

# Coherent Organizational Practices and Workplace Empowerment: Empirical Evidence from Practicing Organization

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## Abstract

*During turbulent days, organizations are increasingly seen to innovate ways to manage business. One of these innovations is in the area of developing and managing human resources. Experience has shown that developing human resources often results in achieving a sustained organizational growth. Various strategies are being adopted by business organizations in this regard. One also sees a paradigm shift from an approach understood as 'welfare approach' to that of an approach commonly known as the 'empowerment approach'. This approach of employee empowerment has seen interesting outcomes and hence has been accepted almost all across the world. This paper is an empirical study of Indian industry. It highlights some unique strategies adopted for managing human resources in this industry. The efforts have paid large dividends to the company. The workforce is committed as well as efficient. The business organization has succeeded and has been able to achieve global standards. This paper makes an attempt to advocate the cause of employee empowerment and calls upon practitioners to shift their practices from that of welfare orientation to empowerment. The paper also makes an attempt to demystify the concept of employee empowerment.*

**Key Words: Empowerment; Ownership culture; Industrial Democracy; Global Organization**

## Introduction

We are presently living at a time where we all experience complex challenges. Infact, the world around us is undergoing rapid changes. Leadership crises of some sort are evident in almost all organizations and business. We do also hear of the fallout of such ineffective structures. In the face of all these events, the time has come for us to think over and renew the relationships that we practice within our own organizations. The business of tomorrow would be entirely different from what it is today. The workplace has also become more challenging, and the workforces are experiencing more opportunities. These changes make it imperative for business organizations to adopt newer ways to cope with present crisis and lead towards corporate success. One such mechanism could be making appropriate investments in developing the human resource potentials. This, however, is not an easy process. A paradigm shift will be required of all these events, the time has come for us to think over and renew the relationships that we practice within our own organizations. The business of tomorrow would be entirely different from what it is today. The workplace has also become more challenging, and the workforces are experiencing more opportunities. These changes make it imperative for business organizations to adopt newer ways to cope with present crisis and lead towards corporate success. One such mechanism could be making appropriate investments in developing the human resource potentials. This, however, is not an easy process. A paradigm shift will be required.

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The researchers in the field of Human Resources Management are increasingly facing a dilemma in suggesting the best strategy to handle day-to-day issues and newer requirements of the workforce. They also are confronted with the dilemma of which strategy organizations should adopt in order to develop their human resources. Research on strategies adopted in managing human resources has shown that much change has happened over the years. One has seen new concepts evolving during the late 1980s and early 1990s. Some notable ones among them are employee involvement and participation; self-managed teams, delegation of decision-making, etc. Many of the old theories on human behavior have been rewritten and new models developed to cope with the rapid changes brought in as a result of liberalization.

The business in the Third World economies is experiencing the winds of change for the first time. It is pertinent that in the light of all these rapid and new developments, organizations need to approach human resource systematically. Indeed, in pursuit of continued excellence and the urge to stay at the top makes organizations adopt various innovative strategies. It is necessary that these strategies match international standards. Not only it is necessary that the production systems, the financial systems, etc., be guided by systematic management, but equal emphasis needs to be placed on managing the people and managing HR systems, as these would play a major role in making business organizations excel on global front. Human resource development and management is of utmost importance for almost all organizations particularly if they are serious enough to stay ahead of others. One does see some business organizations placing an increasing importance on human resource management. We also observe the development of innovative styles, approaches and models in this regard. An innovative company often follows certain outstanding and path breaking practices. Many of these evolve as a result of their conviction to change the fundamentals. It is necessary that fundamental changes come through the practice and adoption of ethos, particularly those with some degree of global acceptance. References to the Japanese management styles are often cited. These Japanese organizations are remembered for the unique way they manage and develop organizations and the way human resources utilize the global standards in management practices. The standard global practices include: open lines of communication; high value to human; transparent organization culture; scope for creative world; leadership at all levels; an equal code of conduct; leadership at all level; and an open and fair appraisal system. Interestingly, these components deal with the concept of empowerment as well.

#### **Power of Empowerment: An Innovative Human Resource Tool**

Management experts all across the globe have placed a lot of stress on the need for empowering the workforce in organizations. Literature on these new found strategies of empowerment also abound and research on this theme has brought out the various dimensions of empowerment. Some see it as something that has to do with investing power and vesting full authority with almost every employee in an organization. Some argue that empowerment enables employees to do what needs to be done rather than do what they are told to do. Some understand empowerment as the means to transfer power to the lowest appropriate level in order to create an opportunity for maximum initiative, responsibility and commitment. The proponents argue that this shall help people at appropriate levels make the right decisions for the right reasons. The third dimension look at employee empowerment as sharing responsibility and power equally at all levels in the organization, thereby helping people to develop and innovate, take initiative and make independent decisions to satisfy their needs and wants, while reaching the desired goals and objectives. In the words of *Argyris (1998)* 'Empowerment involves a creative act that frees a person, a group, an organization, and even a total system to behave in new ways'.

The fourth dimension views empowerment as a process of enhancing the feelings of self-efficacy among organization members through the identification of conditions that foster powerlessness. Providing information through formal organizational practices and informal techniques is a means of removing this powerlessness. Proponents like *Gates (1995)* conceptualize empowerment as a process resulting in the autonomy of individual employee, as well as increases accountability towards their job performance. Gates argues that such processes will provide a sense of ownership and fulfillment while achieving shared organizational goals among the employees. Empowerment is seen as both a holistic approach as well as an advanced approach towards human resources development and management. Every employee is involved at various stages of organizational development, which makes him or her responsible and accountable for their actions. It is seen as a way of handling employees delicately by sharing equally the resources, materials, information, etc.

As *Rosabeth Moss Kanter (1977)*, Professor at Harvard Business School, and a pioneer in the area of organizational empowerment and related work, defines, the concept empowerment as "giving power to people who operate at an advantage in the organization success". She conceives of a continuum from powerless to empowered and encourages organizations to help people move towards the empowered end. She was the one who propagated the concept of empowerment from sociological perceptive and later in the Industrial context. The origin of empowerment work can be traced from Kanter's work.

#### **Review of the Work**

From time to time, attempt has been made to understand the practices of human resource development and management in organization and various studies been undertaken. An attempt has been made here to know

the end results of various studies in Indian and Overseas context in the field of empowerment and related areas. In Indian setting, not many studies are reported in this area. Recent studies by Pati (1997); Sengupta and Shaikh (1997); Venkatachalam (1998); Dwivedi (1998); Mohapatra (1998); are reported and reviewed in Indian context. Pati (1997) undertook the study in the area of employee empowerment and opined that any organization based on employee empowerment should give employees freedom to exploit their full potential. Another study was undertaken by Sengupta and Sheikh (1997) in the area of empowering employees through sharing all the organizational information with the employees. An observation has been done by Venkatachalam (1998) in the area of empowerment. He says that traditional means of managerial control of people in an organization is increasingly becoming obsolete in today's industrial world, and a need has arisen to improve upon organization control.

Studies have been conducted overseas in the area of empowerment, how to develop and manage HR, thus focusing in very many areas and presented by researchers and management gurus in the form of Research work, write-ups, articles, research reports and cases. Scientist and Researchers like Barnes and Kaftans (1970 and 1985), Stack (1983), Myron Eichen (1989), Edward Lawler III (1991), Marjorie Reynolds (1991), Michael Quarrey (1992), Matt Ward (1994), Michele Hunt(1996), have dealt with the study of empowerment and related areas in creating world-class organization and an winning work force.

A study by Barnes and Kaftans (1970) involved an empirical enquiry in the design and creation of a company with no formally defined hierarchical structure and how it promotes the practice of empowering employees and encourages them to perform high. Barnes and Kaftans (1985) conducted a study in Sun Hydroids Corporation, USA, in the area of employee empowerment and the ways through which it should be undertaken. Myron Eichen (1989) reports his observation at Brook-tree Corp, in the area of employee empowerment and emphasized the need to foster and encourage creativity, open lines of communication for good employee-employer relation in companies and how employee ownership in a capital intensive company should be practiced as a form of employee empowerment. Edward Lawler III (1991) Director, Centre for Effective Organizations, University of Southern California, has undertaken extensive studies in the area of empowerment and how instilling a sense of ownership among employees leads to maximum output at work place. Matt Ward (1994) reports his observation at The Wyatt Company. He shares his experience of how through creating an ownership culture through employee participation, one can practice empowerment and manage HR. Michele Hunt (1996) reports his observation undertaken at Herman Miller organization. He says that concepts such as participation, quality and ownership are fundamental while empowering employees at work place. The study undertaken by Bo Burlingham (1999), with the objective of knowing how one can empower their employees through the practice of open-book management and ownership culture. He concludes that open book is a journey.

### **Research Design**

The focus of the study is to understand why and what makes top performing companies different and what are the innovative and unique strategies adopted in creating a global standard organization. It was therefore, decided to use explorative and descriptive design, which befits into the pattern of investigation. The study also understood and fleshed out to explain the technical and commercial context within which the firm operated in terms of environmental certainty-uncertainty, stability and resource munificence. The study also looked at the timeline described for the change process that the firm went through (if that is what occurred), or was the firm set-up to be empowered from the beginning. It was also to understand what things changed early, what things changed later and how well did they triangulate? The current practices of developing and managing human resources were explored and a description of all these practices was analyzed through appropriate questionnaire and schedule, including verbatim recording of the responses, per se.

### **Objectives**

The investigation is an empirical research work undertaken to understand how a model company can be created with innovative workplace programme and policies. It was also intended to understand the impact of such innovative practices on empowerment and how such processes could change the very face of the organization and help it remain at the top of the business. An effort was made to understand all that contributed to empowerment--the systems, practices, policy or the leadership. The study also tried to differentiate between the various human resource strategies adopted in empowering employees and how

these strategies differed from other management practices. An effort was also made to see how these management practices impacted upon employee behavior.

With these core objectives, the study also proposes to understand the issue likes: Do we really need empowered people? Is empowerment something that can be done to someone or something a person must choose? Are employees, leader or all, creating empowerment climate in the organization? With these supporting objectives, the genesis of empowerment is probed at length.

**Hypothesis**

**Ha1:** A sense of Organizational life through climate shapes behavior and moulds positive attitude towards organizational growth and development leading to employee empowerment;

**Ha2:** Employee Empowerment results from various coherent organizational practices conducive to creating such an environment

**Method of Study: A) Organization**

Karnataka State in India is an industrially developed State, with a wide range of organizations. Belgaum District was the selected geographical area for the present study. Polyhydron Private Limited-PPL was established way back in 1981 by SBH, CEO & MD with other fellow colleagues under the Hyloc banner. PPL was one of the units under the banner and SBH thought of Polyhydron unit with ideas he felt were on lines with his thinking and took up the responsibility of running the organization. The wide range of products at PPL spans over more than 40-50 types and an average of 700 models. The customers are from varied places and the turnover on an average is between 8-10 crores. PPL organization is part of present study enquiry.

**B) Sampling Population**

**TABLE No. 01: Showing the target group and percentage of respondents**

Sl No	Levels	Total Employees Responded		% of Responses *	
1	CEO/MD	01		01	
2	Managers	07		06	10
3	Engineers	06		06	10
4	Software expert	02	02	03	
5	Administration	09	06	10	
6	Supportive	04		02	03
7	Highly skilled	05		05	08
8	Skilled	18		16	26
9	Semi skilled	19		16	26
10	Unskilled	02		00	--
11	Trainee	01	01	01	
<b>Total</b>		<b>73(1)</b>		<b>60(1)</b>	<b>100</b>

\* Fractions are excluded in % calculation

**Results:**

In a theoretical mode of empowerment in the work place, organization empowerment can have a powerful influence on individual achievements. The positive systems in an organization will make a person at work place move to great heights. This research extends the work by specifying the content and nature of sense of belongingness and the nature of individual achievements. One way to view industrial and organizational achievements is in terms of constraints and opportunities it presents for individual. For e.g., excessive bureaucratic constraints and red-tapsim inadvertently passive mindsets and behavior of employees, where the sense of belongingness is low (Argyris 1982). On the other, a systematic cultured work place will force the person to work with great strides. It makes one to work those extra miles. There are reasons why people remain at work place after the scheduled time. A basic proposition undergirds the hypothesis developed:

Ha1 A sense of Organizational life through climate shapes behavior and moulds positive attitude towards organizational growth and development leading to employee empowerment; Ha2 Employee Empowerment results from various coherent organizational practices conducive to creating such an environment

**Table No. 02: Showing the Results for Ha1 and Ha2**

ENQUIRY AREA	Strongly Strongly Agree	Agree	Can't Say	Disagree	
<b>disagree</b>					
Value to Human is high in Organization	41 68.3	18 30.0	0 0	0 0	1 1.7
Each are accountable for their action and can't blame others	32 53.3	27 45.0	0 0	0 0	1 1.7
Honesty & truthfulness is the only policy in organization	49 81.7	10 16.7	0 0	0 0	1 1.7
The organization makes you insecure sometimes	0 0	2 3.3	6 10.0	37 61.7	15 25
Each is boss in himself	16 26.7	38 63.3	2 3.3	3 5.0	1 1.7
Most people are conservative & not open	0 0	9.0 15.0	17.0 28.3	32.0 53.3	2 3.3
Everything is not negotiable here & some matters are rigid	3 5.0	20 33.3	8 13.3	28 46.7	1 1.7
I am paid just to work	2 3.3	30 50.0	1 1.7	21 35.0	6 10.0
There is red tapism & more bureaucracy	0 0	2 3.3	3 5.0	29 48.3	26 43.3
Common rooms are shared	7 11.7	34 56.7	4 6.7	14 23.3	1 1.7
I am been trusted in Organization	35 58.3	24 40.0	1 1.7	0 0	0 0
Some have hidden agendas	4 6.7	3 5.0	9 15.0	34 56.7	10 16.7
I blame others for overall failure	0 0	0 0	4 6.7	43 71.7	13 21.7
Top person doesn't believe me easily	1 1.7	4 6.7	6 10.0	44 73.3	5 8.5
Ends are important then means in Organization	23 38.3	21 35.0	3 5.0	12 20.0	1 1.7
Management is subjective here	5 8.3	10 16.7	8 13.3	33 55.0	4 6.7
Management hardly recognize hard work	1 1.7	6 10.0	6 10.0	39 65.0	8 13.3
We don't try new things because of Management's Attitude	0 0	2 3.3	2 3.3	40 66.7	16 26.7
Management is open to idea's & more information sharing	31 51.7	28 46.7	0 0	0 0	1 1.7
Management creates fear phobia sometimes	1 0	5 1.7	31 8.3	2 51.7	2 38.3
Management does not share confidential matters with me	2 3.3	9 15.0	12 20.0	31 51.7	6 10.0

It is not transparent Management	6	7	2	32	13
	10.0	11.7	3.3	53.3	21.7
They have their own people	5	15	11	18	11
	8.3	25.0	18.3	30.0	18.3
We have threatening atmosphere to learn & develop continuously	4	1	1	32	22
	6.7	1.7	1.7	53.3	36.7
Each has confidence/faith in team members	10	42	4	4	0
	16.7	70.0	6.7	6.7	0
Management also encourages team at all level	10	32	14	3	1
	16.7	53.3	23.3	5.0	1.7
Management feedback is always subjective	2	8	13	34	3
	3.3	13.3	21.7	56.7	5.0
Management has close door discussion sometimes	0	4	9	32	15
	0	6.7	15.0	53.3	25.0
There are some polices to be shown and some policies to practice	0	2	7	33	18
	0	3.3	11.7	55.0	30.0
The boss is always right & can't be questioned	2	13	5	35	5
	3.3	21.7	8.3	58.3	8.3
People are hardly trusted & spying is done	1	4	0	35	20
	1.7	6.7	0	58.3	33.3
Based on likes / dislikes, some are protected	1	2	11	38	8
		1.7	3.3	18.3	63.3
13.3					
Decisions are objective	6	12	10	28	4
	10.0	20.0	16.7	46.7	6.7
Some are favored while taking decision [Subjective]	0	2	12	38	8
	0	3.3	20.0	63.3	13.3
I am also involved in decision-making process at all level	3	22	23	11	1
	5.0	36.7	38.3	18.3	1.7
Managers spy me	1	1	6	37	15
	1.7	1.7	10.0	61.7	25.0
Everyone can have own objectives, mission, goals	11	37	6	5	1
	18.3	61.7	10.0	8.3	1.7
Every recognition is made known to all	7	37	10	6	0
	11.7	61.7	16.7	10.0	0
I usually work to get recognition	2	10	14	31	3
	3.3	16.7	23.3	51.7	5.0

### Findings and Analysis of Results

Sense of belonging feeling towards the organization is a state of one's mind reflecting in employee behavior. High morale employees are high contributors and more positive towards the organization growth. There are several ways and systems through which one works with the organization and feel the sense of equal ownership.

There were several variables identified and put to test in knowing the reasons for high belonging of employee through empowered work place systems. The significance of the hypothesis was tested in relation to different age group, department-wise, education level and experience wise and how these different categories of employees view the system. As many as 50 different variables were put to test. When it was put to test the value employees received from the management in the organization, 98% employees expressed that value to human is high, in-return as many as 68% strongly agreed for the high value to human's showed by management, followed by 30% agreeing it to moderate extent. The results also say that only 1% strongly disagreed that the value for humans is not high in the organization. This is a noteworthy observation because all the remaining practices depend on how the HR is taken care of. Another enquiry in this area was examined to know the level of accountably each shouldered in the organization. The responses were quite noteworthy and only 1% strongly disagreed with the system saying

that each is not held accountable and is blamed for not doing work properly, whereas, as many as 53 and 45% employees strongly and moderately agreed accordingly for the system where each is accountable for his/her own action and doesn't blame others for the outcome results.

A look at the other practices put to test included: managements trust level on each individual in the organization revealed that 98% were happy that they were trusted in the organization and non-disagreed with this practice. The actions of employees were not cross-examined. The hidden agenda of employees and management also spoils the work place atmosphere, which was put to test. More than 75% disagreed and feel that none had hidden agenda in the organization and every activity was transparent and open. A minimum of 15% employees could not respond to the enquiry made. As many as 11% of the employees agreed and expressed their willingness that there are individuals who have hidden agenda.

The nature of the people and their behavior at work place was put to test to know whether people possessed conservative characteristics and where they clean in their actions. Nearing 56% disagreed in their opinions that people were conservative and as many as 28% were not in a position to respond. There were 15% of respondents who felt that people were conservative, which reflected in their actions. While a sense of belonging can also be created with the philosophy of equality treatment by management. While common rooms were shared equally in the organization, more than 65% agreed to the system of common sharing culture, whereas 25% disagreed with the system. A small crunch of 6% was unable to judge on the practices and didn't respond to the enquiry.

An enquiry was also undertaken to know people's actions, thinking and what's up in their mind. More than 60% disagreed in stating that individuals are open in telling what's there in one's mind, whereas, a minimum of 8% agreed in opining that some don't tell what's up in their mind and were not open. A large crunch of 31% could not respond to the enquiry put to test and were unable to judge. While another enquiry that was put to test in knowing the feelings of belongings among individual's shouldering the responsibility among all. As many as 85% respondents agreed that responsibility was shared and 6% disagreed for the practices ever existed. An ethical management would get good returns from its employees reflecting in growth of organization. This also has reflections on the thinking and perception of all the employees in organization.

Belongingness feeling amongst all also depends on how management's attitude is while dealing with work place issues of employees. Is the management subjective in its approach brought out 60% responses disagreeing that management is not subjective in its approach towards work place issue, whereas 20% agreed and felt that management is subjective sometimes. Management also recognizes hard work of the employees, as said by more than 75% of employees working in the organization, and as many as 65% of employees said, management is interested in ends and the means followed by all in organizational activities. A work force with high productivity and motivation looks for management with fair behavior. More than 75% of employees felt that management behavior towards all in the organization was transparent, open and visible. A small crunch of 21% felt that management was not transparent, whereas, 3% of employees could not respond to the enquiry.

Few other areas to know the belongings feelings of employees that were put to test included: 65% of employees stating that top boss can also be questioned for his action by employees; 90% felt that people in the organization don't spy you; everyone is at liberty to have his own objectives and mission as felt by more than 75% of employees; one can develop his own products in the organization, as opened by 74% of employees and a total of 73% employees expressed that each work in the organization is recognized and well-dissimilated, whatever be the quantum of return contribution.

There are some other areas of enquiry and responses, which are note-worthy at this stage. The employees felt insecure sometimes, may be in initial days as opened by 5% of employees. Even 30% of employees felt that management has its own people in organization, which work hand in hand. 40% of employees felt that they were not involved in decision-making exercise in the organization, whereas nearly 20% employee's dint had the liberty to set one's own work standards. The rest responses and the enquiry areas may be seen in the table No: 07.with the corresponding results.

Although it requires several different systems to create the oneness and belongings feeling among employees while empowering employees, the variables put to know various organizational activities are timely.

**Mean and SD results for Ha1 and Ha2**

The table No: 03 shows the Mean, SD and total values in relation to all the four independent variables and the enquiry areas. Each category was sub-divided as shown in the table:

**Table No.03: Showing the Mean and SD Results**

Category	N=60	Mean	SD
Age			
< 30	25	343.76	34.68
30-39	25	330.24	49.34
40+	10	335.00	40.94
TOTAL	60	336.60	42.11
Experience			
<10	33	343.15	31.90
10+	27	328.59	51.49
TOTAL	60	336.60	42.11
Education			
Upto SSLC	24	340.29	40.80
PU/BA/BSc	20	342.35	25.92
PG/Engg/Dip	16	323.44	56.71
TOTAL	60	336.60	42.11
Department			
Managerial	22	334.82	34.99
Other	38	337.63	46.15
TOTAL	60	336.60	42.11

The table No 03 shows the results of Mean and SD percentage with respect to the Ha1 formulated. This is a very significant finding and demonstrates the strong link between assumption in the mainstream study and the values of Mean and SD results. The results with the corresponding percentage values clearly show the association with the practices and the outcomes. The mean and SD values with respective to the four independent variables, viz: age, work experience, education level and employees working at various working at different departments suggests that there is high correlation between the perception of employees, the work place practices and the employee empowerment, *per se*. The responses are likely to influence the outcomes with employee characteristics like age, work experience, education and employees working at various departments.

The Mean and SD table represents the distributions for these variables for all the employees under the preview of study with high score indicating high-perceived empowerment. The mean and SD analysis suggest that the scores are statistically significantly associated with Organizational practices and employee responses towards empowerment. Thus, the Mean and SD percentage results for the Ha: Individual and organizational achievements can be gained through the sense of belonging were fairly high and the perceived empowerment did not differ significantly amongst or between the group members, *per se*. Irrespective of different groups as specified into four independent variables, everyone felt the outcome of empowerment due to organizational practices and systems.

**ANOVA results for Ha1 and Ha2**

The hypothesis was tested in relation to four independent variables in finding the level of significance and supportive relevance of the practices. The four independent variables were examined into two categories and the results were tested in two ways, i.e. the significance level between the groups and the significance level amongst the group members, and whether group members between or within differed in perceiving the practices and the reasons for homogeneity responses, if at all.

**Table No.04: Showing the ANOVA Results**

Category	Sum of Square	df	Mean Square	F-ratio	Significance level
Age					
BG	2261.840	2	1130.920	.630	.536
WG	102375	57	1796.045		
Total	104636				
Experience					
BG	3147.639	1	3147.639	1.799	.185
WG	101489	58	1749.806		
Total	104636				
Education					
BG	3814.079	2	1907.04	1.078	.347
WG	100822	57	1768.813		
Total	104636				
Department					
BG	110.285	1	110.285	.061	.805
WG	104526	58	1802.174		
Total	104636				

**Note: B/W: Between the Group      W/G: Within the Group**

The results in the study prove that overall the groups did not differ in perceiving the practices and there were no significant differences in the group members thinking, as also amongst the group thinking as far as the empowerment practice was concerned. Across all the respondents, the responses tended to be similar, either in agreeing or disagreeing with the organization practices. Amongst the age level, the group did not differ much and irrespective of different age groups, all perceived in similar way as far as practicing employee empowerment by the management in the organization is concerned. The obtained F-ratio value and significance level of .630 and .536 respectively proved in-significance differences in responses of the work force in the age group.

The results with respect to work experiences also showed that, irrespective of the total number of years of experience put by employees, they did not have any significant differences with respect to experience put in the organization, as far as amongst the group members and also between the groups, and the perception on the management practices tend to be similar. The obtained F-ratio value and significance level of 1.799 and .185 respectively proved in-significance difference in responses of the work force in experience wise.

### Box No: 1

### Principles of Empowerment

- \*Work on Culture
- \*Prioritise the Systems and Strategies
- \*Make Accountable for Actions
- \*Allow Open Door and Transparency
- \*Describe the Autonomy
- \*Promote Delegated Responsibility and Shared Authority
  - \*Promote Informal Relations
- \*Define Power of Empowerment
- \*Don't Impose Empowerment
- \*Embrace empowerment in the strategy and mission statement
- \*Provide the rationale for change

The differences in seeing the practices due to one's education standards were also examined. The results proved that, irrespective of the level of education one has, there was no significant difference in seeing the practices of empowerment in the organization. Education level did not have any significant effect in perceiving the practices of management and no difference existed either between the groups or amongst the group members. In the group, the members across different education background, viewed the practice similarly, and the same was the case between the groups in viewing the empowerment practices of management. The obtained F-ratio value and significance level of 1.078 and .347 respectively proved insignificant difference in the responses of the work force education wise.

The level of significance as far as employees working in different departments were concerned was also put to test. Since organization has various departments based on the nature of work performed, two-broad categories were made, which included, those who fall under the managerial category and those as work force working at the shop floor level. As many as 22(36.7%) fall in the managerial category and the rest 38(63.3%) fall in the employee category. The variables were put to test in two ways, that is, to know the differences between the groups and amongst the group members itself. The obtained F-ratio value and significance level of .061 and .805 respectively proved insignificant difference in the responses of both the groups, and both the groups did not differ sharply in their responses. Irrespective of one working at different sections and departments, the responses tended to be similar, either in agreeing or disagreeing with various organizational practices.

The responses speak true picture of various practices that are instituted at PPL. What is noteworthy is the similarity of responses across different categories of work force. While agreeing or disagreeing with the enquiry, the responses are homogeneous in all the categories of respondents. This observation also holds well in results between different groups that exist. It's a fact that the practices of empowering employee are clearly visible at PPL.

#### **Conclusion**

We are living in a time of complex challenges in our collective lives. Leadership crisis of some sort are evident in almost all organizations and businesses (Nelson 1994; Lawler 1995; Juhl., Kristensen., Dahlgard., and Kanji 1997; Bo Burlingham 1999; Kardas., Paul., Gorm .,and Gale 1993; Clayton., Raynor., and Scott 2003). On the other, a whole paradigm shift is also needed, not only to cope with the present situation, but also to know how one has to march in order to stay at the top of business in the years to come. But, every organization operates on a set theory to develop its business. This depends on what its business is, what its objectives are, how it defines results, who its customers are and what are the core values in the organization. Whether the organization wants to be at number one or two, or considered to be fortune 500, or first 100 or top 10 global organization depends on how well human resource is developed and managed (Wajzman and Lewis 1999; Wetlaufer 1999). On the other, the world around us is undergoing rapid changes. The business of tomorrow would be entirely different from what it is today. The work place has also become more challenging and the work force is experiencing more opportunities. These changes make it imperative for business organizations to adopt newer strategies. It is here that the organization needs to look out for newer ways to cope with the present crises. One such mechanism could be making appropriate investments in developing the human resource potentials. This, however, is not an easy process. A paradigm shift will be required.

Model companies have been innovative and follow outstanding practices in developing and managing human resources, because if the organization aspires for fundamental changes, then it must change the fundamentals. Fundamentals, I mean the very fabrics, approaches and the workplace systems that are adopted in managing and developing its human resources. Age old traditional systems like hierarchical reporting, boss centric policies, red tapism, closed door approach; single way communication, confined management ethos, authoritarian leadership and the like are the systems which prove to damage the system than do better. A very different system and practices matching global standards should be adopted for human resource management. HR strategy is an organization's fundamental approach to managing employees in a way that ensures achievement of the firm's business objectives. How one approaches HR is often a question for management. The transition to top management also calls for unleashed passion for great ideas, scope for expanded decision-making, a clearly articulated value systems and an all-encompassing view of strategy.... all of which lead to new business and personal priorities. Indeed, listen to the people in truly great companies talk about their achievements and you will hear little about earnings

per share and loud about their association with the company. What makes people to associate with organization and in turn, how organization makes them to feel like. Because, companies that enjoy enduring success have high value for human resources and its development.

As in the words of PPL CEO, if empowerment and employee ownership is found in the organization, this is only because of the culture that has been created in it. The work place culture at PPL is quite unique and practices like climate of complete trust, of mutuality and freedom of expression is quite prevalent organization wide. Each person is trusted and each person has the liberty to speak his feelings without any reservations. Employees are liberated to take independent decisions of organizational interest. There is total transparency in all the activities and no matter is restricted and reserved for few. In fact, when one is transparent in his behavior and activities, people will behave in an honest and truthful way, which is quite visible at PPL. Another important culture ingredient for employee empowerment is respecting and valuing each human being. HR is seen as an asset and not mere employee in the cog of machines in production. The high value for HR is what makes the empowerment exercise work. There is nothing-called officer, manager and employees in practice. Each is equal and are equally treated irrespective of the designation and the positions. There is no distinction between any levels or grades in the work force. The designation seems to appear on papers only.

In fact, human resource systems and practices are saturated with unearthed assumptions that reflect the organizations beliefs and values. A primer on the design of organizational policy explains that : policies and rules are usually good indicators of an organizations value system, its assumptions about people and human beings behind it and its understanding and beliefs in the human resources that makes organizations effective. This perception impacts on the employee's sense of identification with the organization and its objectives. And, this perception influences the degree of 'we-they' polarity in the organization and the level of cooperation or skepticism and cynicism, which is present in the work force. Though unseen, underlying assumptions powerfully shape inner-working systems, efficacy and outcomes for the better or the worse. Such assumptions speak volumes for the people of an organization, conveying messages about how they are viewed, valued and cared.

#### **The performance indicators: Engaged Employees**

The performance of such practice is seen in different indicators. The sales turnover with barely in thousands has crossed cores now. The profits have seen tremendous growth. The costs have also been

reduced with employee taking full responsibility of overhead wastes. The satisfaction of employees can't be measured by any scale. In fact, the instinct satisfaction that employee is with PPL can't be measured by any financial scales. The success in the organization also depends on how employee traits are and the characteristics which are necessary and found in employees of present organization are: assertive behavior, self-motivated, transparent approach, tenacity character, growth oriented attitude, less egoism, extravert nature, open communicator, working in team, dedicated, willing to take risk, openness to new ideas, result oriented, participative approach, seeks challenges, drive for perfection, ethical approach, high values, desire for quality and excellence, committed, honest in all the business dealings and above all, enjoy the work done by oneself and that of others.

On the other, the management is also viewed as a responsible management and not merely boss-employee relation. The feeling amongst all that, the management looks for results; is uncritical; more objective in approach; emphatic towards employees; respects all irrespective of one's return contribution; encourages each; participative; loyal and truthful; transparent; visionary and above all, accepts healthy critics. In fact, the top boss has created such an aura in the organization that, there is no single incidence ever noticed or reported of having ill treated employee merely as an employee because he is employed and paid for the job. In fact, on the macro scale, employee feels to be part of organization and the inner satisfaction while identifying with the organization is incomparable.

#### **Problems with the system:**

People always look with suspicious in welcoming any new system that are brought into any of the present working systems. Initially, there was resistance for such power distribution systems and open climate at PPL. Is it another game plan of management to put us in problem? Employees were made part of the organization development process, but took time to put full strength in involving themselves. When they were told that they were trusted, incidence was reported that employees took advantage of the system

and were off the job without prior permission in few cases. Even, when responsibility was equally shouldered, management was blamed at times for not reaching the target. Employees were not open, free while communicating with management. Feedback also tended to be half factual. Management was to listen negative feelings of not meeting standards, in spite of the fact that responsibility was shared equally. There were few incidence of hidden agendas worked. Employee was told what return contribution for the hard labour put, but still management faced the bell. On the other, recognition of the work done was based on objective assessment, but still the mindset ruled out to be subjective. With all good and bad deeds, management still went with instituting and practicing people centric development practices. As in the words of CEO at one instance, the results in such exercise are too late, but fruitful. One cant gets instance results. A comprehensive training and education program organization wide was the result of employee believing the benefits of the systems, per se.

To add, there was a mind mapping and attitudinal change exercise through formal/ informal training and discussions. Employers were told over a period of time, the need for such systems, the way it will (is) done and the benefits, per se. In fact, it took days for the management to come on common platform and time before one realized the after-math benefits, they're of. In fact, some were resistance to take-up this new exercise and over a period of time, doughty management actions behind such exercise. The problem was also with the thinking of people that 'are they capable and matured enough to take one like this'. Moreover, employee's resistance initially, and later management efforts in practicing such a workplace ethos saw the day.

It should also be noted that, empowerment and empowering employees is a holist approach and all the systems, practices, people, leadership, culture, ethos, policies and principles should together join hands in working at it. If a single element in this entire system is missing, empowerment can hardly be practiced and organizational development will be defective. Today, employees at every level expect to be treated as valued members of their organization. They seek responsibility and look for independent decisions in the affairs of organization. They also seek power for better organizational deeds. As also, the organization has been meeting global standard in terms of all its systems and products. The vision of the leader has paved the way for an introduction of all these. They are now paying dividends. The leader has introduced the system and has been instrumental in inspiring the employees to view their growth through these systems. A factory within the factory has emerged.

The experiment has come a long way. Today the results of such efforts are also far reaching. The organization can safely boast of having highly motivated and committed workforce. It has a creative and innovative approach in place; it has employees who handle their responsibilities professionally and have the inherent capability to take independent decisions; a low employee turnover; less absenteeism; a disciplined and confident workforce with open and transparent behavior. The industrial climate is also free from disputes. These are all because of the empowerment practices the organization initiated. All these practices make for the good image the organization carries today in the market, while enjoys the reputation of high ethical organization.

But, one thing is clear. At this particular time in history, with thousands of our major organizations facing global challenges and some even unable to cope in managing to the extent needed, it is little wonder that organizational anxiety about future will be much wide spread in our country in the days to come. Experts and the observations in study leads to conclude that organization must foster Empowerment or become extinct. We are likely to see more efforts of empowerment in the future. I am put at end by stating, "there is nothing Indian Organizations need more at this moment than a true **RENAISSANCE** strategy towards human resource development and management at every level". Empowerment and empowering employees in organization is the answer.

### **Avenues for Further Research**

In the Corporate World, the past few years have been the days of uncertainty. Rare is the company – great, good, getting by or rotten, that hasn't reduced staff, cut costs or restructured. Beyond these straightforward strategies, however, companies have taken different approaches to deal with their current difficulties and position themselves for the future. The companies that rank high as most admired have been more focused on addressing critical strategic issues and more successful in maintaining the capability and infusing commitment in workforce. These companies have capitalized on the challenges that face them, thus

creating momentum that has helped them to sustain through tough times. Given today's climate, managing employees is more challenging than ever.

Corporate decline generally does not stem from a single factor; it results from an accumulation of various management decisions, actions and commitments that become entangled in self-perpetually workplace dynamics. Rigidity, lack of freedom, dictatorial Management style, subjective behavior, one man authority, no way for creativity, bureaucratic systems, lack of respect and feelings of powerlessness create a culture that makes an already bad situation worse. Once a company is caught in this spiral web, it is hard to stop and reverse the direction for those who are looking for developing an organization of global standard and a winning workforce. These findings are limited by the fact a single organization was surveyed. Therefore, future research should address the limitations inherent in the study.

Future there could be focus on an empowered organization, and then comparing it to another organization with no empowerment or less empowerment, based on the long held observations one should do before such study. It could also happen that empowerment strategies are viewed differently amongst male and female population. An observation could also be directed to study the gender differences between how one feels, if the practices are undertaken amongst male and female employees. It could happen that a particular practice may be perceived differently amongst the sexes, which helps the Management to look into such issues while a strategy is adopted. In fact, there could be a perceptual differences, which can be quite significant while such practices are undertaken, involving larger heterogeneous working population.

It has always been held that in India, the systems, practices and policies are different amongst the public and private organizations. This is mainly due to policy differences. A study in this direction comparing the public and private organization will throw a light on how employees in these sectors view the system and further suggest the desired practices. In fact, an attempt could also be directed towards understanding how empowerment differs from members of different types of organization - Small x Medium x Large enterprise; not for profit x government bureaucracies; Sunrise x Brick / Mortgage organization; and what type of organization produces feeling of empowerment.

An attempt could be made to know the influence of each factor / system / practices on the employees, *per se*. This could further direct one to fine tune such practices on a larger canvas and understand weather an empowered employee can be empowered still more.

Future research could also include a study and observation on self-managing teams. Such research may likely facilitate theory development on organization design and development of empowered workforce in contemporary organizations. Certainly, this study shows how group's characteristic can be an important influence on feelings of empowerment. Research must go further to assess what types of groups increase empowerment and why.

An observation could also be directed towards examining whether different traits of leaders and types of organizational culture as well as career stages and organizational program such as mentorship and orientation increase individual feelings of empowerment. An attempt could also be made to know the reactions of employees' changed behavior, perception and attitudes from time to time, situation-to-situation with association between the employee empowerment and the degree of commitment, zeal, motivation, morale and the like. This will give a picture of the validity and reliability of instituting such practices.

An attempt could also be done to study the employees who have left the organization. But, there are limitations in finding the retired / leftover employees, especially in India. These populations could also be potential respondents in throwing light on how they viewed the practice, and if at all the management was the reason to leave the organization, *per se*

Having identified the opportunities in the new millennium and by coming up with innovative strategies, managers should now move forward to capitalize on these new opportunities and create strategy. They should focus on how human resources should be managed and developed in a new era, which is characterized by unprecedented changes socially, economically, politically and technologically. The changes that Asian firms need to make in terms of strategies and HR policies are regarding employee empowerment. To sum up, successful companies have developed a clear understanding about how HR has to be developed and managed. They also stress that the greater importance lies in HR management for business management. So, rather than scrambling and reacting to a slight shift in the market, they can calmly stay the course and focus on the few key areas that will drive future performance, which would be

admirable, indeed. Our hope is that the more we study and research empowerment, the more knowledge we can try to cure these organizational ills.

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