EMPLOYEE EMPOWERMENT: A MANAGEMENT TOOL FOR CORPORATE PERFORMANCE

Duggah, S. I.
Department of Business Management,
Benue State University, Makurdi, Benue State, Nigeria

ABSTRACT
The objective of this paper is to examine the concept of employee empowerment as an important tool in managing employees for enhanced corporate performance. The paper therefore reviewed literature on employee empowerment on the following dimensions: conceptual clarifications, process of empowerment, empowerment as a tool, benefits of empowerment, and empowerment in Nigerian organizations. The methodology employed for the study is the use of other research findings, evidence, and cases. The paper adopts Fox’s (1998) position on employee empowerment and attempts to examine the concept from the Nigerian business perspective. Recommendations include the need for management to get more involved in promoting employee empowerment, cultivating a culture of empowerment, and removing obstacles to empowerment.

Key words: Employee Empowerment, Psychological Empowerment, Developing Competency, Visioning, Information Sharing, Corporate Performance, Tool.

INTRODUCTION
James Rinehart once observed that empowerment is widely used in progressive management circles to suggest not only manipulative intent but also awareness that even in the periods of deep-recession, the boundaries of workplace control continue to be challenged by employees striving to attain a measure of power, security and dignity. Russell (1968) wrote that work is of two kinds: altering the position of matter at or near the surface of the earth and telling others to do so. The first type of work may be unpleasant and ill paid while the second type is pleasant and well paid. The above statements describe the situation employees find themselves in organizations. However, whether work is pleasant or unpleasant employees ought to be empowered to perform better.

Employee empowerment therefore is one of those concepts used to indicate power sharing and authority between employees and management. Lack of power sharing and authority constitutes ‘power failure in management circuits’ in organizations. Employee empowerment – (involvement, encouragement and participation) – makes employees to put in an appropriate amount of effort. The aim of which is to achieve a positive link between employee participation and job satisfaction, motivation and performance, personal commitment and corporate performance or achievement (Hollander & Offenbach, 1990). In an ‘empowered’ organization, employees take responsibility for (“ownership of”) some aspects of work process and endeavor to solve problems or improve performance in some specific way.

Usually associated with Total Quality Management (TQM) concept or Quality of Working Life (QWL), employee empowerment involves for example, innovation and therefore constitutes an important creative tool for managers who want to increase motivation, job satisfaction and performance. Simply put, employee empowerment involves simple but important changes in managerial attitudes directed to enhance their performance. A question as to whether employee empowerment makes good business sense always arises in many organizations.

Some people feel that empowering employees means that management no longer has the responsibility to lead the organization and is not responsible for performance. Others feel that if anything at all, then the opposite is true. They contend that stronger leadership and accountability is demanded in an organization that seeks to empower employees. The author tend to agree with the later view. If an organization has not actively cultivated employee empowerment, it may take considerable time and effort before employees start to respond. It is based on this background that the objective of this paper is stated.

Corresponding author: Duggah, S. I. Email: tduggah@yahoo.com
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PAPER OBJECTIVE
The objective of this paper therefore is to examine the concept of employee empowerment as an important and integrated tool in managing employees for effective corporate performance.

To accomplish this objective, the remaining part of the paper is arranged and presented as shown below:

CONCEPTUAL CLARIFICATIONS
Grove (1971 p. 744) defined empowerment as "to give official authority to delegate legal power, to commission, to authorize". This is the most understood and common definition of empowerment. Gandz (1990) writes that "empowerment means management (of an organization) versus decision-making or approval authority in employees where, traditionally, such authority was a managerial prerogative". Employee empowerment means a great deal more than delegation of authority. Block (1987), for example says to feel empowered means several things: survival in the hands of an individual, who has an underlying purpose, and commits to accomplishing the purpose. Caudron (1995 p. 28) articulates empowerment as 'when employees 'own' their jobs, when they are able to measure and influence their individual success as well as the success of their departments and their companies'. Empowerment is however, more than job security.

Etorre (1997 p. 1) says empowerment means "employees having autonomous decision-making capabilities and acting as partners in the business, all with an eye to the bottom line". Improving on the above fragmented definitions of empowerment, Bowen and Lawler (1992) defined employee empowerment as:

- sharing with frontline employees information about the organization's performance, knowledge that enable employees to understand and contribute to organization's (corporate) performance, rewards based on the organization's performance and power to make decisions that influence organizational direction and performance. (p. 33)

That is to say, empowerment exists when organizations implement practices that effectively distribute power, information, knowledge, and rewards throughout the organization. Bowen & Lawler believed that if any of the four elements is zero, nothing happens to redistribute that ingredient, and empowerment will also be zero.

Conger and Kanungo (1988 p. 474) defined empowerment to mean 'a process of enhancing feelings of self-efficacy among organizational members through the identification of conditions that foster powerlessness and through their removal by both formal organizational practices and informal techniques of providing efficacy information'. Implied in this definition are the new roles for managers and supervisors - removing conditions that foster powerlessness and providing feedback about performance: monitoring.

Other researchers and scholars have also attempted to provide various definitions of employee empowerment. Heathfield (1998) defined empowerment as "the process of enabling or authorizing an individual to think, behave, 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". Closely related to the above definition, Mac Shane and Ottnow (2000) defined empowerment as a feeling of control and self-efficacy that emerges when people are given power in a previously powerless situation. To them, empowered employees are given autonomy, the freedom, independence, and discretion over their work activities. They are assigned work that has high levels of task significance important to themselves and others.

A comprehensive definition of empowerment in the literature is by Thomas & Velthouse (1990). They defined empowerment as: to empower means to give power to. Power, however, has several meanings - authority, so that empowerment can mean authorization capacity. Power also means energy. Thus, to empower also means to energize. Energy best captures the present motivational usage of the term or concept of empowerment.

However, for this paper, the definition of employee empowerment by Fox (1998) is relevant and applicable. He defined employee empowerment as:

- a process whereby: a culture of empowerment is developed, information (shared vision, clear goals, boundaries for decision making, the results of efforts and their impact on the whole) is shared,
competence (training and experience) is developed, resources to be effective in jobs are provided, and support (mentoring, cultural support, encouragement of risk-taking) is provided. (p. 24)

From the above, it becomes clear that no organization can survive without some employee empowerment thereby making it a tool for corporate performance.

Theoretical Framework
This paper is premised on the following theoretical foundation upon which the concept of employee empowerment is built:

Psychological empowerment theory
Psychological empowerment theory is a contextually oriented conception of empowerment that embraces the notion of power-environment fit. This theory refers to the individual level of analysis and takes into account ecological and cultural influences. The theory seeks to address three key issues on how to:
- Increase employee self-esteem
- Increase access to information about the mission and increase access to information about the performance of the unit.

Spreitzer (1996) believes that high-involvement social structures: low role ambiguity, wide supervisory spans of control, socio-political support, access to information, and participative climate – do create opportunities for empowerment in the organization and are seen as the basis of empowerment.

Intrinsic task motivation theory
Thomas & Velthouse (1990) theorized that empowerment includes intrinsic task motivation involving positively valued experiences that individuals derive directly from a task. Task as used in this paper refers to a set of activities directed toward a purpose. Task assessments are therefore presumed to be the proximal cause of intrinsic task motivation and satisfaction. When, for example, an employee does a set of activities, he or she assesses the task at hand and decides if it is motivating and satisfactory.

Thomas and Velthouse state that over the course of time the individual generalizes these individuals’ task assessments into an overall perspective of this type of work. If, for example, the intrinsic task motivation is present and is supported by management, that person (employee) becomes empowered through intervention strategies. Intervention strategies in this case include changing the environmental events on which the individual bases his or her task assessments and changing the individual’s (employee’s) style of interpreting those events. By so doing the individual (employee) is empowered.

Apprenticeship empowerment theory
Fox (1998) emphasized the growth and training of the employee into readiness to be empowered. According to him, only when employees are trained in the ramifications of their actions and are able to see the big picture should they be allowed and encouraged to make decisions. The supervisor acts as a mentor and coach. The worker must be given the opportunity to make decisions about less significant things and then the outcomes of these decisions reviewed so that learning occurs. The theory is premised on the notion that for an employee to be empowered, he/she must pass through the apprenticeship stages of apprentice-journeyman-master levels of empowerment. Fox theorized that going through this process is empowering to employees.

Process of employee empowerment
As earlier stated, employee empowerment is systematic. It a process and involves going through certain stages. These stages are:

Assessment
The first process (stage) in employee empowerment according to Conger & Kanungo (1988) is assessment. Assessment involves diagnosing the conditions with in the organization that are responsible for feelings of powerlessness among subordinates with the aim of creating an instrument to ensure that these factors are eliminated or minimized. This assessment can be done through the provision of a checklist, plan, or any other measuring device for workplace empowerment effort. An assessment of where the employee's decision making authority lands on the job content and job context helps to identify how empowered that employee is. Quinn & Spreitzer (1997) provide the following seven (7) questions every manager should consider in an assessment exercise for empowerment.
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- What do we mean when we say we want to empower people?
- What are the characteristics of an empowered person?
- Do we really need empowered people?
- How do we really want empowered people?
- How do people develop a sense of empowerment?
- What organizational characteristics facilitate employee empowerment?
- What can leaders do to facilitate employee empowerment?

The answers to these questions may provide the basis for assessing (scanning) the conditions that create a feeling of powerlessness in employees.

Visioning

A vision, according to Hellriegel, Jackson & Slocum (1999), is an organization's fundamental aspirations and purpose that usually appeal to its members' hearts and minds. Since empowerment is often poorly understood and usually has not been experienced by employees, it is the vision of what is possible that brings their commitment to it. Vision, as stated by Fox (1998) is perhaps the most visible component of an organizational culture. It is through the vision of what is possible that leaders can inspire employees to apply their skills, knowledge, and creativity towards its achievement. Whatever the mind of a man can conceive and believe, it can achieve. Vision provides employees with the sense of "what to do next", which in turn inspires creativity. It also allows for employees not to make decisions which are in the opposite direction that of which the managers believe is right. On the power of vision, Thomas & Velthooven (1990) reported that "the most important motivational aspect of leadership (charismatic/transformational) is the heightened intrinsic value of goal accomplishment produced by the articulation of a meaningful vision".

Closely related to vision is the concept of value. Blanchard and Bowles (1998) for example, use the word "values" in place of vision. According to them, values guide all plans, decisions and actions. They further made a distinction between values and goals by stating that:

Goals are for the future. Values are now. Goals are set. Values are lived. Goals change. Values are rocks you can count on. Goals get people going. Values sustain efforts (p. 171).

Information Sharing

Information is the gatekeeper to power. People without information cannot act responsibly. As earlier indicated in the background, if information shared among employees is zero, nothing happens to redistribute it and empowerment will also be zero. Communication and information are the lifeblood of empowerment. Gionfride (1997) assert that in the absence of information, employees do not know the ramifications of their actions and therefore are not responsible. A study by Candron (1995) indicates that information sharing and feedback about the business make employees to trust management. And this is empowering.

Sharing information about goals and to a large extent, effective communication about the organization's plans, successes, and failures may seem commonplace, however its importance cannot be undervalued. People who have information about performance levels do set challenging goals and when they achieve those goals they will reset the goals at a higher level. Armed with the necessary information, the next stage in employee empowerment process is to develop the desired competency.

Developing Employee Competency

Competency is a combination of knowledge, skills, behaviours and attitudes that contribute to personal effectiveness. In order to implement employee empowerment, the employees must be competent. For this paper, competency is regarded as a concept that goes beyond developing job-task specific knowledge. To empower employees, they must be properly trained. Gondos (1990) cautioned that: "It does not make sense to empower employees to do things - make decisions and approve or initiate action if they are not properly trained". The characteristics of an empowered organization according to Byham (1971) include: leadership training, technical training, decision making skills, and group process skills. All these are required if empowerment is to be accepted and to produce results. Ginnodo again indicates that:

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empowerment training is more than remedial; it prepares people for collaboration and higher level performance, and sends a message to employees that the organization is investing in their training because it is important to the organization’s future. (p. 48).

Techniques for competency development may include: stories, interventions that provide dramatic, memorable examples, challenge, support and so on. Once competencies are developed, management must provide the resources necessary for employee empowerment.

Provision of resources

Resources whether physical, organizational, human capital or informational, are limited and in many organizations, controlled by management. If employee empowerment is to be implemented successfully, those controls should be removed and the resources placed under empowered employee’s control. Candron further notes that “once both employees and managers have received proper training, the next step in the empowerment process is to give employees control of the resources needed to make improvements”. He went further to state that “nothing is more de-motivating or disempowering than being stopped in ones tracks because he either does know how to proceed or lack the tools (resources) necessary to do a good job”. To release control of resources to employees demonstrates management trust and confidence in their competence and is indeed very empowering. In addition to providing the necessary resources, the organization should support employees.

Organizational Support

This next stage in employee empowerment is support. The organization contemplating employee empowerment must ensure that sufficient support is available to keep it going. In the words of Zimmerman (1990):

“Empowerment is not an absolute threshold that once reached can be labeled as empowered”. Empowerment embodies an interaction between individuals and environment that is continually and contextually defined... sense of community plays an important role in the development of personal control and participation (p. 170).

That is to say, the environment for employee empowerment must be a supporting one. Support may take the form of workplace social supports (transformational change, emotional support, inputs from colleagues, mentoring, and general discussions), recognition/rewarding for improvement efforts and success, a sense of security, power and so on.

Implementation and evaluation

The last stage in this process is to implement and evaluate the empowerment program. Implementing an empowerment program is quite an extensive business. It may take time before the organization sees the benefits of empowerment since it does not provide immediate gratification. Thorlakson and Murray (1996) state that:

“Empowerment is not an overnight process but rather a way of life which can take time to implement. Empowerment should be viewed not as a fad but as an opportunity and a challenge to help unleash an organization’s full potential (p. 79).”

Employee empowerment is a concept that should be implemented and evaluated in stages: incrementally, gradually and systematically. Responsibilities for self-management and decision making should be turned over to employees on an “as-ready basis”. Provision should be made for evaluation of the program to assess the readiness of employees and management comfort level with receiving and giving up authority respectively.

Empowerment as a tool for corporate performance

Empowerment is appears to be the best tool or technique for freeing people to organize themselves. In other words it is a way to encourage employees to think on the job, to bring to it a greater sense of professionalism and self motivation and to feel committed to the company’s success. Empowerment also increases a manager’s power. Organizational power grows when it is shared and the organization performs better. Furthermore, empowerment upgrades the skill base of employees in the organization. People with the tools,
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Information and support to make more informed decisions and act more quickly for example, can accomplish more (Kanter, 1979). There are also evidences to show that empowerment does produce more satisfied customers and employees who trust the organization.

Furthermore, research indicates that employee empowerment has positive correlation with corporate performance—the concern of this paper. Corporate performance variables like profitability, customer satisfaction, risk management, asset base, quality of products/service and work life, market share, revenue, strategic planning, budgeting, reporting, organizational culture, competitiveness, work flow, sales, employee retention, human resource utilization, productivity and so on are reportedly enhanced as a result of employee involvement efforts in the organization. From the above it becomes clear that employee empowerment is a tool because of the numerous benefits it offers to both the employee and management in enhancing corporate performance.

METHODOLOGY

The paper draws largely on the use of past research findings, evidences and cases to demonstrate and examine the need for employee empowerment in enhancing corporate performance. The paper adopts Fox (1998) premise on employee empowerment where research findings, evidences and cases were cited to examine how employee empowerment has a highly positive correlation on corporate performance. Some of the research findings, evidences and cases relevant to this paper are presented below:

RESEARCH FINDINGS, EVIDENCES AND CASES

Spriger and Quinn (1996)

This field research was carried out at Ford to determine whether psychological empowerment is positively related to innovative behaviors in empowering middle managers to be transformational leaders. The study revealed that both the individual characteristics and the organizational context influence the propensity of middle managers to embrace transformational change through empowerment.

Kanter (1979)

Kanter sought to identify some causes of a feeling of powerlessness among specific groups within the organization. The study found out that sharing what power the individual members of the groups have increased power and effectiveness of managers.

Ganz (1990)

This study was undertaken to predict the increasing importance of employee empowerment. The result was that empowerment is beneficial in that it liberate the creative and innovative energies of employees at all levels to be free to pursue goals and objectives that are beneficial to the organization.

Bowen & Landier (1955)

The authors sought to find out what empowerment is and how it has been implemented and how successful at a number of service (instead of manufacturing) organizations. The study brought about the factors that contribute to an empowered state of mind through the empowerment equation:

Empowerment = Power x Information x knowledge x rewards

The study further revealed the factors as control accountability, and awareness. Evidence also indicates that empowerment can have positive returns for employees, customers, and the bottom line, when it is right for the situation.

Candron (1993)

Candron conducted a research at Colgate-Palmolil where empowerment was never experienced before on "Creating an empowerment environment". The findings tend to support those of Bowen & Lawler that an empowering environment requires that; power, information, knowledge and rewards all be provided for empowerment to be successful. The research also brought about an "HR checklist", which may be used as a measuring device for workplace empowerment efforts.

Quinn & Spreitzer (1997)

The study sought to examines why empowerment efforts in the workplace are often ineffective. The result was that for an empowerment program to be successful, such a program must include aspects of both
mechanistic and organic approaches. The study also brought about a mentoring approach to the enhancement of empowerment in the organization. Other important variables in the study are shared success stories, helping one another to diagnose situations, building of networks to expand power base in the organization, the seven empowerment questions and so on.

Employee empowerment in Nigerian organizations

The question that is often asked is whether employees are empowered in Nigerian organizations. Research findings by Fajana (2002), Nmadu (2005), Yalokwu (2006), Bello et al (2007), Nwachukwu (2009) and researchers revealed that Nigerian employees are not effectively empowered. To begin with, training and development institutions like The Administrative Staff College of Nigeria (ASCON), The Center for Management Development (CMD), The Industrial Training Fund (ITF), the Nigerian Institute of Management (NIM) Chattered, and others do not incorporate in their objectives and training programs the concept of empowerment. In addition training and development programs are not in line with employee needs.

Furthermore, management in many organizations do not share information with employees even in the face of strategic changes to be introduced. Employees are not valued, just as jobs are designed without respect to the needs of the employees. Compensation is poor and hardly comes when it is due. There still exist in many organizations a Boss - Subordinate type of relationship where employees are 'only seen but not heard'. In addition, management is engaged in sharp or unethical management practices that negates the concept of empowerment. Faced with the above scenario, employees do not trust management since they tend to question the competence, integrity, consistency, loyalty, and openness of management. Elegido (2000) accepts this view when he stated that: "in absence of trustworthiness in the employer (organization), it is idle to hope for trust in the employees". The resultant effect is that managers in Nigerian organizations do not effectively empower their employees though there is evidence to show that there is some kind of delegation of authority in many organizations in Nigeria.

RECOMMENDATIONS

Based on the preceding and on the work of Lambert (1996) and Fox (1998), management should perceive their roles as helping employees to grow and must see potentials in the employee and strive to bring those potentials out. For empowerment to be a tool for managerial corporate performance the under listed are suggested as a way forward:

- Management should determine 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 of management 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.
- Sharing information about the employee's and the organization's effectiveness or ineffectiveness.
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CONCLUSION

Employee empowerment is a continuous variable in managing employees in organizations. Success of an organization should be judged on how it may be for an empowerment effort or how empowered it is currently. To make employee empowerment work, organizations must not only give information about the business but also demonstrate how their work fits in. Employees should be trained and must be valued. Today, employee empowerment has become part of the culture of most organizations and managers now consider it a tool in enhancing performance.

REFERENCES


