the lack of greater empowerment in companies and the relatively low level of success. Empowerment represents a significant change in most organizations. managers think that they are able to look at bigger picture goals and determine what of the many demands on their time they will make a priority. Good empowerment requires that managers give up some of their control to employees. Managers may be afraid to delegate responsibility and power. Manager may be afraid that if subordinates fail to do work properly, the manager's performance will suffer. Some managers are threatened by programs that would reduce their power and exalted status as heroic leaders (and their claim to a disproportionate share of the profits). Managers need organizational support and training in empowering leadership behaviours in order to make empowerment efforts succeed. Employees Empowerment consume time and effort, it may take considerable time to shift from a command and control culture to employee empowerment concept. If an organization has not be actively create employee empowerment culture, it may consume time and effort before employees start to respond. Often the first efforts and communications are met with employee derision and mockery. To be successful, empowerment must be seen as a long-term program of employee participation and involvement. Employees may resist empowerment. Decision making and influence are part of the political power system in organizations. Employees may have been accustomed over the years to follow orders, not participate with management. they fear the increased levels of responsibility and accountability so Managers might assume that employees already have the required skills to start a good empowerment program.

Empowerment practices at some organizations

Toyota Company: Toyota Motor Company considered as a good example for Employee Empowerment. It empowers some of its employees to identify and solve obstacles occurring during product assembly. An automobile coming off Toyota's assembly line with a paint defect is seen as an opportunity to delve into the root cause of the defect, as opposed to merely fixing the defect and passing it onto distributors for resale.

Toyota's company and employee empowerment concept: Toyota organized their workers by forming teams and gave them the responsibility and training to do many specialized tasks. Teams are also given responsibility for housekeeping and minor equipment repair. Each team has a leader who also works as one of them on the line. To eliminate product defects: they must be discovered and corrected as soon as possible. Since workers are in the best position to discover a defect and to immediately fix it, they are assigned this responsibility. If a defect cannot be readily fixed, any worker can halt the entire line by pulling a cord Toyota operators are assigned primary responsibility for basic equipment maintenance since they are in the best position to detect signs of malfunctions. Maintenance specialists diagnose and fix only complex problems, improve the performance of equipment, and train workers in maintenance.

Results of employee empowerment at toyota's company: Toyota believes that the greatest assets a company has are its people and that customer satisfaction cannot be achieved without employee satisfaction. Toyota's company emphasizing that primary goal of employee empowerment is to give workers a greater voice in decisions about work-related matters like "satisfaction with company life" and "feeling that one's job is rewarding.

Walt disney companyand employee empowerment concept: The Walt Disney Company has invested amounts of time to learn their workers on the Disney Company's mission and values. Employees are empowered when working at Walt Disney Company due to many different educational options delivered to employees. Disney fosters an employee-learning environment to empower employees by making use of Disney Dimensions, an executive progression program and Disney Way, a showcase explaining the different Disney business designs offered to supervisors, management, or leadership development. This employee training helps develop computer skills and talents utilized at Disney. According to the president of the Walt Disney Internet Group, Disney drives individuals

to increase focus and concentrate more on ways to succeed within the organization.

Results of employee empowerment at walt disney: Disney provides many numerous extras and benefits to its employees which will affect definitely of employee satisfaction.

Indian aluminium company (indal) and employee empowerment concept: It also the same story to tell In INDAL, Tapan Mirta governed employee motivation neither by dangling rewards nor by threatening punishment. According to TapanMitra, it is all about people : Placing them at the center of the corporation's activities, and then, giving them powerful reasons to do their work to the best of their abilities.

Results of employee empowerment at indal: He also posits that the workers' participation in management is putting a simple, but fundamental thing, i.e., employee involvement. This is necessary also. The reason being if employees feel that they are merely appendages to inscrutable decision-making machinery locked in an ivory tower, they would not give you their best. But remember, when one decentralizes, one empowers and, in turn, motivates.

Bajaj auto and employee empowerment concept: It is yet another case of successful employee empowerment. In 1990s, Bajaj Auto had just ridden into the worst recession in its history and Rahul Bajaj decided to respond for the first time by changing the fundamental structures and system in the company.

Results of employee empowerment atbajaj auto: As employees get more informed about the activities of the company and get tasks with great responsibility, they are going to perform at a higher level. Due to the increase of the employees' performance, the performance of the company will also increase. The aim of empowerment to create a culture where employee have freedom to express themselves and have the liberty to make decisions about how they work. Empowerment or participative management is one of the most effective ways of helping employees to utilize their creative abilities to improve their performance within the organization they work for. In order to create effective Empowering employees it is require clear communication channels . This will require management to invest in increased amounts of time communicating to employees and allowing for feedback. In addition, it will require that management honestly evaluate the communication styles and methods that are being used in the institution to ensure the most efficient processes possible. However, there are different points of view on the employee involvement in companies. Some researchers mark that the policy of empowering employees is not very beneficial for companies because it has many disadvantages. Besides, many specialists have come to a conclusion that employee involvement is nothing more than a myth. In reality, no employees are involved in decision-making in the company. Investigations have led us to the conclusion that employee involvement in companies is always aimed at the increase of the company's performance. Companies practice any kind of employee involvement in the process of decision making in order to enable the employees to get a full view of the company's operations and participate in different important activities.

A CULTURE OF EMPOWERMENT: An organization's culture is a complex thing, not easily described. Yet it is upon this foundation that empowerment is built. The organizations which successfully implement employee empowerment will have certain values at their core from which the process of empowerment can flow. Among these values are respect and appreciation for individuals and the value they bring to the organization. Values alone do not make up an organization's culture, and respect for individuals is only one of the outward signs of an empowered culture.

Nonetheless, the culture of the organization must support the thrust of empowerment if there is any chance for success. An organization seeking to implement empowerment is likely to examine its structure and reward systems, however if the culture is not also examined by the change agents, replacement structures and systems are likely to reflect the old assumptions. One such assumption is whether individuals or groups (teams) should be rewarded for their efforts. Many organizations in the United States hold that country's value of individualism. If, on the one hand, teams are being promoted as a tool of empowerment, and on the other hand, individuals are being rewarded for the work of the team, then employees will unconsciously (or consciously) pick-up on the cultural norm and will be reluctant to dedicate themselves to the teaming concept where their work may not be recognized and rewarded. In other words, empowered organizations put their money where their mouth is.

Required changes for empowermentl Empowerment requires comprehensive and rapid changes in mentality of personnel, structure and environment of organization, as well as management thoughts and values. To foster empowerment, the mentality of people should change from what we say "disabled" to the mentality of empowered (capable) people. Change in the mentality of people is achieved in two ways.

Ndividual efforts: Individuals must try to change their mentality from being incapable to capable.

The role of group: Group should attempt to provide evidence and examples that confirm empowered mentality so as to encourage incapable individuals to change their mentality into capable one.

Empowerment Process

In an empowered organization the managers and supervisors take on a different role than they usually would in most organizations. The literature is unanimous on this point. It may be obvious that one aspect of this role change is the sharing of power and authority. Yet, many managers and supervisors already do this, either actively or passively, through delegation or abdication, neither of which is empowering people. Empowerment implies a great deal more. There is an active role for managers and supervisors rather than the passive one of abdication. There are stages an employee must go through before he or she should have authority delegated to him or her. There should also be recognition that while the employee may be ready to have one aspect of the job delegated to her or him, she or he may not be ready for delegation in other functional aspects of the job. The process of empowerment is as follows

- Determining the skill level of the employee.
- Sharing information about the goal to be achieved and why it is important to the organization as a whole.
- Providing for employee training as needed.
- Depending upon the employee's skill level, providing appropriate supervisory support.
- A directing style for those tasks for which the employee has a low skill level.
- Coaching for those tasks with which the employee has some skills but is lacking experience or motivation.
- A supporting style for those tasks where the employee knows what to do but is still lacking confidence in their abilities.
- A delegating style for those tasks where the employee is motivated and fully capable.
- Ensuring that the employee is consistently growing in skill by providing new responsibilities for which a higher level of supervision is needed.
- Mentoring the employee such that they absorb both the organizational culture and the value of empowerment.
- Removing barriers to empowerment present in the organizational structure.
- Ensuring that appropriate resources are available for the employee, or ensuring that the employee has the appropriate skills to obtain needed resources.
- Providing support for the continued empowerment of the employee and
- Sharing information about the employee's and the organization's effectiveness

Conclusion

Many managers feel that by empowering employees, they will lose their responsibility to manage and control the organization. This is not the case. Empowerment is actually a culmination of many of the ideas and tenets of employee satisfaction that are discussed and analyzed frequently in a variety of books and periodicals focused on the subject Employee empowerment is a two sided coin. For employees to be empowered the management leadership must want and believe that employee empowerment makes good.business sense and employees must act. Let us be clear about one thing immediately, employee empowerment does not mean that management no longer has the responsibility to lead the organization and is not responsible for performance. If anything the opposite is true. Stronger leadership and accountability is demanded in an organization that seeks to empower employees. This starts with the executive leadership, through all management levels and includes front line supervisors. It is only when the entire organization is willing to work as a team that the real benefits of employee empowerment are realized. For any company in order to enjoy the returns from employee empowerment the leadership must resolutely work to create the work environment where it is obvious to all that employee empowerment is desired, wanted and cultivated. Management's responsibility is to create the environment for employee empowerment which lead to job satisfaction Empowering employees leads to positive results for employees, their managers, and their organizations also lead to organizational encouragement of entrepreneurial traits and prompts employees to make good 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. To sum up, if an employer needs a highly motivated, innovative, productive human resource, the importance of job satisfaction and organizational commitment should not be forgotten. It is obvious that high job satisfaction and organizational commitment will avoid turnover. Every employee has different kinds of needs and expectations and it is impossible to satisfy every need and expectation of the employees. Both employee and employer should try to generate a working condition that they will work in a happy, motivated and productive atmosphere to reach the certain goals.

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