

## Empowerment

### What is it?

Empowerment describes a management style. Empowerment means the authority of subordinates to decide and act. It implies a large degree of discretion and independence for those who are empowered. Generally, empowerment takes place within a context of limitations upon the discretion of those empowered.

This careful definition allows clear distinctions to be made. For example, a committee is not an empowered team. A committee studies and recommends; an empowered team decides and acts. A traditional employee carries out the instructions of his or her supervisor; an empowered individual carries out the instructions of his or her supervisor; an empowered individual acts on his or her own initiative to achieve the company's goals. In extreme cases neither empowered teams nor individuals have supervisors. Instead, the traditional structure of a business organisation is radically changed to facilitate empowerment.

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### The bigger picture

Empowerment goes hand-in-hand with a team or project based workplace with a flatter management hierarchy. It also requires greater management communication.

### Responsibility Increases Knowledge

The workplace has one of two kinds of work environments:

- worker responsibility or
- worker control

Responsibility creates learning environments, likewise, control creates non-learning environments. The concept is if people are considered to be intelligent, they will think and act that way. If people are considered to be irresponsible, they will think and act that way. This concept is based on self-fulfilling prophecy.

### Characteristics of a non-learning environment

- Management shares knowledge among themselves only.
- Supervision is an information filter. As a result, only selected information ravel between senior management and employees.
- Employees develop do-as-you-are-told attitudes, therefore, a high level of supervision is needed.
- Because of workplace practice, opinions from the front line are rejected, if heard. It is not usual for an engineer to ask a front line employee for advice. Poor communication increases overhead cost.
- Tasks are broken into small units. Few employees understand the whole process.
- Management must solve and prevent all problems. Efficiency is management's responsibility.

- People who only take orders soon lose the desire to learn. For this reason, they fight change, especially new technology.

### **Characteristics of a learning environment**

- The sharing of information increases everyone's knowledge. Sharing of knowledge increases motivation at all levels.
- Management seek employee input on decisions, their opinions are highly valued.
- When tasks are shared, opportunity is available to understand the whole process.
- Efficiency is the team's responsibility.
- Limited supervision is needed for empowered employees.
- People who are in the decision making loop have a strong desire to learn. Change offers new learning opportunities, therefore, they seek change.

Motivation in the workplace (<http://www.motivation-tools.com/workplace/index.htm>)

### **Changed management roles**

Time constraints and competitive pressures require that management must be sensitive and quick to respond to change. Missing a trend can have serious consequences for an enterprise.

Empowerment allows management to shift day-to-day duties to delegated teams. In doing so, it removes a key traditional function of management (supervision) and replaces it with a more nebulous concept (support). Management, especially middle management, requires supportive behaviour from managers.

A 1998 study conducted by Harvard Business School found four basic elements in managerial style:

1. Administration — organising work
2. Control — holding people to procedures
3. Empathy — the ability to relate to others
4. Generating vision — the ability to see (and plan for) the future

Managers in traditional firms score high on 1 and 2 and less highly on 3 and 4. Managers who are weak in 3 and 4, the less 'macho' elements of management, would find life difficult in an empowered organisation.

### **How do you get your team pulling together?:**

- Set a clear goal — what's important — and communicate it to your people. Back up the words with action. Go beyond lip service.
- Give your employees the necessary authority to deliver the desired results. Include the authority to spend some money.
- Implement a system that visibly and consistently rewards initiative. It could be as simple as a formalized pat on the back, or as complex as profit sharing or gain sharing. Most often recognition is all that's needed:

A multimillion-dollar U.S. technical service company has a "Top Banana" award for workers who make significant suggestions or service breakthroughs. The practice started when the CEO wanted to reward an employee for a significant achievement, but had nothing on his desk but a banana he was saving for lunch.

The award is a pin in the shape of a banana. It has no monetary value. The point is it recognizes a job well done, and the universal human drive to excel.

### **Reward and motivation**

Traditional management rewards performance as measured against job duties performed using mainly monetary rewards — pay for behaviour.

Empowered management rewards performance as measured against business results and team output using a variety of rewards including, but not limited to, monetary. But research has shown that what are known as increasing "intrinsic motivation" (autonomy, involvement etc.) caused increased work performance, while motivation through pay alone has less positive effect on motivation. Empowered management is pay for performance.

However, monetary reward is problematic for empowered managers, as limiting pay can reduce performance, and relying more on results than specified job behaviour can cause problems for good employees in poor teams.

### **Fault tolerance**

It is fault tolerance that explicitly changes the workplace. To encourage workers to perform, action must be rewarded, and inaction punished. But in tandem, tolerance of faults is essential if empowerment is to be effective. If fault tolerance is not practiced, employee actions will be driven by avoiding faults, rather than progressing towards targets. Fault tolerance is the basis for trust.

There are six conditions commonly used to set fault tolerance:

1. When a mistake allows something new to be learned
2. When a mistake is not part of a pattern
3. When a mistake is made in pursuit of assigned goals
4. When a mistake falls within assigned authority
5. When a mistake is consistent with law and principles
6. When proper procedures are used

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1 and 2 arise because there is often more value in the lessons of failure than of success.

3 and 4 because a broad delegation of authority occurs under empowerment. That can cause loss of focus. Management needs to ensure delegated teams remain on task and should only punish faults that occur when the team acts beyond its delegated authority. 5 and 6 are obvious.

### **Conclusion**

Empowerment is not a new term. It has been around since the 1960s and is often associated with a Scandinavian management style. To work successfully, it requires a major change in management attitudes. Not all managers are going to feel comfortable operating outside the more traditional confines of a command and control management structure.