

**METHODOLOGY OF MEASURING THE
EFFECTIVENESS OF EMPOWERMENT.**

BY

HEINRICH BADENHORST

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Study leader: Prof. S. Kruger

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SINOPSIS.

Gevolmagtiging is nie net 'n nuwe besigheidsterme wat in gebruik geneem was om die verbeelding van die huidige bestuurswetenskappe vas te vang nie. Dit behels die innoverende benadering om met mense te werk en 'n verskuiwing van top bestuurstyl beheer meganismes, na gedesentraliseerde beheer meganismes en die volmagtiging van die laer vlak werknemers.

Organisasies stel in diepte ondersoek in, hoe om verskeie tegnieke te gebruik vir die skepping van 'n werksomgewing vir volmagtiging van die werksmag. Die doel daarmee is om kompeterende voordeel, innovering en effektiwityd van die organisasie te verhoog. Daar is verskeie faktore wat in ag geneem moet word om die gevollmagtigde werksomgewing te skep. Die faktore vir die suksesvolle implementering van 'n gevollmagtigings strategie sluit onder andere in: die struktuur van die organisasie, die werksomgewing, die beskikbare tegnologie en die organisasie kultuur.

Die studie identifiseer die voorvereistes wat in aanmerking geneem moet word vir 'n volmagtigings strategie. Faktore word uitgelig wat die effektiwityd van die strategie beïnvloed en riglyne word gestel vir die meting van die effektiwityd van die strategie.

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Chapter 1.

Introduction and Motivation of the Study.

Empowerment is one of the most discussed topics relating management style, culture, structural change and employee satisfaction. Once a company has introduced an employee empowerment strategy, there is very little guidance on how to determine if the strategy is effective and successful.

1.1. Prologue:

Management is defined as getting things done through other people. What is to be done is not exactly described or prescribed. No tasks are defined, the definition is generic and should fit all organisations, structures and people (Pretorius, 1997:1). However, over time a lot of management theories have evolved in describing the “how” of management. Together with these approaches, structures, cultures and management styles have formed that were and are still in use by companies today.

The world has evolved from an Industrial Age to an Information Age where information is freely available. In an ever-increasing pace of change, most companies are changing the structure, culture and management styles in which they operate to keep up to improve market share, communications and productivity.

Most bigger and older companies grew up in the era of structured power. This hierarchical structure of power has its origin in the Industrial Age. The emphasis was on mass production, standardisation, specialisation, stability and security. But even that has changed as “change” become the buzzword for survival.

There has been a move in the late eighties and nineties, where change is the only constant. It is influenced by a total new set of needs, and left with the need for different attitudes, behaviour, management style and modus operandi.

Responsible empowerment is seen by some as an essential part change management, because it can lead to both increased productivity, quality and employee satisfaction. Since there may be as many negatives talked about employee empowerment as there are positives, it is clear that empowerment does not work for all organisations. It is one of the most difficult aspects of continual improvement to implement (Stebbins, 1998). Involving people in the decisions they make, to make them feel responsible and accountable for their work is something that takes time, patience and perseverance.

The idea of employee empowerment has considerable appeal to the participating business leaders and many are convinced that empowerment offers substantial potential benefits to companies, managers and employees (Estes, 1997).

Management literature is replete with the benefits of empowerment (increase productivity, absenteeism falls and job satisfaction increase), however once converted to the concept of empowerment, managers often experience roadblocks in their efforts to increase the decision making power of their employees.

Ward (1996) identifies some of the issues that managers struggle with:

- How can I give up control when I am accountable for the results?
- How can I give greater decision making authority to my employees, yet ensure the results are of good quality and are consistent with corporate objectives?

- How can I manage the empowerment process so employees feel the project is their own?

1.2. Motivation:

Although there are many possible forms of empowerment, all essentially involve the passing of some degree of responsibility from those traditionally called “leaders” to those traditionally called “followers”. In a very real sense, full empowerment distributes leadership throughout the organisation, although those in different positions will be accountable for different leadership functions. Leaders do not have to fear the loss of work in an empowered system, but rather their work will be vastly different and far more challenging. For any organisation, the “best” empowerment strategy will depend on the particular situation, with one of the determining factors being the readiness of staff for empowerment. Diversity in followership is likely to be one important factor in determining readiness (Offermann, 1996).

There is considerable disagreement about the effectiveness of empowerment. Many researchers (Spreitzer, 1995: 442-464; Thorlakson and Murray, 1996: 67-83) voice concerns about the lack of objective research regarding the effectiveness of empowerment programs in the organisational setting. Despite testimonials advocating an empowered approach, these researchers believe that empowerment programs are in danger of failing due to the lack of knowledge and understanding of the constraints surrounding the empowerment process and how they can lead to failure (Thorlakson and Murray, 1996: 67-83).

1.3. Problem Statement:

All managers of companies have the same problem. They reach a point where they realise that there is a need for change, the direction can be Third Wave management, the ideal scenario sketch is obtainable and acceptable. There are advantages for the people and the company that cannot be ignored. The challenge is to find the recipe to achieve the end-result. The recipe is to be discovered through trial, error, strength, weakness, hard work and persistence.

Estes (1997) found that there is considerable uncertainty about how to measure the effects of empowerment efforts; respondents were unsure of their programmes' impacts on revenues, costs, output, and profit.

Rizzo (1996) states the following issues relating empowerment and measurements:



If an executive has in place improper measurements throughout the company, and if the measurements create conflicts for employees, and if the executive creates the conditions whereby those employees acquire the authority to make decisions that impact the company on a grander scale, then should the executive expect any real improvement?

“But if we really want to achieve the full benefit of empowering employees, shouldn't we first fix the measurements?” (Rizzo, 1996).

Gambrell (1996) implies that the best way to fix the measurement is to have an empowered employee discover the problem through their “conflict” with the improper measurement. If employees are not empowered, or more importantly, empowered to discover and remedy the poor measurement, then they will merely exploit the measurement

to its illogical conclusion (e.g., high productivity means greater bonus, but high throughput would have meant company makes money and employee suffers).

“Empowerment is a misnomer. It should really be a cultural awareness, acceptance and requirement to challenge the status quo without fear of reprisal. If not, then human nature dictates we will play by the rules, no matter how inane they may be. Because mankind will maximise their own compensation/bonus/standing if that is the only thing the company seems to care about or recognise” (Gambrell, 1996).

Thacker (1996) states that unless the measurements are fixed before the employee is empowered, he is most likely to be confused, trapped and overwhelmed. Empowerment is the last thing that he will feel, as he has conflicting goals. To maximise his own performance, would be at the detriment to the organisation.

“Fix the measurements before you empower the employees to make decisions that can affect the results of these measurements. Otherwise conflict is inevitable. By all means empower the employees to change (or remove the conflict) in the measures, but before they have been empowered to affect the results. Otherwise even more conflict is inevitable.” (Thacker, 1996).

Measurements of empowerment strategies form a very critical part of the changing process that is experienced by the employee. Therefore one must develop a measurement system that is suited for one's own organisation. The problem that arises is that there are no guidelines that can be followed. Measurements are there to determine if there is achievement and improvement.

“We are seeking high achievers. And high achievers love to be measured, because otherwise they can't prove to themselves that

they are achieving. Measuring them says you care about them.”

Robert Noyce of Intel, cited by Quinn (1992).

1.4. Objectives:

The objective of this study is to develop guidelines for management and all other participants for the development of a measurement system of their empowerment strategy. It is a process where much guidance and support is needed in order to lessen the confusion on goals, roles, responsibilities and skills needed.

The theories on empowerment strategies are emerging every where, the examples are in the making, but not necessarily ready for reuse yet. This makes it very difficult for newcomers, who want to follow the footsteps of those before them, to form expectations of what might happen along the way to the new destination. As noted before, empowerment must be customised for each individual company, due to the difference in cultures, structures, measurement systems and management styles.

The aim is to bring all these theories, examples and fears together to produce one set of guidelines that can help form the expectations involved and preparation needed for each step along the way to the goal.

In determining the true elements relating to empowerment, and investigating the complexity of this approach, the following aspects will be taken into account:

- The need for empowerment.
- What empowerment really means and involves.
- Empowering individuals.
- Success factors for empowerment.

- The benefits of empowerment.
- The pitfalls of empowerment.
- Leading an empowered organisation.
- Current measurement tool.

1.5. Literature:

Empowerment is addressed by a wide variety disciplines within the business world. This has produced a large amount of definitions and strategies for the implementation thereof. Each empowerment strategy is very specific in each industry and the type of organisations.

1.5.1. Empowerment:

The term “empowerment” first arose among 1960's-era populist activists who sought a decentralised, participatory model of politics. Empowerment, for these people, is an experience rooted in locally organised political action. The term packs a remarkably complex system of meanings. To “empower” someone is to confer power on them, but in a specific sense of the term “power”. One does not become empowered through the acquisition of money or status or skills or even through the removal of external obstacles, but rather through a change in subjectivity. In realising one's own innate capacity to change the world, one liberates a range of intrinsic but possibly dormant potentials. As such, the concept of empowerment presupposes a particular kind of equality among human beings: everybody has such potentials, simply for being human (Arge, 1995).

The business use of the word empowerment does not coincide with either the populist or conservative uses. Instead, it refers to a process by which employees are freed of bureaucratic constraints and given control of their work in order to make decisions and reorganise their local work-processes in accord with their own judgement. The theme

of empowerment is frequently bound up with the theme of employee “teams” (Wellins, Byham and Wilson, 1991). Based on a tradition of organisational research on small groups (Lewin, 1951; Weisbord, 1991) and upon on observations of self-directed work teams by the founders of sociotechnical systems (STS) design (Trist, 1981), these teams are said to be empowered to organise work through consensus rather than through the imposition of hierarchical control. The idea with both empowerment and teams is that work activities cannot be wholly routines, and the people who actually do the work are closest to it and in consequence are in the best position to judge how it should be done.

1.5.2. Empower from the “bottom up”:

The most important concept of empowerment is to delegate responsibility to the lowest levels in the organisation. The decision making process should be to a high degree decentralised and individuals or work designed teams should be responsible for a complete part of work processes (Lawler, 1994:70).

For instance, Saturn, a highly successful American car manufacturer, empowered its employees by turning assembly lines into dedicated process oriented workstations solely managed by the work team. Even the design process involves a high degree of employee participation. In the Saturn case, empowerment became directly linked to responsibility, and employees make suggestions how to improve processes (Bluestone, 1992:38). Stevens (1993:20) suggests that the ultimate success of a quality programme must be based on its ownership by employees and their empowerment to make changes. It is crucially important that management values employee suggestions and manages accordingly. Naturally, a worker directly involved in a process knows best how to improve it (Mahoney and McMillan. 1994:177). In an Empowered organisation, employees feel responsible

beyond their own job, since they feel the responsibility to make the whole organisation work better.

Lawler (1994:71) does to a certain extent oppose the ideas mentioned in this section. Lawler (1994:71) argues that employee empowerment does not directly constitute to the success of a TQM programme since quality is always on the centre stage in such a strategy. Opposite to this, employee empowerment is usually the result of an organisation's strategy and technology, focusing not only on how to improve cost, speed, and efficiency through quality improvements (Lawler, 1994:71).

1.5.3. Employees: The most important asset in organisations:

Empowered personnel have responsibility, a sense of ownership, satisfaction in accomplishments, power over what and how things are done, recognition for their ideas, and the knowledge that they are important to the organisation (Turney 1993:30). Without productive employees, the organisation is nothing and can do nothing. Empowerment works the best when employees need their organisation as much as the organisation needs them, "...and the need is much more than a paycheque and benefit package" (Johnson, 1993:47).

Johnson (1993:47) is aware that there is a belief that employee's only work to get monetarily compensated. However Johnson (1993:47) argues that it is only true when employees are not able to play an integral part of the organisation. Likewise, Mahoney and McMillan (1994:177) propose that the empowerment process is only successful when there is room for feedback and autonomy in the organisational culture. Only in such a scenario, it is possible to fully utilise the capabilities of your employees. The golden rule is that leaders have to treat their employees the way they want the bosses to treat them (Johnson, 1993:47).

Employee empowerment is more than a management buzzword and a textbook definition. It is a new way of managing organisations towards a more complex and competitive future. A Third Wave strategy is deemed to fail if empowerment of employees is absent. Quality starts with engaging the people responsible for processes, the people who know the processes the best. The people whom critics argue are unable to understand the holistic aspects of the organisation. However, participative management has proven very successful in fostering responsibility, motivation and belongingness in organisations with high autonomy and flexibility.

1.6. Methodology:

The concept of empowerment within organisations will be investigated. This will be done from a literature point of view. All current and relevant articles, books and discussion documents will be investigated. The aim is to discover what has been written and said about empowerment, and get to an answer on the relationship between empowerment and measurements of the effectiveness, and the process of moving from one to the other. An analysis will result in recommendations for possible measurement guidelines.

1.6.1 Referencing technique:

It must be noted that within the referencing technique where the page numbers are not indicated, the source of the information is an Internet article.

1.7. Chapter Division:

Each chapter will focus on the issues listed below.

Chapter 2:

- **2.1. The need for empowerment.**

Empowerment is a vital element of the modern business environment. Getting closer to the customer, improving service, continuous innovation, increased productivity, gaining competitive edge, none of these things is possible unless organisations find new ways to empower their employees.

- **2.2. What empowerment really means and involve.**

Empowerment means giving someone else power. Although the meaning seems straightforward, as one digs into the true depths of empowerment, it becomes much more complicated (DuBrin, 1996:177)

- **2.3. Empowering individuals.**

Who becomes empowered is a critical consideration. In general, look for employees who are a cut above average at their level of responsibility. Capability and motivation are both major factors in recruiting employees for inclusion in process redesign or quality improvement (DuBrin, 1996:187).

Chapter 3:

- **3.1. Success factors for empowerment.**

As with any management intervention, employee empowerment works best under certain conditions. When these conditions are present, the probability increases that employee empowerment will increase productivity, quality and satisfaction (DuBrin, 1996:187).

- **3.2. The benefits of empowerment.**

The bottom line is that organisations seek to empower people because they believe that it improves the company performance in some way. Senior executives have come to realise that the people within an organisation represent a crucial resource, a force that can be harnessed for the good of the enterprise (Johnson and Redmond, 1998:19).

- **3.3. The pitfalls of empowerment.**

Empowering individuals can be very dangerous. If you fail to gain their commitment and loyalty, empowerment may damage the organisation (Johnson and Redmond, 1998:175)

Chapter 4:

- **4.1. Leading an empowered organisation.**

Empowered organisations need leadership and management. The fact that people at all levels are making decisions does not do away with the need for managers. The nature of management changes (Johnson and Redmond, 1998:197)

- **4.2. Current measurement tools.**

The rhetoric of liberation that surrounds the empowered worker has led to widespread hopes for democracy and other human values in work. It is certainly important to nurture such values. But it is also imperative to understand that, rhetoric notwithstanding, the empowered worker shares one thing with the rationalised worker: the ubiquity of measurement. When work processes are designed once-and-for-all, it is only necessary to

record single measurements for each of those processes' atomic components. The literature describing the measurement of empowered work, though, focuses on outcomes as well as components, and empowered workers are expected to innovate in the service of these outcomes. Indeed, many business texts prescribe a new organisation chart based on an “inverted hierarchy”, with managers supposedly at the service of the productive workers at the “top” (Davidow and Uttal, 1990:90-91, 104-106; Quinn 1992:129-134). Time-and-motion specialists, it is suggested, should no longer administer measurement of these workers, from the outside; rather it should be continuous, built into the processes of work by their design.

Chapter 5:

- **Summary, conclusions and recommendations.**

This chapter analyses the issues relating empowerment. All the concepts will be constructed into the requirements for the guidelines to be followed for the measurement of empowerment.

Chapter 2:

Empowerment in Perspective.

2.1. Introduction:

In the workplace, the term “empowerment” carries two different meanings which are often confused: First is the process by which management delivers power to employees and secondly the process by which an employee assumes power.

Much of the management literature emphasises the first of these meanings. For example, Pearn *et al.* (1995:170) discuss the need to both empower employees (that is, supply power) and equip them to behave in new ways (supply the right skills and attitudes). Plunkett and Fournier (1991:93) describe empowerment as a mechanism for investing responsibility in individuals and teams. Quigley (1994:40) depicts empowerment as a process in which power flows down from the enterprise’s vision to leaders and on to those below.

2.2. The need for empowerment:

As organisations became larger, the dynamics of the company often became diluted. Hierarchical structures developed, which have led to increased control and regulations. Information was controlled very closely, as knowledge is power, and within the culture of these organisations power was extremely important, as it was perceived as a measure of an individual’s worth.

In the last decade there has been a demand for a very different style of management. Companies due to the changes within their different environments required the new management style.

- The dynamics within the marketplace changed. Customers became more demanding. They required flexibility, innovation and quick decision making from their suppliers.
- Companies who misread the scale of changes required by their customers, the recession arrived, and it bit deeper than any recession the present generation of managers has experienced.

The result of this period of both recession and changing customer demands was that many companies took a very long look at them, didn't like what they saw, and have restructured (Austen-Smith, 1994).

In the current climate of corporate downsizing and restructuring, employee empowerment is highlighted as an important factor for the successful implementation thereof. Many writers have indicated that involving employees more fully in a company's operation can produce more loyal, productive and creative workers and a stronger business (Schrecengost, 1996).

Companies today are far leaner than they were five to ten years ago. There are fewer layers of management and a clearer understanding of their customer's needs. They recognise that to add value to their customer they must be seen as proactive, innovative organisations, that is continually seeking improvement. To achieve this they must use their staff better, they must give them the opportunity to make an increasing contribution to the company. Employees deal with the issues on a daily basis, who interface with the client, understand the problems and, more often than not, have the solution. Perhaps companies will recognise more clearly that a motivated workforce can make a significant contribution to achieving the objectives of the company. In turn this will add value to the individuals themselves and will lead to a satisfied and retained customer, a more profitable

company, and people who actually enjoy coming to work (Austen-Smith, 1994).

Empowerment is the buzzword in business today. Managers can not ignore the number of conferences, books and articles in journals that are projecting this “revolutionary” new concept as the next great step in achieving competitive advantage.

The concept of empowerment is new to many managers, for the business environment in which they have worked for so many years has consistently under-utilised the role of the employee in the success of a company (Austen-Smith, 1994). Empowerment is a vital element of the modern business environment. Getting closer to the customer, improving service, continuous innovation, increased productivity, gaining competitive edge, none of these things are possible unless organisations find new ways to empower their employees.

The interest in empowerment in organisations, businesses and other institutions can be due to some of the following contributing factors:

- Technological development
- World-wide communication
- Market expansion
- Education
- Political change
- Competitive advantage
- Improving service and continuous innovation.

Logan (1995) believes that we as human beings have reached a new level in our evolution, demanding fuller self-expression, self-determination, and contribution to our world society. Secondly, world problems, organisation and business problems have become incredibly complex, making management systems that separate the

functions of management and workers obsolete. There is a place, a vital role for each human being.

“It does not matter which role one plays, team leader or team member, but that the role enables maximum utilisation of human potential. Empowerment is not a fad; it is a way of being that we are growing into.” (Logan, 1995).

Sometimes empowerment seems simple. It means delegating decision-making, doesn't it? Empowerment is recognising and realising the power people have as skilful and motivated members of an organisation. So it is not something given to employees by top management, it is really the other way round (Waterman, 1994).

Empowerment is a pervasive term of art in business at the moment. It indicates a complex set of practices through which workers are liberated from conventional bureaucratic controls, thereby unleashed to do the job the right way rather than the rationally prescribed way (Agre, 1995). The concept of empowerment is based upon the belief that employees need the organisation as much as the organisation needs them and that leaders understand that employees are the most valuable assets in the firm.

Workers affected by proposed changes must be involved in the decision to change, else they will fight progress (Magjuka, 1993:63). In an empowered organisation, people should not expect to be told what to do, but they should know what to do. The primary role of management is to support and stimulate their people, co-operate to overcome cross functional barriers, and work to eliminate fear within their own team (Hand, 1994:25).

In most organisations, the majority of employees are excluded. Since a large number of employees are hourly workers, they are the most

neglected when it comes to participating in learning to develop higher-level thinking skills. Higher-level learning is the development of the mind to think in terms of whole systems and complete processes. It is the ability to think in terms of relationships. For a company to receive the full benefits of employee empowerment, it is essential for higher-level thinking to permeate it from the bottom up. Empowerment does not work very well with employees who have been kept at the operational thinking level, with employees who have developed their motor skills but not their mental skills. Empowerment unifies thinking with doing. Empowerment maximises the mental abilities of employees and allows them to use those abilities on behalf of the customer. The overriding belief is that hourly employees should learn only those things that are narrowly specialised and that require using motor skills.

It is important to understand that there is a positive correlation between satisfying internal customers and meeting external customers needs. Employees who are not treated correctly cannot be expected to treat external customers differently (Johnson, 1993:47). Internal satisfaction can be achieved in the following ways: establish a high degree of participative management, decentralisation of hierarchy power structures, create a large degree of autonomy throughout the organisation and finally the development of effective work groups. All these ways are based on the concept of employee empowerment.

Employees must be empowered to analyse data effectively and have the ability to respond quickly. Employee empowerment can be utilised to deal with the increasing demands of consumers and to improve an organisation's competitive edge. An empowered employee has a sense of influence, competence, meaningfulness, and choice. Empowered employees tend to have greater commitment to the organisation and

an internalised desire to take personal responsibility for work efforts and results (Bachtel, 1997).

The front-line employee should have the authority to make prompt decisions (Grönroos, 1990:9). Sales opportunities and opportunities to correct quality mistakes and avoid quality problems in these moments of truth will become truly wasted moments of opportunity to correct mistakes, recover critical situations and achieve re-sales and cross-sales

2.2. What empowerment really means and involve:

Empowerment means giving someone else power. Although the meaning seems straightforward, as one digs into the true depths of empowerment, it becomes much more complicated (DuBrin, 1996:177).

In a perfect world, employees would take responsibility as if they were the owners of the company or at the least, had a vested interest in the success of the company for which they work. Employee activities that must be rewarded are risk taking, co-operation, mentoring, innovation, value adding and challenging. Withholding knowledge generally will only serve the one who withholds in retaining power. Power is limitless, unfortunately many think that their power comes from their position. To the contrary, it comes from within, this is true leadership. If one truly want employees to actively embrace the activities in the participation, one must create a climate of safety; nobody desires to get shot down for sticking their neck out in an effort to improve the workings of their organisation (Rigsbee, 1995).

Empowerment works the best when employees need their organisation as much as the organisation needs them, and the need is

much more than a paycheque and benefit package (Johnson, 1993:47).

The term empowerment incorporates strategies ranging from increasing worker participation in decisions surrounding their immediate job tasks up to and including full self-management, both of job content and job context (Ford and Fottler, 1995: 21-23). The most important concept of empowerment is to delegate responsibility to the lowest levels in the organisation. The decision making process should be to a high degree decentralised and individuals or work designed teams should be responsible for a complete part of work processes (Lawler, 1994:70).

Workers directly involved in a process knows best how to improve it (Mahoney and McMillan, 1994:177). In an Empowered organisation, employees feel responsible beyond their own job, since they feel the responsibility to make the whole organisation work better.

Bell (1995) stated that if employees are to be empowered, then managers have to develop higher order skills of leading, developing and coaching first before they will release their lower level, traditional sources of power (decision making, controlling, information, etc.) to teams

Dodds (1995) highlighted some issues why empowerment initiatives fail:

- The concept of empowerment is not clear.
- Controls for the new style of managing are not put in place.
- The behaviour change involved for managers and staff is not given sufficient attention.
- Managers fail to appreciate that this is a major change and takes many months or even years.

Empowerment is not only the delegation of power. Empowerment is sharing responsibility to achieve goals, the means to achieve the goals, accountability for the goals and the means employed, and the authority to accomplish the task within the given set of means. These were the duties and responsibilities of supervisors and managers. Once they are shared with the customer-facing employees, the need for direct supervision disappears, since many more people are accountable to the organisation for those goals. Supervisors become redundant in this situation (McNamee, 1995).

Four conditions for empowerment (McNamee, 1995).

Even with a strong and active internal audit force, empowerment will foster fraud unless four conditions exist:

- A management information system that provides continuous feedback on processes and how goals are achieved.
- An organisation culture with a value system built on trust, responsibility and accountability, and a programme of continuous improvement in communicating these organisational values.
- Strong controls over the financial stream.
- A system to identify and deselect individuals unable to accept the responsibility of empowerment.

Involving employees in decisions they must make in order for them to feel responsible and accountable for their work is something that takes time, patience and perseverance. Irresponsible empowerment is when management assumes delegating guarantees better results and employees assume they can do whatever they want. Accepting employees as fully functioning human beings is important to make them feel that their inputs are important and appreciated. The activities that management recognise, reward and praise, are the activities that will most likely be repeated. Truth is vital to the success of empowerment and employee participation. When information is

held back, employees will simply fill in the blanks and usually what they fill in is far from accurate (Stebbins, 1998)

Empowered is not obtained through the acquisition of money or status or skills, but rather through a change in subjectivity. It is a process by which employees are freed of bureaucratic constraints and given control of their work in order to make decisions with their own judgement. Empowered managers take personal responsibility for the organisation's success and maintain a rigorous policy of congruence between inner experience and outward action (Agre, 1995:167-195).

Although there are many possible forms of empowerment, all essentially involve the passing of some degree of responsibility from those traditionally called "leaders" to those traditionally called "followers". Empowerment distributes leadership throughout the organisation, although those in different positions will be accountable for different leadership functions. One of the determining factors for empowerment is the readiness of the staff for empowerment. Diversity in followership is likely to be one important factor in determining readiness. Cultural background may well affect the acceptability of participation as an organisational norm (Offermann, 1996).

Empowered personnel have:

- Responsibility.
- A sense of ownership.
- Satisfaction in accomplishments.
- Power over what and how things are done.
- Recognition for their ideas.
- The knowledge that they are important to the organisation (Turney 1993:30).

Some of the issues managers struggle with are these. How can I give up control when I am accountable for the results? How can I give

greater decision-making authority to my employees, yet ensure the results are of good quality and are consistent with corporate objectives? How can I manage the empowerment process so employees feel the project is their own? To deal with these issues and to effectively empower employees, three conditions need to be met. First, the manager should make an accurate assessment of the capability of the employee to accomplish the task. Second, the manager should adopt a leadership style that is appropriate given the employee's capability. Finally, the structure in which the employee is to complete the task needs to be well understood by both manager and employee. (Ward, 1996)

Bowen and Lawler (1992:32) includes in their definition of empowerment the sharing of information regarding the organisation's performance, rewards based on organisational performance, and knowledge that enables employees to understand and contribute to organisational performance.

Berry (1995:208) goes further and argues that empowerment is a state of mind. An employee with an empowered state of mind experiences feelings of:

- Control over how the job shall be performed.
- Awareness of the context in which the work is performed.
- Accountability for personal work output.
- Shared responsibility for organisational performance.
- Equity in the rewards based on individual and collective performance.

The reasons for empowering employees can be divided into those that improve the motivation and productivity of employees and those that improve service for the customer and market the service products more effectively. In services marketing empowerment of the front line

can lead to both attitudinal and behavioural changes in employees (Rafiq and Ahmed, 1998).

Offermann (1996) proposes to overcome follower resistance to empowerment via three T's: Time, Trust, and Training. The question is how can a leader empower employees with different styles, temperaments and backgrounds? Offermann (1996) stated the following:

“First, one must be willing to spend the time. Expect initial scepticism from most employees. Many experienced employees will assume that empowerment will fade over time. Lasting leadership commitment to developing leadership in followers will convince people that empowerment is permanent. Viewing empowerment as a perceptual frame of mind rather than a technique (Russ, 1995: 29-30) may help differentiate it from the numerous other organisational initiatives to which employees have been exposed. This frame of mind represents nothing less than fundamental shifts in attitudes toward how work should be accomplished. The role of organisational leaders is critical in the development of this trust. Failure of leaders in this process to assume their own new roles of coach, facilitator, external co-ordinator, and vision developer/ communicator will quickly doom the process. Individual follower differences will require flexible leadership to reach out to people in different ways, as each requires. If leaders want to reap the benefits of empowered employees, they must be willing to trust in their employees to get the job done. This can be difficult for leaders when the leaders perceive that their own job success will be measured by the success of others over whom they have little control. To develop a sound trust in employees, leaders must actively help develop staff capabilities to the point that the leader can delegate with comfort.”

Empowerment is not without its costs. One of the consequences of empowerment is that it increases the scope of the employees' jobs. This requires that employees are properly trained to cope with the wider range of tasks required of them. It also impacts on recruitment; as it is necessary to ensure that employees recruited have the requisite attitudinal characteristics and skills to cope with empowerment. Additionally, the increased responsibilities and improved skills required from empowered employees often means that employees must be better compensated, thus adding to the labour costs (Rafiq and Ahmed, 1998).

2.3. Empowering Individuals:

Empowering individuals has an emotional and intellectual element. Empowerment recognises that individuals have intelligence and aspiration. It involves looking at their jobs they do and the skills they need. Once these are clear, training and development activities are followed by providing the opportunities and yielding the authority to the individuals concerned (Johnson and Redmond, 1998:175).

2.3.1. Job concepts:

The job concept is changing. Empowering employees also involves looking at the people's jobs. An employee wandering around and talking to someone in a different section would raise eyebrows in a command and control culture, but this would be normal in an empowered structure. This means that there may be merit in making sure that there is indeed space and time for people to think and talk to each other. It is counter-productive, therefore, to reduce the number of employees to the absolute minimum necessary for routine operations. Space and time is needed by people to innovate, develop themselves and improve the operation on a continuous basis.

An empowered employee may have a job with three parts:

- Essential tasks.
- Discretionary activities.
- Shared tasks (Johnson and Redmond, 1998:176).

An employee needs ability, authority and opportunity to become empowered and to operate in this way. Organisations require empowered employees who are committed to the organisation's goals. Management can encourage an employee to acquire knowledge, skills and understanding, but attention must also be paid to that person's desire to learn (Johnson and Redmond, 1998:178).

2.3.2. Developing ability:

Important tools that are available to managers to assist employees in overcoming their reluctance and/or inability to accept empowerment initiatives include.

- *Employee training.*

Specific types of training deemed necessary include team-building, conflict resolution, decision-making, and organisation-specific training employees need to expand their skills and perform more functions within the team (Randolph, 1994:27). In order to be effective, empowerment requires workers who have the knowledge and skill to perform their job effectively, or managers must provide employees with training in these essentials if they are lacking.

People learn when they react to what they hear and see. Thus people need to become involved if they are to learn and develop. Much of the motivation to learn comes from the anticipated outcome. A training programme that is boring, repetitious or requires long periods of concentration will not prove cost-effective. It needs to engage the

learner and provide stimulation, variety and rewards along the way. Such rewards should be in terms of tangible, recognised achievements. As people become empowered, they will want to learn more about the company, how it works, its range of products, suppliers and customers. This is mostly factual knowledge. An empowered organisation needs people who are more versatile, having a broader range of skills than traditionally the case. Above all, the organisation needs people who can make decisions and think through the results of their actions (Johnson and Redmond, 1998:178-179)

- *Assessing the Capability of the Employee.*

Employees are not yet capable to be empowered for a number of reasons, ranging from a lack of desire or motivation to take on more challenging responsibilities, to insufficient education, skills or experience. Employees that fall into this category need training and closer supervision. If the employee is not yet capable, the idea is that eventually, these employees can be trained to be more capable in the range of tasks they can accomplish. Employees who are somewhat capable may have a desire to accept more challenging assignments, and may have shown raw potential. However, they may not yet have the skills to allow the manager to give carte blanche authority to complete the task in question. Finally, employees who are fully capable have demonstrated they could perform the task, and could achieve quality results with little intervention from the manager (Ward, 1996).

- *Adopting the Appropriate Leadership Style.*

The leadership styles which managers can adopt also fall along a leadership continuum, ranging from a completely autocratic, mandating style, to a participatory style in which employees give input into problems and make recommendations, to a coaching style

in which the employee has full authority to make decisions and accomplish tasks (Ward, 1996).

The successful implementation of empowerment throughout the fabric of an organisation is nothing less than the development of leadership throughout the organisation at all levels. To the extent that some people have stronger expectations that leadership rests at some organisational levels and not others, the change to empowered systems will be more difficult. Some of the more basic, core management functions of task and method selection will continue to move downward to front-line employees, who will need time and training to discharge their new responsibilities effectively. Increasingly as empowerment takes hold, other functions, including recruitment and evaluation of team members will follow, until full self-management is evident. In the process, the successful organisation will be developing the kind of trust among employees that truly frees people to give their best. Senior leaders in this empowered landscape will then determine the long term direction, strategy, and vision for the organisation, and ensure that the values which the organisation maintains are driven down and throughout the organisation. In this manner, everyone in the organisation knows the criteria against which decisions will be measured, and the standards under which all are expected to labour (Offermann, 1996).

2.4. Conclusion:

The empowerment of employees has its origin due to a number of factors changing in the surroundings of the organisation. The changing market place indicated that the customers' needs changed and that they are more demanding. With the constant downsizing in organisations, it forces the organisations to distribute power and responsibility to other levels within the organisation. Technology developments, world-wide communications, market expansion,

education, political change, competitive advantage, improving service and continuous innovation are all contributing factors for the requirements for empowerment. Organisations require more commitment from their employees, and this is provided by empowering these employees.

Empowerment means giving employees power, responsibility and accountability within their work environment. Employee activities that must be rewarded are risk taking, co-operation, mentoring, innovation and value adding. Empowerment involves the participation of employees in decision making in their immediate job tasks. For employee empowerment, one has to reduce defensive behaviour, develop strategic and creative thinking. Management must therefore develop higher order skills of leading, developing, coaching and information sharing.

The empowerment of employees requires a number of factors for the successful implementation of the empowerment strategy. There are clearly defined benefits and pitfalls with such a strategy. These aspects are discussed in more detail in the following chapter.

Chapter 3

The Requirements and Implications of Empowerment.

3.1. Introduction:

Organisations try to create empowerment, but fail by not committing fully to the programme. They fall short of the desired results by not supporting the programme through the allocation of resources and proper planning (Peters, 1988:451). Many see the rise in the popularity of empowerment as a response to the impact of global competition and information and technology revolution. They believe it is an effective method for equipping organisations and employees with skills necessary to meet the challenges of the future. Customer service organisations have particularly been attracted to employee empowerment in their driven desire to improve service quality and ensure that the organisation is more responsible and responsive to their customers (Cacioppe, 1998).

Employees are only empowered if they genuinely feel their voices are heard and that not only will they be listened to and possibly involved, but also their knowledge will empower them to make the decisions. A key factor in determining the success of an empowerment programme lies in the setting up of all the necessary conditions. Empowerment only works by involving all levels of management and employees.

3.2. Success factors for empowerment:

In an empowered organisation, employees are able to fully participate as partners, they take initiative, work in teams as well as individually,

and have the authority to make strategic decisions (Garfield, 1993:20-22).

Various factors are to be considered for implementation to be successful. Factors include:

- Structure.
- Strategy.
- Environment.
- Technology.
- Culture (Houtzagers, 1999).

Empowerment must be multi-dimensional. Vogt and Murrell (1990) identified six dimensions to empowerment:

- Educating.
- Leading.
- Mentoring.
- Supporting.
- Providing.
- Structuring.

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McLagan and Nel (1997) also provide a multi-dimensional perspective on employee empowerment. For them it consist of:

- The establishment of a system of corporate values.
- A flowing structure as opposed to a hierarchy with boxes.
- Facilitating leadership.
- Each person becomes a manager of his/her own job.
- Open and honest communication.
- Relationships of partnering for performance.

- Employees who understand business and industry as well as finance and economics, who possess critical thinking skills, who are flexible in their learning and decision making, and who are competent in their jobs.
- Controls based on checks and balances and feedback on performance.
- A pay system that rewards everyone when the organisation performs well.

Prescriptions for implementing empowerment include:

- Doing an organisational assessment (Ransom, 1994:323).
- Defining an operating vision (Ransom, 1994:323).
- Deciding when various levels of empowerment will be given (Kappelman and Prybutok, 1995:15; Spencer and Loomba, 1995:45).
- Employing a bottom-up approach (Spencer and Loomba, 1995:44) which accepts the employees' definition of the problems (Dodd and Gutierrez, 1990:71).
- Building collaboration and trust by sharing power (Dodd and Gutierrez, 1990:69) and by having good two-way communication (Spencer and Loomba, 1995:45).
- Using both general and specific training (Spencer and Loomba, 1995:44) to build on employees' strengths (Dodd and Gutierrez, 1990:72).
- To do all of the above relying on the advice of others who are already experienced at implementing empowerment (Anschutz, 1995:3).

3.2.1. The organisational environment:

Peters (1988:451) states that in order for employees to perform in a way which is empowered, they must feel that they, and they alone, are

responsible for what goes on. The atmosphere created is similar to that of an entrepreneur who owns his own business. This atmosphere can only be created through empowerment, where the employee is entrusted to make decisions that control what he is responsible for. This is accomplished by turning control over to the low-level managers and employees who know at first hand what is going on in the organisation and in the market in which the organisation is competing. Turning over control means shifting the bulk of communication from “vertical”, up and down the hierarchy, to “horizontal”, people from multiple functions working together at the front line to respond rapidly to customers’ needs (Peters, 1988:435).

The environment of empowerment only survives if everyone in the organisation supports the process. A failure of top management to support the programme will be illustrated by a lack of willingness to entrust the employees with responsibility. The lack of responsibility among employees is linked to low morale, demotivation, low efficiency, and poor product quality. The empowerment process revolves around top management’s communication of faith in the employee’s abilities. Without this communicated faith and delegated responsibility, an empowerment environment is not created. Therefore, even though many organisations contain employees who empower themselves, one form of empowerment, it must be top management and/or company ownership who initiate and support the empowerment environment. In addition, empowerment is a process of growth and not a final goal to be achieved. Although empowerment can help create a self-actualised state, the final responsibility can only remain within individuals. As a collective entity, an organisation must contain actualised members in order to build the actualised culture that creates an empowered organisation able to compete on a global scale (Vogt and Murrell, 1990).

To be empowered, people need freedom and choices, the scope to take initiatives, to take risks, to make decisions and to really believe that learning and development is highly valued by the organisation. Empowerment supports and promotes learning from experiences and personal growth. It is about valuing and respecting people, caring about them and valuing differences and the potential richness to be gained in doing so (Smith, 1997).

Self-management tends to be fairly rare in any real sense. Clearly self-managing work groups are a limited form of this approach, but are constrained by working within certain limits set by senior management (e.g. self-managing in relation to a set of work tasks). Ideally self-management should involve divisions between managers and workers being eroded, implying that decisions, rules and executive authority will not be set by the few for the many (Semler, 1989:76-84).

Organisations must know what they want to empower. Therefore the organisation must map the desired skills and competence levels for the workforce and to compare these with the actual situation. Organisations are investigating in depth how to implement various techniques to create a setting for the empowerment of the workforce, in order to increase competitive advantage, innovation, and effectiveness.

Employees' roles must be understood within the broader process it supports and that process focuses on, and is measured by:

- The extent to which value is created for the organisation.
- The number of levels in the structure that is reduced to a minimum.
- The employee's capability is aligned with the work he or she is asked to perform.

- The investment in employee learning must be seen as an investment and not a cost (Burdett, 1999).

An important issue is for an organisation to analyse its business processes as a result of the organisation's objectives. These processes must be decompose into business tasks that are of primary concern for the organisation's core activities (Houtzagers, 1999).

Included in key human resource practices for empowerment initiatives are training, rigorous selection, employee ownership and performance-related reward as critical success factors. Granting employees authority, or giving them the right to act in ways needed to accomplish tasks (Schermerhorn, 1993).

Homans (1958:597-606) suggested that a lack of access to critical organisational resources contribute to employee feelings of powerlessness and dependency. Caudron (1995:28-36) contends that nothing is more disempowering than being stopped in your tracks because you lack the resources necessary to do a good job. Conversely, access to organisational resources enhances employees' sense of self-efficiency and control over environmental contingencies (Bowen and Lawler, 1995:73-34; Gist and Mitchell, 1992:183-211), and makes it easier for them to tap locally when they need to get things done (Kanter, 1986:5-6). Walton (1985:77-84) described an empowering system as one in which individuals have the appropriate authority to allocate spending and approve budgets. Such a system allows empowered employees immediate access to funds which may be necessary to implement and maintain programmes designed to help them better understand customer requirements and meet their changing needs (Conger and Kanungo, 1988: 471-482; Hall, 1987).

Without a supportive structure and a sharing of enabling values previous reinforcement, pressures will continue to mould people and

their feelings (Conger and Kanungo, 1988:471-482; Florin and Wandersman, 1990:41-54; Rappaport, 1987:128-148). Without them, any attempt for change will be quickly blocked, either for structural reasons or for lack of support at both the inter- and intra-personal levels. With a supportive structure and enabling shared values in place, changes in information, responsibility, and active belief can activate the empowerment process.

3.2.2. Culture:

Mallak and Kurstedt (1996:8-10) believe that empowerment should be integrated into an organisation's culture in a progressive manner. That is, initially one follows another's lead, then that person models his/her behaviour after that of the leader, next he/she begins to develop an understanding of empowerment themselves and act accordingly, and finally the individual becomes a leader and model for others. Management's role in empowerment then, is to understand that this is a gradual process and to assist individuals as they move through the four developmental phases.

The challenge faced by all major organisations is to design cost-effective management systems and to ensure that such systems enable the enterprise to allocate and utilise resources in the most effective way (Griffin and Shevenaugh, 1995:87-98). The implementation of an empowered workforce is not a "ready-made" process and requires a commitment of time, energy, and resources to be effective and successful. Organisations need to design/implement state-of-the-art management support systems and must have the capacity for continuous learning and innovations to ensure the continued performance of the empowered workforce (Paton and Jelking, 1994:35-41). To implement this management philosophy there must be trust between the groups and upper management so that the employees know that they have ownership to make decisions

(Benson and Wolf, 1994:79-82). Unless there is a serious, long-term commitment to changing the organisation's culture in radical ways, it may be better to walk away from the empowerment game (Kizilos, 1990:47-56).

A complicating factor in defining employee empowerment is that by its very nature, in order for empowerment to be successful, each organisation must create and define it for itself. Empowerment must address the needs and culture of each unique entity. Without this self-reference, employee empowerment invariably fails because the commitment, or the sense of ownership of the concept, is not created (Honold, 1997).

In organisations where empowerment has been enacted successfully, both the philosophy and the term itself enjoy a high level of acceptance (Burdett, 1999).

A study (Martin, 1994) researching conditions that facilitate employee empowerment, suggested that personal empowerment demanded self-confidence and a strong work ethic. From a corporate perspective it was important that there be a non-regimented task design and job-specific training. Managers must provide positive feedback, information, resources, supportive policies, and a stress-minimised working environment.

It is important that empowerment is concerned with trust, motivation, decision making and basically, breaking the inner boundaries between management and employees as "them" versus "us" (Baruch, 1998). Fostering empowerment and inclusion by engaging the entire organisation in ways that leads to ownership and commitment to a shared purpose and future direction and the actions needed to get there. This includes fostering ownership of the process, content and outcomes (Nixon, 1998). High involvement (Bowen and Lawler, 1992:

31-39) where business information is shared and employees have participation in wider business decisions. A change in attitude and self-efficacy is seen as the core of any form of empowerment (Conger and Kanungo, 1988: 471-482).

For empowerment, management focuses on the development of a nurturing environment for teamwork and creativity. Cohesive teams and a collaborative climate are established to generate the support and encouragement required. This environment differs from purely leading and coaching, which is common to the participative management style. The management focus of empowerment is built on an underlying feeling of respect and faith in the employees' capabilities and in their willingness to contribute for the good of the organisation (Margulies and Kleiner, 1995).

If power is not taken by those it is bestowed upon, there is no empowerment. Murrell (Vogt and Murrell, 1990) defines empowerment as an act of building, developing and increasing power by working with others, which he terms "interactive empowerment", and of having the ability to influence one's own behaviour, which he calls "self empowerment".

3.2.3. Information sharing:

For employees to be empowered, information is a central component. There has been a great deal of interest in recent years in management increasing downward communication. This form of communication of organisational goals and the business position of the organisation is to win hearts and minds. The logic here is that employees will be more understanding of the reasons for business decisions and as a result, more committed to the organisation's actions (Wilkinson, 1998).

To properly empower employees, organisations must make more information more available to more people at more levels through more devices (Kanter, 1986:5). Employees need information about changes occurring in the organisation's external environment, information about the organisation's strategic goals, and they need to understand the impact their work has on the achievement of those goals (Lawler, 1992). The information creates the buy-in necessary to generate dramatic and ongoing improvements in the business (Caudron, 1995:28-36).

As suggested by Bowen and Lawler (1992:73-84), access to information concerning an organisation's strategic goals and changes occurring in its external environment allows employees to see the big picture, and this picture is usually communicated through vision and mission statements (Drucker, 1973; Pearce, 1982:15). Information that empowered employees gain from these statements are important, because it helps to create a sense of meaning and purpose (Conger and Kanungo, 1988:471-482), and enhances their ability to make and influence decisions related to meeting customer expectations and demands. It has been suggested, however, that success in this area require extensive involvement of the empowered employees in the development of the vision and mission (Ford and Fottler, 1995:21-31). Brower (1995) stated that information is critical for empowerment, including information about:

- The financial trends.
- Current situation and projections for the organisation, including profits and losses.
- Present and potential changes in markets.
- Customers.
- Competition.
- Trends in technology of production and products.

- The cost per unit, day-by-day, hour-by-hour if possible, of the team's products.
- Strategic direction of the organisation, about its vision and its priorities for the coming year.
- How well the team is doing this month, this week, this day, based on the key measures of their performance. It is best if the team itself determines or participates in determining what these measures are.

Many organisations still live by myths of secrecy:

- Any information we give our employees will get out to the competition.
- It's nobody's business what salaries we pay the top executives.
- We don't trust our employees to know how much profit the whole company or this division makes, or what the unit cost of the "x gizmo" is.
- We will provide information to employees only on a need-to-know basis (Brower, 1995).

Employees learn from information.

Limited information = limited learning = limited empowerment.

Secrecy is the enemy. Some secrecy about the market, technology, and product strategies are sometimes justified, although probably much less than is usually believed. Empowerment requires flooding the floor and front-line employees with more information, better organised, and of a more sensitive nature, than most organisations are willing to provide even to middle managers, let alone workers (Brower, 1995).

3.2.4. Technology:

Malone (1997:23-29) suggests that technological improvements in communications is the key to employee empowerment. When the costs of communicating across a distance were high or virtually unavailable, decentralised decision-making was critical to getting anything done. However as communication costs fell, it was easier to bring remote information together and centralised decision-makers were able to gain a broader perspective and therefore make better decisions. Malone (1997:23-29) persists that as these costs have continued to fall and independent agents can be connected through relatively inexpensive communications channels, decision making should once again be decentralised allowing for more resolutions to be made at a local level.

3.2.5. Training and coaching:

One of the most critical factors dealing with the implementation of an empowerment system is training, which is recognised as the greatest barrier to empowered workforce (Benson and Wolf, 1994:79-82). Training includes work-team awareness, technical skills, interpersonal skills, problem solving and administrative procedures.

Empowerment is a psychological process (Jones *et al.*, 1997:541-554). There may be no change in the employee's work or organisational structure, but employees are trained or educated to feel empowered (a state of mind) and play a more confident role in their interactions within the working environment. Internalisation of the new values is seen as the key to new behaviour.

Within empowerment, three key variables must be present to provide employees with the guidance and the skills necessary to become empowered employees (Geroy *et al.*, 1998).

- *Coaching*

Cleary (1995:40-42), defined coaching as an informal, planned, ongoing process for interacting with employees. The goals of coaching are to improve job performance by increasing employees' capability for managing their own performance.

A coach has been defined as someone who cares about human dignity and spiritual growth (Jones, 1995:52-57), while simultaneously adding value to an organisation by helping the staff learn, grow and develop (Phillips, 1995:5-7).

To be effective, coaching must cut across hierarchies and functional boundaries, e.g., managers coach subordinates, and peers coach peers, so that all employees become more adaptive to change. It is through the process of learning that change takes place (Phillips, 1995:5-7). The coach, however, is not a teacher, but a partner who introduces others to challenges, options and alternative behaviours (Witherspoon, 1996:14-15).

Witherspoon (1996:14-15) pulls coaching even further away from the teaching environment, by suggesting that the focus of coaching should be less on teaching new techniques, than on being a helper. Witherspoon (1996:14-15) defines coaching as a process whereby the employee is given guidance in assessing his/her own performance, obtains feedback on strengths and weaknesses and learns new behaviours and skills. The coach does not tell employees what to do, but rather helps them be better than they already are (Brown, 1997:34-36). Brown (1997: 34-36) cautions however, that coaching can never omit the transfer of basic skills.

Warner (1996) concludes that coaching, as a proactive behaviour, is one of the best ways to ensure that employees improve and become

consistently more productive. Coaching is different from old-fashioned performance appraisals and evaluations, as the process focuses on what people are doing right and on ways they can capitalise on their strengths to improve further.

Coaching has two main goals, to increase skill levels and to modify behaviour by discarding undesirable behaviours and learning more effective ones (Coppola, 1995).

The proper use of coaching then, is linked directly to empowerment. Coaches set-up environments where individuals feel able to make decisions for themselves, by developing self-confidence and beliefs in oneself and in others (Oncken, 1997:9-10). This practice leads to higher quality performance, and ultimately, to the empowered organisation (Willard, 1995:82-85).

- *Modelling*



It has often been said that behaviours speak louder than words. This is the essence of the modelling concept in employee development. “We communicate more by what we do, than by what we say” (Crouch, 1997:40-43). Many of the messages received by employees are non-verbal, yet this important opportunity to influence behaviour is often overlooked (Horsfall, 1996:26-31).

Behaviour modelling can be defined as the study of personal excellence, as employees tend to emulate those whom they admire and respect (Alder, 1992:23-25). Even where managers or entrepreneurs are not an object of admiration, however, they can become a model for planned development.

Modelling is part skills-based training. Using discussions, demonstrations, role-playing and feedback, skills can be taught.

Modelling is value based. Solely changing skill levels cannot always bring about behavioural change. There are many studies that document the measurable effects of modelling on training (Zenger, 1991:18-19).

Supported by 20 years of research, behaviour modelling has been considered to be one of the most effective forms of employee development. Indeed, Pescuric and Byham (1996:24-30), suggest that modelling is the most effective means of developing skills and changing behaviour.

Wilhelm (1992:72-77) also indicates that modelling is the single most effective means of affecting behavioural change in corporations. Practical implementation, however, is most difficult, as large-scale organisational change requires each successive level to model the behaviour that is expected of subordinates. Thus, understanding the link between the behaviour of leaders and employee performance is critical (McNeese-Smith, 1993:38-39).

By setting high standards, providing examples, stating clear values and maintaining behaviours that follow these values, managers will build commitment, and commitment is an ingredient essential to the empowerment process.

- *Career path development*

The body of literature related to career planning continues to grow, as future managers must be increasingly flexible and possess multiple skills (McNutt, 1995:27-32). From both an organisational and an individual perspective, career planning can start as early as the hiring stage. Through proper selection techniques, placement and nurturing, defined career paths can be developed. The recognition of accomplishments increases in the level of responsibility and

opportunities for advancement foster a sense of commitment and job satisfaction (Miller, 1997:63-67).

Similarly, Charter-Scott (1997:13) found that managers who earned the highest respect from their employees, were concerned with goals, career paths and growth, a position supported by Crouch's (1997:40-43) work on successful management styles. Crouch (1997:40-43) suggests that managers should work constantly toward improving skills, linking this philosophy to both the individual perspective and the organisational perspective. Skills enhancement helps managers to prepare their corporation for the future.

3.2.6. Establishing empowerment boundaries:

Identifying responsibilities and decisions a team or individuals can make, begins with a thorough understanding of their abilities as well as their boundaries.

There are four "walls" that provides the structure or boundaries around an employee's "zone of empowerment". In many organisations confusion, frustration and chaos occur because these walls or boundaries are not clearly defined and explained (Robinson, 1997).

Robinson (1997) explained the "walls" as follow.

- *Wall 1: Budget.*

It is important to clearly define this boundary up front before teams are empowered to make decisions and take action. If money isn't available, let them know they can develop solutions and make changes as long as the solutions do not cost money. If funds are available, demonstrate trust by letting the teams clearly know the budget constraints.

- *Wall 2: Policies and procedures.*

The development of policies and procedures is a leadership responsibility. It is also the leadership's role to ensure that everyone receives training and information on those procedures. It is leadership's responsibility to inform employees of their boundaries and how to make recommendations outside those boundaries.

- *Wall 3: Standards.*

Not only the company's leadership determines development and implementation of product, service, and safety standards, but also by industry and supplier standards and federal statutes. Employees and teams should be trained on applicable standards and informed of their role in maintaining them. The reason many standards are not adhered to is because the teams do not clearly understand the standard and why it is important, or they do not get consistent feedback on their effectiveness in meeting the standards. While teams may not change the standards, they might be permitted to identify various means for attaining standards.

- *Wall 4: Other teams' work activities.*

The fourth boundary is the work other teams or departments perform. Teams become frustrated when they try to fix a problem that is impacted by another group. They believe the empowerment process is not working because other groups do not listen to them or implement their ideas. Normally, the reason other groups or teams do not implement solutions is because they had no ownership in identifying the problem and the solution. Teams need to understand boundaries around fixing problems or improving processes owned by other teams or groups. However, they can and should make recommendations and

offer feedback to those groups and include them in discussions affecting them.

3.2.7. Other factor:

Menon (1995) surveyed 311 employees of a corporation to determine the effects of empowerment on them. The survey found that:

- Perceived uncertainty of the job, formalisation, centralisation, poor communications, non-contingent/arbitrary reward systems, role ambiguity, and role conflict in the work environment lead to decreased perceptions of control and lower empowerment.
- Greater job autonomy and meaningfulness of the job lead to greater perceived control and greater empowerment.
- Consulting, recognising, inspiring, and mentoring behaviours of the immediate supervisor lead to greater perceived control and greater empowerment and can even moderate the effect of poor contextual factors of empowerment.
- The greater the empowerment, the higher the internal work motivation, the higher the job satisfaction, the lower the job stress, the greater the job involvement, the more involvement beyond the defined job of the individual, and the greater the organisational commitment.

3.2.7.1. Upward problem solving:

There are various dimensions to this form of empowerment. Within the existing job this may involve informing management of problems and letting them deal with them. In manufacturing, workers could have the ability to halt the line, because of production problems or defective material. In services, employees may be able to make customer-related decisions (e.g. replacing defective products) (Wilkinson, 1998).

Workers make suggestions, but management decide whether to act on these, or more significant, where workers have some autonomy through quality circles/groups/teams, addressing problems and in some cases implementing improvements themselves (Bowen and Lawler, 1992: 31-39). Morton (1994) implied that workers have two jobs: one is to carry out designated tasks and the other is to search for improvements.

- *3.2.7.2. Task autonomy:*

At the basic level, this may mean removing inspectors from the production line as workers take on wider responsibility. It may involve the more significant restructuring of work units into teams or the creation of semi-autonomous work groups, commonly referred to as self-managing teams. Such teams can have autonomy concerning (Wilkinson, 1998):

- Task allocation and scheduling.
- Monitoring of attendance.
- Health and safety issues.
- The flow and pace of production.
- Responsible for setting improvement targets (Wall and Martin, 1987:61-91).
- The responsibility for the recruitment and training of temporary staff.
- Controlling overtime levels.

- *3.2.7.3. Peiperi (1997:2-4) states to ensure the success of an empowered workforce the following must be taken into consideration:*

3.2.7.3.1. Performance evaluation drawn from multiple sources:

Once the decision making process is decentralised, employees will be working away from their immediate supervisor. This will require a feedback system from a variety of sources to enable the employee to know where he stands. Also, cross-functional links and customer relations are strengthened by using this feedback system since the employee receives performance evaluations from both his colleagues and the customers.

3.2.7.3.2. Variable rewards:

One of the requirements for empowerment is to have everyone pulling in the same direction. Empowered organisations will augment individual reward systems in addition to group level rewards. These are necessary since the traditional reward systems are competitive, (the highest awards being given to the best individual performers) promoting an atmosphere of non co-operation. The group rewards may be in the form of profit sharing, awards for team achievement or an expanding bonus pool in which the awards available to everyone individually depend upon the performance of the group as a whole. This type of reward is necessary to avoid the empowerment project causing detrimental competition amongst members of the organisation.

3.2.7.3.3. Error tolerance:

Empowered organisations need to let employees learn from their mistakes and the mistakes of others. In an empowered organisation, the employee has the power of decision making and ownership of the consequences resulting from the decision. If employees do not believe they can take risks, they will not

innovate and will not learn. This suggests that employees are not punished for honest mistakes but rather encouraged to compensate for their errors and to do it better the next time.

3.2.7.3.4. Enhanced communication:

An empowered workforce able to make decisions requires as much data as the system can possibly provide. Therefore, the empowered organisation should have a state-of-the-art management information system to support the needs of this new workforce and therefore ultimately provide better customer service.

3.2.7.3.5. Generalists:

Traditional workforce was based on specialists who usually had problems in comprehending the needs of the customer. The contemporary empowered organisation requires its employees to be generalists, individuals who are more flexible and who are cross-trained in a variety of skills. They are expected to apply flexibility within the organisation and grow through horizontal promotions.

The implementation of these five critical elements to support empowerment coupled with the required support systems will help to separate the popular process illuminated by fads, buzzwords and miracle cure to one which is viable and effective leading to a new level of successful managerial/organisational relationships (Appelbaum and Honeggar, 1998).

- 3.2.7.4. *Decision-making process (Margulies and Kleiner, 1995):*

A key issue in empowerment programmes is the nature of the decision-making process. Under the consultative style, decisions are made hierarchically from the top down. In the participative style, employees “are allowed” to recommend changes and team-based decision making is utilised on a limited basis. However, in the empowerment system, self-managed work groups make process-related decisions and most importantly, employees have input into strategic direction. This is extremely important since employees are directly involved with what the organisation is going to produce and must believe in its products or services. Successful organisations seem to generate high commitment from their employees, which contributes to efficiency and productivity.

3.3. Benefits:

At its simplest, empowerment would be associated with the redistribution of power, but in practice empowerment is usually seen as a form of employee involvement, designed by management and intended to generate commitment and enhance employee contributions to the organisation. While some forms of employee involvement may provide employees with new channels through which their influence is enhanced (Wilkinson, 1998).

Team and employee empowerment is increasingly being recognised as an effective way of helping organisations to respond rapidly to environmental changes such as those initiated by customers (Beer *et al.*, 1990: 158-166; Carr, 1994: 39-44; Fisher, 1993; Peters, 1994; Stayer, 1990: 66-83). Indeed, an organisation’s success in addressing customer-initiated change may well depend on how much power can be mobilised throughout all ranks of employees (Schermerhorn, 1993). According to McConnell (1995: 69-79), the empowered team or

employee must have a strong customer focus and it should be a given that customers, in their own particular order, are the primary concern. With respect to customer satisfaction, empowerment is viewed as being a function of three important variables: authority, resources, and information (Fisher, 1993).

Spreitzer (1996: 483-504) found that employees who are empowered have low ambiguity about their role in organisations. The leaders in empowered organisations have a wide span of control, which leads to more autonomy for the employee. Empowered employees feel that their organisation provides them socio-political support, that they have greater access to information and resources than in traditional organisations, and that their work climate is participatory.

McConnell (1995: 69-79) contends that if the empowered employee is given a certain amount of decision-making authority, this must consist of the authority to deliver certain expected results. In this case, the expected result is customer satisfaction. Research (e.g. Schlesinger and Zornitsky, 1991: 71-81) suggests that the acquisition of decision-making authority by employees is likely to result in customer satisfaction.

Employee empowerment, by providing workers with opportunities to influence decisions, promotes worker motivation and reduces worker resistance toward organisational changes. Employee empowerment is important to the organisational change process because empowerment fulfils the individual's need for a sense of control. This is a particularly critical need during a time of organisational change because the larger forces of change are usually beyond the individual employee's control (Kappelman and Richards, 1996).

3.3.1. Organisational benefits from empowerment:

- Strategic guidance from the level of the work unit.
- Strategic implementation at the level of the work unit.
- Increased work unit efficiency.
- Increased customer focus at the line level.
- Increased emphasis on problem solving and prevention.
- Increased respect and trust among work units.
- Improved cross-functional co-ordination (Ransom, 1994:323).

Using a model for empowerment leads to (Nixon, 1998):

- Carefully thought out underlying principles, which are made explicit and contracted with the client.
- Appropriate processes that reduce dependency, conflict and task avoidance and encourage partnership, learning and taking individual responsibility.
- People learn by “osmosis” a new way of working. Without even talking about it, by using large group methods, they learn about:
 - The value of involving the whole system.
 - How to become a learning, self-adaptive organisation.
 - The benefits of self-managed work groups.
 - How distributed work groups can contribute creatively to major strategic change.
 - How to handle complexity and chaos.
 - How to accept the fluctuating emotions involved in changing and learning.
 - The importance of valuing and respecting difference if the benefits of conflict are to be fully exploited.

“Afterwards the organisation will never be the same again. It is not just an event. It is a whole new way of doing business (Nixon, 1998).”

3.3.2. Employee benefits from empowerment:

- Improved motivation (Kappelman and Prybutok, 1995:12).
- Increased personal strengths (Dodd and Gutierrez, 1990:72).
- Added accountability (Shearer and Fagin, 1994:39).
- Increased personal power and sense of self-efficiency (Dodd and Gutierrez, 1990:64).
- Increased abilities to achieve full personal potential (Crawford, 1995:78).

Empowerment essentially involves passing decision-making authority and responsibility from managers to employees (Ford and Fottler, 1995: 21-23). Conceptually, empowerment is defined as intrinsic motivation manifested in four cognition's reflecting an employee's orientation to his or her work role (Thomas and Velthouse, 1990: 666-681).



These cognition's include:

- *Meaning* or the fit between the requirements of a work role and an employee's beliefs, values, and behaviours.
- *Competence* or an employee's beliefs about his or her capacity to perform work activities with skill.
- *Self-determination* or the amount of autonomy an employee has over the initiation and continuation of work behaviour and processes.
- *Impact* or the degree, to which an employee can influence strategic, administrative, or operating outcomes at work (Moore et al., 1998).

Because these four cognition's reflect an employee's relationship with his or her workgroup or team, dynamics within the workgroup or team can contribute to feelings of empowerment (Spreitzer, 1996: 483-504). Indeed, it has been suggested that employees who consider

themselves most empowered are those who work for companies that rely heavily on teams (Caudron, 1995: 28-36). The rationale is that by working in teams, employees not only find greater *meaning* in their work but also have more ability to influence (*impact*) its outcome. Bowen and Lawler (1992: 31-39) suggest that the potential gains from empowered teams can be significant during times of environmental change.

Expect improved morale, motivation, and subsequently performance. The impact on performance may simultaneously rise from the performance related pay system, as both elements are coupled without ability or the need to distinguish between them. Synergy amongst all the organisational echelons is achieved (Baruch, 1998).

3.3.3. Customer benefits from empowerment:

The benefit to the customer of this approach is that in an empowered organisation individuals recognise the important part they play in delivering service to the customer and they have the authority and flexibility to ensure they deliver service to a high standard. An empowered organisation, therefore, is easy for the customer to do business with, its entire manner of doing business is geared towards the needs of the customer. In an empowered company people share responsibility for problems and are proactive in their response to the customer. The customer recognises empowerment through the way he or she is treated in the course of doing business with the organisation. Individual employee's attitudes towards the customer are positive and proactive. The customer will see this through:

- The ability of employees to provide information and make decisions.
- The speed of problem resolution.
- Increase in creative new ideas and improvements.

- Standards are set and maintained by self-discipline not centralised enforcement.
- Being dealt with by staff who listen actively and show willingness to understand their point of view.
- Being greeted with enthusiasm and a positive attitude by members of staff.
- Seeing evidence of teamwork and the willingness of staff members to support each other to serve the customer.

Empowerment, therefore, will be visible to the customer through people's behaviours, their attitudes and values that underlie them. It is a bit like the contrast between a beached whale and a shoal of fish. The whale is the monolithic centralised bureaucracy, big and immobile, the shoal of fish is the empowered organisation, flexible and ever changing. In the empowered organisation it is not internal policies or rules, which are important, it is customer satisfaction (Cook and Macaulay, 1997).

3.3.4. Manufacturing benefits from empowerment:

Empowerment is particularly necessary given the vast reductions in buffer inventory and increased responsibility for quality control and improvement. This empowerment, however, does not imply a return to the craftsman era of production. While teams might develop work processes, deviation from work processes is not tolerated. The quality control practice of statistically tracking process variation depends on standardised work practices. However, lean manufacturing teams are empowered to change methods from one standardised approach to another. In addition to team empowerment, individual workers are empowered to stop the production line if they identify problems with the process. For example, if a statistical quality control chart indicates that a process is suddenly "out of control", an employee has both the responsibility and authority to stop the production line to focus team

attention on problem resolution. This empowerment replaces problem avoidance with problem identification (Bowen and Youngdahl, 1998).

3.4. Pitfalls:

Empowerment is regarded as providing a solution to the age-old problem of Taylorised and bureaucratic workplaces where creativity is stifled and workers become alienated, showing discontent through individual or collective means. However, there are significant problems with much of the prescriptive literature on empowerment, in that there is little detailed discussion of the problems employers may experience implementing empowerment or the conditions which are necessary for such an approach to be successful. It is assumed employees will simply welcome the new way of working. Moreover, it is also assumed that empowerment is a universal solution appropriate to all organisations in all circumstances. Empowerment itself is not seen in a contingent way (Wilkinson, 1998).

Empowerment can become a passing fad in an organisation if it is not well thought out and implemented, or if management sees it as an opportunity to let staff think and decide for themselves, without recognising how much personal and organisation change is involved. Empowerment requires changes to management behaviour, organisational systems and staff's view of themselves and their work. If these changes do not occur, empowerment will quickly become a superficial and meaningless programme which staff does not understand (Cacioppe, 1998).

3.4.1. Major pitfalls for the organisation:

- Empowerment requires significant effort to implement the needed organisational changes (Ransom, 1994:325).

- Empowerment requires substantial investment in training which may or may not pay off (Kappelman and Prybutok, 1995:15).
- Empowerment requires the organisation to provide new competencies to all members, management and employees alike (Staples, 1990:32).
- Empowerment requires the organisation to develop new power bases for management and employees alike (Staples, 1990:30).

Lack of trust in employees and in customers, is a major block when it comes to empowering employees. Tschohl (1998) states that most businesses today operate under four myths that hinder employee empowerment. These four myths are:

- **Myth 1.**

Businesses operate under the myth that they should not trust the customer. Many executives think that the customer is out to take advantage of a business in any way possible. Consequently, they develop rules, policies, and procedures to ensure that does not happen.

- **Myth 2.**

Businesses operate under the myth that they cannot trust front-line employees. Most executives have very little confidence in their front-line employees. They think that, if they are paying someone a minimum wage, they could not possibly trust that person to make a decision without the customer taking advantage of him or her.

- **Myth 3.**

Businesses operate under the myth that empowerment will diminish or eliminate the role of middle managers. Many middle managers

present an obstacle to employee empowerment, fearing that it will lessen their control or, eventually, eliminate the need for their positions. With empowered employees, middle managers have a lot less control, but that is not necessarily a negative. Time spent dealing with decisions that can effectively be made by a front-line employee can now be spent dealing with other issues.

- **Myth 4.**

To make empowered decisions means taking risks, but the greatest concern for many employees is that they will be reprimanded or worse, fired for making what management sees as a bad decision. Employees should know they will not be fired if they make a mistake and that it is “OK” to make mistakes in the process of working to win customer satisfaction.

Executives must excuse these myths from their organisations, if empowerment is to work and their businesses are to prosper and succeed (Tschohl, 1998).

3.4.2. Managerial negatives of empowerment covered in the literature include:

- Fear of loss of control (Capozzoli, 1995:26).
- Changed balance of power in the manager/employee relationship (Patterson, 1995:46).
- Downsizing through the elimination of middle management positions (Ransom, 1994:321).
- Dramatic change from the familiar compliance model of management (Ransom, 1994:323).

Empowerment threatens to affect middle managers in a negative way. Klein (1984: 87-94) found that policies such as empowerment, which

directly affect the role of the middle manager cause disturbance at that level. Tasks are being devolved to lower levels and formal communication channels are being changed so that the middle manager no longer needs to be consulted. Middle managers may experience cognitive dissonance as a result of being required to implement a senior management policy, which they see as threatening their own role. Managers are coping with this dissonance, by actively blocking empowerment, perhaps in order to reassert the power and status they feel is being lost (Denham et al., 1997: 147-149).

Some of the principal difficulties which organisations encounter when they embark on the process of empowering employees, involve managers' reluctance to devolve the power which many see as giving them their authority and status. (Cook and Macaulay, 1997)

The primary source of resistance is upper-level managers who seem unwilling to confront the disparity between the empowering values they espouse and the disempowering behaviours they model. These upper-level managers often respond from ingrained habits or compulsions with controlling behaviour which not only reinforces the controlling tendencies of some lower-level managers, but destroys the climate of trust and safety which most other managers need if they are to risk experimentation with empowering behaviour. Because these upper-level managers were usually promoted to their current positions for demonstrating skills in the use of types of controlling behaviour, in many cases they are being challenged to change attributes which are tied closely to their sense of identity and self-worth (Logan et al., 1996).

3.4.3. Pitfalls concerning the employee:

An empowered workforce must be an educated and trained workforce. A serious pitfall is neglecting those at the bottom, the employees who

have the most customer contact. These employees will not be committed to doing outstanding work by the motivation that the C.E.O. can make another half a million dollars a year. Recognising, empowering and valuing employees on the other hand decreases errors and turnover and increases productivity, enthusiasm and commitment and quality (Tschohl, 1998). There is evidence that employees are not sufficiently trained for empowerment in the West especially where empowerment is a result of downsizing. Empowerment becomes abandonment (Adler, 1993: 97-108).

Employees often think of empowerment in terms of self-empowerment. They lose sight of the fact that teamwork and co-operation depends on each element in the system, working in concert with every other element (Landes, 1994:116).

Providing exceptional customer service gives a business an edge over its competitors. Many employers do not realise that in order to do this, they must have an empowered workforce. In the definition of empowerment, it is any employee who can do whatever he or she has to do, on the spot to take care of a customer, to the customer's satisfaction, not to the company's satisfaction. If the customer does not win, the company loses. Employees do not really understand what empowerment is. To many managers, empowerment is giving employees the authority to make a decision to take care of the customer, as long as the action they take follows the rules, policies, and procedures of the organisation, which means there is actually no empowerment. True empowerment means employees can bend and break the rules to do whatever they have to do to take care of the customer (Tschohl, 1998).

A common problem is that the decision-making process is not clear or developed. These problems are partly the result of the need to adapt to new production techniques and downsizing rather than enhancing

empowerment per se. Empowerment is not without costs both in terms of establishing a new approach to management (involving training costs, costs of new reward and information systems) and in its operation (involving issues of integration, consistency and unintended consequences) (Lawler, 1996).

3.5. Conclusion:

The successful implementation of an empowerment strategy depends on a large amount of factors that must be considered. The analysis of the current organisational environment will be critical for the development of the implementation plan. The objectives for the empowerment strategy must be considered at all times. This will guide the development of the implementation plan and ensure that the strategy's objectives and the organisation's objectives are supported at all times.

Areas affected within the organisation include the structure, culture, management, employees and the overall performance of the organisation. The benefits that will be gained by an empowerment strategy affects all the areas and aspects within the organisation. The pitfalls can be managed, but will require commitment from all the participants within the organisation.

Analysing the success factors, benefits and pitfalls highlight that the most critical aspect within an empowerment strategy, are the changes required in the management of the organisation. There are specific changes in management behaviour, establishing the required environments and the introduction or re-emphasis of new or existing management principals. These requirements are described in more detail in the following chapter.

Chapter 4

Leading and Measuring Empowerment.

4.1. Introduction:

Organisations considering empowerment need to understand that it is by no means an easy option. It requires an enormous commitment on behalf of management and the resulting programmes need to be nurtured and maintained (Cacioppe, 1998).

The prescriptive empowerment literature suggests that the role of middle managers and supervisors change from holders of expert power to facilitators (or coaches). Removal of expert power is often perceived as a significant threat and participative management is seen as a burden to many middle managers and it is not surprising that they do not universally welcome it (Denham *et al.*, 1997: 147-159; Marchington *et al.*, 1992).

“Workers feel most empowered when they perceive that their managers are both empowered and supportive” (Parker and Price, 1994: 911-928).

4.2. Leading an empowered organisation:

A commonly held misconception is that empowerment is just a “fad” word for delegation. However, there are many differences between delegation and empowerment. At the root of these differences is a shift in approach to managing. Managers who delegate a task give employees the responsibility and authority to complete the task, but accountability for the task remains their own. In an empowered organisation the manager relinquishes responsibility, authority and

accountability. Managers become coaches and facilitators, not controllers who keep people on short leashes. On the other hand, empowerment is not about letting people go their own way without responsibility or agreed standards. It is operating independently but against agreed values or guidelines (Cook and Macaulay, 1997).

Interventions provided by leaders to achieve empowerment deal with systemic, structural, and programmatic issues as well as individual and managerial responsibilities. Examples include:

- Creating a shared vision.
- Providing clear top-management support.
- The use of team and temporary group models of organisation.
- Responding to external circumstances and developing a strategy for continually scanning the environment.
- Redesigning work to reflect collaborative norms.
- The use of job-enrichment.
- Creative use of sponsorships, role models and peers, coaching, and mentoring.
- The development of reward systems that build “win-win” rather than “win-lose” attitudes.
- Identification and clarification of common goals (Vogt and Murrell, 1990).

Management’s job from this perspective is to create a culture of participation by providing a compelling mission, a structure that emphasises flexibility and autonomy, rewards for participation and a lack of punishment for risk taking, as well as ongoing involvement programmes and support for the integration of employees’ work and family lives (Honold, 1997).

Geroy et al. (1998) indicates that there are three conditions, which must be met:

- First, managers must assess the capabilities of employees to perform a particular task.
- Second, managers must lead in a manner that gives employees these capabilities.
- Third, managers and employees must understand completely the structure in which tasks are to be carried out.

To them managers need to change the way they manage. Managers need to overcome fears of perceived loss of control, concerns about employee competence and doubts as to whether or not employees possess the necessary skills. Perhaps the managers' main fear is how their jobs might change (Geroy et al., 1998).

4.2.1. Recent studies:

In a study of the management practices of senior executives who were deemed by Harvard Business School professors and management consultants to be highly effective and empowering leaders. Conger (1990: 17-24) found that these managers, whose actions were perceived as building confidence and restoring a sense of personal power and efficiency in others, used each of the four means of providing empowering information to subordinates. These leaders shared a strong underlying belief in their subordinates' abilities. The managers provided a positive emotional atmosphere, rewarded and encouraged subordinates in visible and personal ways, expressed confidence in subordinates, fostered initiative and responsibility and built on success (Conger, 1990: 17-24).

Parker and Price (1994: 911-928), in a study of over eight hundred workers and managers in several group homes, examined the relationship between empowered managers and empowered workers

to determine the effects of managerial support and managerial perceived control on workers' sense of control over decision-making. They found that employees' feelings of empowerment correlated positively with their perceptions of their managers as being empowered and in control, as well as with managerial support.

Keller and Dansereau (1995: 127-145) studied 92 managers, professionals and hourly workers in a computer company to investigate the relationship between specific manager behaviours and employee empowerment. Manager behaviours of interest to them were the use of negotiating latitude which they defined as "*...the extent to which superiors permit subordinates to modify their tasks in line with their own preferences*" and support for self-worth which is "*the extent to which superiors have confidence in their subordinates' ability, pay attention to their feelings and needs and support their actions and ideas*" (Keller and Dansereau, 1995: 127-145). The study indicated that the receipt of negotiating latitude and support for self-worth from superiors empowers subordinates by increasing their perceptions of control (Keller and Dansereau, 1995: 127-145).

Spreitzer (1996: 483-504) found that working for a boss who supervises a large number of people, i.e., has a wide span of control positively related to employees feeling empowered.

4.2.2. Management Behaviour:

The behaviour of management is of importance for the empowerment strategy. To develop empowerment successfully, management should promote the empowerment programmes by words and by their actions. Top-down interventions by top or upper management may dramatically undermine empowerment. It will inhibit the decentralisation of control tasks and the development of boundary management. It can create distrust or hostility towards management

or towards the outer world in general. Empowerment does not take place in a vacuum and top-down interventions may sometimes be inevitable. The behavioural style of middle and lower management is important. These managers should display a good mix of team and task oriented behaviour. Their style should be participative and facilitative in nature. The management style itself has to be compatible with the outcomes at which it aims (Hut and Molleman, 1998).

Management instruction has to give way to coaching, where employees are helped to develop their own skills. With empowering employees, comes accountability. Some may find this a frightening move away from paternalistic care and need extra support. Self-responsibility can be a powerful motivator. It leads to creative energy, searching for new solutions and eagerness to see the next step through. Inevitably, there is some failure. That makes it even more important that employees keep a high motivation to look for new ways to do things. Staying the same is not safe in a changing world. People must have the courage to take risks, admit mistakes, and try again. Coaching is a good way of creating that type of workforce. The shadow side of this is the risk that empowered employees will think in terms of advancing their own careers with little reference to the needs of the company. Because of this, there needs to be "alignment coaching", where personal goals are aligned to business objectives. This enables the learning of different team members to intermesh for common benefit, rather than have individual learning targets that benefit only that person (Bagshaw, 1997).

Management style must change in order to enable the growth of the empowering culture. Long (1996) states that there are three closely inter-linked essentials, which are the key to success:

- *Attitude:*

This is the pivotal point of any progressive idea and relates to the psychological stance (or frame of mind) of an individual or group of individuals in respect of a concept, central theme or idea. In general, one's attitudes are learned from those in authority over one (parents, teachers and managers) and are reinforced by subsequent experience, unless or until some other different experience enlightens with a new message entirely. There is no such thing as a bad attitude. One either leans toward or away from the issue. There are a number of outmoded attitudes and beliefs possessed by managers and staff alike who frequently become the obstacles to any form of innovation or change. For example:

- It's not invented here.
- They'll do as they're told.
- They're only interested in the size of their pay packet.
- We've always done it this way.
- We've tried it before and it didn't work then.
- It's not my job.

- *Commitment:*

At one level this implies a sense of duty and obligation to the company which employs one. It means, therefore, that everyone in the enterprise from the managing director downward accepts responsibility for the successful achievement of the corporate objectives and is operationally and directly involved in the managing of the undertaking. At another level it is the motivation (determination) to achieve a personal goal or maintain a belief. When both levels coalesce there is a continuous improvement of the product or service offered to the customer (internal as well as external) and of

the performance and skills of the individual leading to growth at both corporate and employee levels

- *Involvement:*

There is much evidence to prove that involving individuals in the planning processes appropriate to their ability and status ensures a high level of success in the achievement of the business plan. Equally where employees are involved in the identification, discussion and agreement of personal objectives (in relation to the corporate plan) there is a desire to ensure that the tasks for which one is responsible are carried out efficiently and effectively.

4.2.3. The Corporate Culture:

Edgeman (1998) states that the infusion of core values into people so that they may clearly differentiate between right and wrong is more commonly known as empowerment. Empowerment requires profound trust, a crucial element of which is faith that alternative courses of action filtered through the deployed core values will result in the conscious choice to do that which is right, despite the strength or beauty of attraction promised by any alternative. Edgeman (1998) indicates that this is an earned faith, built on a history of steadfast adherence to these core values. It is an empty faith if the organisation lacks a core value for forgiveness of honest mistakes.

A culture built on profound trust demands empowerment (Edgeman, 1998), but deployment is typically gradual. To build profound trust our promises must be credible and people throughout the organisation must be cognisant of these promises. Credibility is a matter of integrity; cognisance is a matter of communication. The process of empowering people requires more than profound trust and

the desire to empower people, it requires knowing how to empower people.

Edgeman's (1998) second critical element of profound trust is confidence in the competence of individuals or teams to successfully follow the appropriate course of action, once that course has been differentiated. This is a reasoned confidence that can be built on the foundation of personnel recruitment, training, professional development, and appropriate resource dedication.

Crucial to empowerment and core value deployment is listening. Listening is difficult for the simple reason that listening with respect and openness requires that people throughout the organisation have core values, which are intrinsic motivators for listening. Related to Covey's (1992) familiar "seven habits of highly-effective people", this is the habit of "seeking first to understand, and then to be understood". A more ancient, but equally familiar rendering of this is "...be quick to listen, slow to speak, and slow to get angry" (James 1:19).

Long (1996) states that the corporate culture of empowerment has three major aspects, each of which is totally interrelated and interdependent of the other:

- *The strategic business plan:*

Generally covering a three-five-year time scale, it is the place where the corporate vision for the future is written down; together with an operating plan encapsulating a series of goals to be achieved in year one of the overall plan.

- *Performance-related appraisal and reward:*

It is important to let staff know what their responsibilities are, directly related to the achievement of the strategic plan, in terms of

the tasks to be carried out by individuals and the performance standards against which rewards and benefits are to be aligned.

- *Training and development:*

The process by which the skills and experience are to be provided to employees to meet the current and future needs of the organisation and to allow the realisation of individual potential.

4.2.4. Management principals for empowerment:

Harley (1995) describes eight principals of empowerment. The balance begins to emerge as managers internalise the following eight critical principles of empowerment.

4.2.4.1. Protect the dignity of all employees:

Although this principle sounds rudimentary, it seems that many managers and organisations routinely though unintentionally, undercut the dignity of their employees. This undercutting involves a whole range of ways in which one individual goes one-up over another resulting in subtle or blatant humiliation of the other person. This could involve making fun of other people, demeaning their roles, and ignoring their needs or any other form of enhancing oneself at the expense of another. Whenever managers create or tolerate an environment in which human dignity is not vigilantly and vigorously protected, people tend to withhold all but their most rudimentary energies, thereby depriving the organisation of potential.

4.2.4.2. Manage perceptions, not just the "facts":

One traditional conception is that the manager's role is to identify the facts and then make decisions to run the organisation effectively. This conception still seems to drive the behaviour of many managers today.

A preoccupation with getting a grip on “the facts” is characteristic of the manager who habitually sees the enterprise from only the operational standpoint. The problem with this limited perspective is that human beings in any social situation are far more governed and influenced by their perceptions than by “the facts”.

4.2.4.3. Authority differentials:

Just as the relationship between teachers and students is complicated by the presence of an authority differential, so is the relationship between managers and employees. It makes the resolution of perceptual conflicts all the more difficult since the person without the formal authority is unlikely to bring it to the surface. It is the responsibility of the person with the formal authority to create an environment in which the employee perceives that discussion of such things is encouraged rather than forbidden.

4.2.4.4. Use consensus decision making:

Managers spend a great deal of time trying to make high quality decisions and generate commitment in their employees to carry them through. Much research indicates that the best way to achieve high quality decisions and high levels of commitment to them is through consensus decision making. Consensus decision making can be defined as a problem-solving method in which decisions are reached when everyone unifies behind the best solution that seems possible for the group at a given time.

4.2.4.5. Clarify vision, mission, objectives, goals, and job descriptions:

One of the values of the organisation having clear job descriptions, goals, objectives and missions is that it puts in focus the arena in which a human being can accomplish something or in Herzberg's

(1968: 53-62) framework, have a sense of achievement. It is part of empowerment because it relates to a primary source of human motivation.

4.2.4.6. Unshackle the human desire to be of service to others:

If one asks a group of people what characteristics an undertaking would need to have for them to pursue it for extremely long hours for little or no pay, you will get responses such as: “It would have to be something where I thought I was making a difference for others.” “I would have to feel I was making the world a better place.” “I would have to feel I was serving others in a meaningful way.” This altruistic desire for meaning is an intrinsically human quality. It comes about as close as one can get to a universal purpose for life.

4.2.4.7. Come from values:

There is an increasing trend today for organisations to identify their values. The fact that this had not already been done long ago suggests how imbalanced organisations had become toward pure pragmatism. In today’s world, when a trend such as identifying values starts spreading, it is common for organisations to do it without much thought being given to “why”. The primary purpose for identifying values at either the organisational or work-unit level is to guide people in the seeking of solutions to problems.

4.2.4.8. Provide the feedback requested by the employees:

Whether the feedback relates to management effectiveness or dimensional tolerances on a manufactured part, when one understands the goal of his or her work and the work environment is feeding back data on how he or she is doing and one has the skills

and confidence to self-correct, the foundation for a continuous improvement environment exists.

4.3. Empowerment Measurement Tool:

Empowerment: The key to improved productivity and employee satisfaction, or merely company “doublespeak” for downsizing, delayering and increased workloads (Dufficy, 1998)?

Emerging as a development of the total quality management philosophy, empowerment has generated much heated debate in recent years. Its advocates see empowerment as the essential underpinning of continuous improvement. Its detractors on the other hand, including managers battered by both recession and repeated reorganisations, take a more jaundiced view, considering it at best to be little more than delegation.

Common ground has been found, however, in the acceptance that empowerment is one of the more difficult elements of continuous improvement and cannot be regarded as a cure-all, a panacea for today's corporate ills.

At the same time, the concept has, until recently, remained fundamentally qualitative rather than quantitative, for in the absence of any metric to assess its impact on business performance the debate has remained unresolved.

4.3.1. The Bourton Group LTD's “Empowerment Audit”:

Dufficy (1998) provided details on the Bourton Group LTD's “Empowerment Audit”. The Bourton Group's “empowerment audit” (EA) is a diagnostic tool designed to assess the extent to which any organisation is empowered. Based on a databank of information

collected from over 100 sites of UK large and medium-sized companies, EA has begun to demonstrate practically that the greater the degree of empowerment in companies, the greater the improvements in business performance.

For all companies in the EA database, they examined progress over a four-year period against four key indicators of financial performance:

- Turnover.
- Return on sales (ROS).
- Return on capital employed (ROCE).
- Profit per employee.

On each measure they selected companies in the upper quartile in terms of performance and found the gains to be substantial:

- At least 67 percent increase in turnover.
- 10 percent or more improvement in ROS.
- At least 25 percent gain in ROCE.
- Profit per employee up by a minimum of £10,000.

Critically, there were significantly more empowered businesses within this upper quartile compared to businesses with a more traditional approach. For example, in relation to ROS, 38 percent of “more highly empowered” businesses were in the upper quartile of performance improvement, compared to 18 percent of “traditional” companies.

“The EA demonstrated for the first time the correlation between empowerment and business performance.” (Dufficy, 1998)

Taking the analysis one step further supported this link the EA identified. Taking the same four-year period, more than half of the “more highly empowered” firms, those recording over 50 percent on

the empowerment scale, recorded sales revenue increases of 30 percent, ROS up by at least 7 percent, ROCE by at least 12 percent and profit per employee by more than £5,000. By contrast, only one quarter of the “less highly empowered” group matched this rate of progress. In other words, this indicates that more highly empowered companies are more than twice as likely to show improvements on critical financial indicators than the below-average firms over a four-year period (Dufficy, 1998).

4.3.2. The Development of the EA:

Dufficy (1998) stated that the EA was designed to provide a clear, widely acceptable framework for measuring empowerment. The EA emerged originally from work undertaken by Bourton Group with a major UK food manufacturer four years ago, in order to analyse the prevailing culture across the company.

At the time, the business was suffering from a lack of process control and a culture of alienation and apathy. This was fuelled by “initiative fatigue”, following a number of failed management top-down interventions. However, a programme of regeneration based on team working was under way, which aimed to rekindle a sense of pride within the company and to provide a new, sharper customer and quality focus.

It was important, therefore, to clarify the existing situation and establish the desired changes in behaviour, structures and systems, in order to lead change without over prescribing solutions. In order to help The Bourton Group understand the nature of the change required, they developed a “climate test” questionnaire for key organisational indicators, to measure current attitudes, the preferred future culture and thus the gap to be bridged.

The questionnaire they designed was subsequently refined in developing solutions for other clients who, for differing reasons, sought to assess the existing culture within their organisations. For example, an IT company had undergone major organisational change, including the introduction of team working, without putting in place the necessary support mechanisms. Here they needed to examine how people saw their roles, both to probe workforce dissatisfaction and to develop a process to assess present and future empowerment.

Their work for a brewery client underscored the need for an educational tool to understand the change process. The work of middle managers was removed, due to a new flattened structure. The middle management functions were not assumed at a supervisory level as intended, but by a severely stressed senior management.

4.3.3. Influences on empowerment:

Dufficy (1998) stated that relationships, style, structure and communication was the four recurring themes that emerged from an examination of the different cases done by The Bourton Group. These themes were essential in underpinning of the employees' sense of belonging, commitment and empowerment.

Dufficy (1998) further states that the empowered structures were based on multi-disciplinary teams planned around customers and suppliers rather than functional processes and empowerment was achieved through the application of 360-degree communication throughout the organisation and using specific tools and techniques, to ensure that information is available at the point of use.

The Bourton Group identified 15 major indicators to measure these factors effectively. Each is measured on a five-point scale, from "traditional" (command and control), through "participative",

“involved” and “early self-directed”, to “mature self-directed”, where each employee shares fully in target setting and is enabled to make direct decisions regarding the organisation’s relationship with third parties.

The resulting matrix provided a profile of individual and group views on both the current and, aspirational levels of organisational empowerment. In using simple descriptions to summarise the resulting 75 profiles, the matrix proved both attractive to respondents and beneficial in helping articulate their thoughts regarding current and desired positioning.

Dufficy (1998) stated that The Bourton Group’s experience is that successful companies develop their own kitbags of appropriate tools and techniques to encourage managers both to “let go” and seize opportunities to develop their staff.

4.3.4. The value of comparison:

Dufficy (1998) states that taken in isolation, any one company’s set of results, its “empowerment score”, would have limited value. Today, however, they may be benchmarked against both industry and sector averages across the EA database of 100-plus companies. Capturing data across a broad spectrum of UK manufacturing industry has provided sector-specific analysis as the basis of meaningful benchmarking. What emerges from this analysis, however, is that managers across all sectors aspire to a more empowered workforce, with a significant gap to be bridged in most cases. The start points may be perceived as different in each sector, but their objective is to achieve a common level of empowerment within their organisations. Though change in both the organisation and to individual roles and responsibilities are seen to be both necessary and desirable, senior

managers do not judge full empowerment across all key indicators to be ideal.

4.3.5. The audit process:

As a diagnostic tool, the EA acts as a readiness check at the outset of change programmes, helping to determine the start-point, the objectives and the drivers and restrainers. In other words, it assists in establishing priorities and where time, effort and resources should be concentrated. In addition, throughout and after completion of the programme it provides a checkpoint to quantify how much has been achieved and the challenges which remain (Dufficy, 1998).

Dufficy (1998) describes that at the outset, the scope of the audit is established at a senior management workshop. This determines who will be audited, usually a representative sample across all areas and levels within the organisation, in natural workgroups of between 10 and 20 people. It also considers the appropriate use of questionnaires, group discussions and one-to-one interviews to gather information relevant to the specific needs of the business, together with agreed time scales and outputs.

Comparison of the two resulting profiles, current and aspirational, forms the basis for detailed analysis and comparison.

Typically, today's reality is seen as:

- Moving towards a team-based structure, with the manager still being the boss and team leaders giving instructions to a team which executes them.
- Most people seeing their job as routine.
- Working to targets set by management with poor feedback of results.

- Training limited to specific job skills, with little awareness of what employees have to offer.
- Rewards prompted by managers, who also prompt all initiatives.
- Formal communication, with opportunities for both questions and discussion.

The general aspiration, however, is to move to:

- Business teams based on products, processes and customers.
- People led by coaches and mentors, with managers as the enablers.
- Roles developing to suit customer needs, with barriers to learning removed.
- Team involvement in target setting.
- Positive use of measurement to support expanding personal skills, together with recognition for team effort.
- Some team involvement in determining rewards and establishing initiatives.
- Immediate communication and 360-degree feedback of performance.

In conjunction with the benchmarking data from EA database, the implications and possible ways forward may then be assessed, focusing on likely obstacles in the way of increased empowerment and providing a hard metric for measuring progress.

4.4. Conclusion:

The new management behaviour that must be adopted shows clearly that there is no place for autocratic or bureaucratic management and that management power is not gained by knowledge and information. If there is an open door policy, it should not indicate that the door is

open for the employee to leave when the employee does not agree with the manager.

In an empowered organisation the manager's function is not to manage his employees, but to develop opportunities and an environment, so that innovation and creativity can be developed. This ensures that the organisation as an entity will constantly learn and improve. This results in the situation where the employees will become better managers of their jobs.

When empowerment must be measured, there is no real guidance on how it should be done. The EA is a tool to measure the organisations financial performance as an indication whether the empowerment strategy was successful. There are numerous factors that can improve an organisations financial performance and purely based on this assumption, financial performance alone is not a real indicator of the success of the empowerment strategy. The following chapter will make recommendations relating proposed guidelines for the measurement of the effectiveness and success of the empowerment strategy.

Chapter 5

Conclusion and Recommendations.

5.1. Summary:

The interest in empowerment in organisations, businesses and other institutions was due to technological development, world-wide communication, market expansion, education, political change, competitive advantage, improved service and continuous innovation.

The term “empowerment” incorporates strategies ranging from increased worker participation in decisions surrounding their immediate job tasks up to and including full self-management, of both job content and job context. The most important concept of empowerment is to delegate responsibility and accountability to the lowest levels in the organisation. The decision making process should be to a high degree decentralised and individuals or work designed teams should be responsible for the complete work process.

Empowered employees have responsibility, a sense of ownership, satisfaction in accomplishments, power over what and how things are done, recognition for their ideas and the knowledge that they are important to the organisation.

Factors that influence the successful implementation of an empowerment strategy includes structural changes, environmental changes, technology changes, culture changes, educational changes, leading and mentoring the employees and facilitating leadership. Throughout the literature the importance of information sharing, improved communication and feedback is emphasised and is

highlighted as being crucial for the successful implementation of an empowerment strategy.

There are numerous benefits for the employee, organisation and the customers of the organisation. The pitfalls affect the organisation as a whole and any empowerment strategy must be designed for each organisation specifically. One of the most important factors, which influence the strategy, is the change required in the behaviour of management. Management instruction must give way to coaching and mentoring, where the employees are encouraged to develop their own skills.

Research suggests that there is a need to move away from any simplistic or uni-linear conceptions of empowerment (Lashley, 1997). Not only is it the case that varying types of empowerment carry different meanings, but also different workforces may experience techniques with the same name, structure and processes in very different fashions. As a result empowerment initiatives cannot be analysed in isolation from the other organisation policies that impact on the employment relationship.

Attention must be directed towards a specific organisation. The nature of the workforce, existing technology and business strategy, and whether initiatives are designed to create a climate in which changes in these areas can be introduced or whether they are merely bolted-on in a context where wider changes are already under way (Wilkinson, 1998).

5.2. Conclusion:

Empowerment appears to be a largely subjective and somewhat intangible concept, which does not allow a clear definition, as it is based on individual perceptions. Some members of an organisation

may feel more empowered than others. Empowerment also appears to be context-related. That is, the extent to which people feel empowered is perceived in relation to previous situations and in relation to others.

Empowerment seems to be an organisational strategy that requires little effort to implement. When an analysis is done on all aspects relating to the requirements of an empowerment strategy, a different picture develops. Empowerment does not imply that authority and accountability are transferred from management to the employee, but it changes everything internally and externally of the organisation.

Empowerment is not a strategy that will be implemented on its own, but it forms the base line for many other management strategies, which are developed. One of the most important aspects relating Third Wave management, is the requirement of an empowered workforce. Network structures, self-directed work teams and any TQM strategies are based on empowerment.

The implementation of empowerment does not occur overnight, but is a process that will constantly develop. The effectiveness of empowerment must be measured to determine whether the strategy is successful. The major problem with the measurement of empowerment is that a specific point must be selected to do the full assessment of the strategy. The guidelines provided will identify the major achievements of the empowerment strategy which is to be measured.

The key factor in determining the success of an empowerment programme lies in the setting up of all the necessary conditions. Empowerment will only work by involving all levels of management and employees. Transferring responsibility to the employees is the major desired outcome of the empowerment process.

This study only highlights the guidelines for the measurement procedure to measure the effectiveness of empowerment. The study does not include specific tools to be utilised for each measurement that needs to be addressed. The objective was to provide guidelines that must be followed for the measurement. These guidelines only address specific issues relating to empowerment. The aspects addressed only provide a clear path, which can be used to measure the effectiveness of empowerment. It does not include all the aspects involved with empowerment.

5.3. Recommended guidelines:

The effectiveness of an empowerment strategy cannot be measured based on the overall performance of the organisation. There are numerous factors that can improve the performance of the organisation. Some of these include:

- The economic state of the specific industry.
- The overall state of the economy of the country.
- The accounting policies, specifically all the so-called “creative accounting techniques”.
- Changes in the organisation’s product lines and marketing.
- Organisational investments made.
- Customer perceptions and preferences that change.
- The political environment within the country.

When the effectiveness of an empowerment strategy is measured, it should be measured on three levels.

Level 1:

The empowerment strategy will require specific changes internal to the organisation. There are changes affecting the structure, culture, the management style and the employee.

Level 2:

During and after the empowerment strategy is implemented, there are numerous benefits that will be experienced by the organisation, the employees, the customers and the management of the organisation.

Level 3:

At this level the overall performance of the organisation can be measured. The performance of the organisation will always be affected by factors that are external to the organisation, but if the organisation has implemented their empowerment strategy successfully, they will be able to adapt to these external factors without major impact on the organisation. One of the major benefits of empowerment for the organisation is that the organisation should not be dramatically influenced by any external factors.

The assessment of the effectiveness of empowerment for each level must be done in a three staged approach.

Stage 1:

The first stage must be done before the empowerment strategy is implemented. This will determine the initial stance of each aspect before the strategy is implemented. This will highlight the status quo of the organisation that will be changed with the implementation of the strategy.

Stage 2:

The second stage must be done during the implementation. This will be a monitoring tool to track the progress made during the implementation. This will enable the organisation to document the

different approaches that were successful during the implementation and identify the areas that requires enhancement to the approaches. The measurements during this stage will provide details on the progress made by the employees and which managers are the most effective in achieving the empowerment objectives. This will enable the organisation to apply the most effective managers in areas where poor progress is made. Within the literature, it is indicated that this stage requires a large amount of time and patience.

Stage 3:

The third stage must be done once the implementation has been completed. The results must be compared with the first stage results to determine whether the strategy has been successful. To classify the implementation as successful does not imply that there was an improvement on the original status quo. The results have to be compared to the objectives identified in the planning phases of the implementation and the final objective that was reached.

5.3.1. Level 1 assessment:

When accessing the effectiveness of empowerment internal to the organisation, there are three main aspects that are affected by empowerment. The first aspect involves the organisation, the second aspect involves the management and the third aspect involves the employee.

5.3.1.1. Changes expected to affect the Organisation:

- *The organisation's culture.*

The culture associated with an empowered organisation has specific characteristics. These characteristics include:

- Constant innovation.
 - Trust.
 - Constant improvements.
 - Constant learning.
 - High participation.
 - Climate of safety.
 - Constantly developing new skills and enhancing existing skills.
 - Faith and delegated responsibility.
 - Freedom of choice.
 - Risk taking.
 - Self-management.
 - Positive feedback.
 - Sharing of information.
 - Teamwork.
- *The organisation's structure.*

Within the empowered organisation the amount of management levels are reduced. The structure of the management levels change. The hierarchy structures gives way to a more flexible structure that can adopt to changes without major disruption and impact on the organisation. The structure is more network orientated.

- *The organisation's policies.*

Policies change to be more supportive. Major changes to policies are associated with:

- Employee selection.
- Employee training.
- Reward systems.
- Assessment of employee capabilities.
- Employee coaching.

- Job descriptions and job scope.
 - Job responsibilities.
 - Accountability.
- *The organisation's management and employee involvement.*
Within the empowered organisation the level of involvement of the employee is dramatically increased. Specific areas affected are:

- The decision making process.
- Training and skill enhancement.
- The development of the capabilities of the employees.
- The development of standards.
- The development policies.
- The development of values.
- The development of new behaviour.
- Career path development.
- The development of goals.
- Establishment of boundaries.
- Problem solving.
- Communication.
- Teamwork.

5.3.1.2. Changes expected to affect management:

The management style within the empowered organisation changes dramatically. Changes include:

- Managers relinquish responsibility, authority and accountability.
- Managers become coaches and facilitators.
- Managers provide support.
- Managers become role models and peers.
- Managers create a culture of participation.
- Managers must overcome the fear of losing control.

- Managers have a strong belief in their employees' capabilities.
- Managers provide a positive emotional atmosphere.
- Managers express confidence in their employees.
- Managers foster initiative and responsibility.
- Managers promote the empowerment strategy with their actions and words.
- Managers must have a good mix of team and task oriented behaviour.

5.3.1.3. Changes expected to affect the employee:

With empowerment everything relates to changes affecting the employee. There are major changes in their work environment. Changes include:

- Change in the employee activities that are rewarded.
- The creation of a climate of participation and safety.
- Responsibility at the lowest levels in the organisation.
- Developing strategic and creative thinking.
- Reduction of defensive behaviour.
- The extents that direct supervision disappear.
- Improvements in management feedback.
- An Organisation culture based on trust.
- The extent that information is being shared.
- The extent that the employee's accountability changes.
- The employees' scope of their jobs change.
- The employees' abilities and authorities change.
- Employee training.
- Assessment of employee capabilities.
- Change in leadership style.
- Employees involvement.
- The faith management have in their employees.
- Employee selection procedures change.

- The access to organisation resources changes for the employee.
- Organisation policies change to be more supportive.
- The skill levels of the employees increase.
- The attitude of the employee change.

5.3.2. Level 2 assessment:

Assessing the effectiveness of empowerment at this level includes the benefits to the organisation, the employee and the customer.

5.3.2.1. Organisational benefits to be measured:

- Strategic guidance from the level of the work unit.
- Strategic implementation at the level of the work unit.
- Increased work unit efficiency.
- Increased customer focus at the line level.
- Increased emphasis on problem solving and prevention.
- Increased respect and trust among work units.
- Improved cross-functional co-ordination.
- The extent to which value is created for the organisation.
- The number of levels in the structure that is reduced to a minimum.
- The employee's capability is aligned with the work he or she is asked to perform.
- The investment in employee learning seen as an investment and not a cost.
- An environment with teamwork and creativity.
- Improved and open communication.

5.3.2.2. Employee benefits to be measured:

- Improved motivation.
- Increased personal strengths.

- Increased personal power and sense of self-efficiency.
- Increased abilities to achieve full personal potential.
- Improved morale.
- Improved performance.
- Improved self-determination.
- Improved proactiveness.
- Improved creativity.
- Improved innovation.
- Improved problem resolution and decision making.
- Improved higher level thinking.
- Increased authority, responsibility and accountability.
- Increased participation.
- Increased satisfaction in accomplishments.
- Increased feeling of power over what and how things are to be done.
- Increased recognition for their ideas.
- Improved communication and information sharing.
- Improved skills and capabilities.
- Improved training and coaching.
- Increased access to organisation's resources.
- Improved job satisfaction.

5.3.2.3. Customer benefits to be measured:

- The ability of employees to provide information and make decisions.
- The speed of problem resolution.
- Increase in creative new ideas and improvements.
- Standards are set and maintained by self-discipline not centralised enforcement.
- Being dealt with by staff who listen actively and show willingness to understand their point of view.
- Being greeted with enthusiasm and a positive attitude by members of staff.

- Seeing evidence of teamwork and the willingness of staff members to support each other to serve the customer.

5.3.3. Level 3 assessment:

Assessing the effectiveness of empowerment at this level will determine whether empowerment has been implemented successfully throughout the organisation as a whole. The recommendation will be to use The Bourton Group LTD's "Empowerment Audit". This tool has been tested and proven in practice. One of the major problems with this tool is that the development thereof was mainly focused on the manufacturing industry.



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