

Employee Contribution, Empowerment and Organizational Results

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Abstract— Organizational effectiveness (which produces positive results) remains a major concern of organizations in spite of several dynamic developments in structure and role of organizations. Due to changes in business environment, organizations are constrained to make suitable changes in their structure and strategy. This results in changes in the present power structure and processes and control becomes a difficult task. If employees remain committed to organizations, in spite of environment and consequent impact on the organization, this process of change and adjustment can be smooth. Many organizations have found that empowering employees and decentralizing decision making can go a long way to establish organizational stability and credibility. Organizational environment is enriched as a result of management strategy and suitable strategic interventions, so that employees can contribute in a free and fair manner. Such empowerment and creation of organizational climate is squarely a management responsibility. Success of organizations will depend on the ability of organizations to adapt to dynamic changes in business environment and create an organization structure in which employees can contribute freely. Empowerment and employee involvement are key aspects of this change process and this paper analyzes if that has produced results!.

Keywords— Effectiveness of organizations through Employee Empowerment, environmental impact, credibility and organizational change process, results.

I. INTRODUCTION

Organization effectiveness has been a topic of discussion and research for a long time; then the question arises as to how this topic has been dealt with again. This article will focus on the results of Employee empowerment and contribution which have resulted in a positive contribution to organization welfare and growth! Empowerment has been touted as a solution for a variety of organizational problems including low productivity and employee commitment. But the question is whether empowerment ensures success of organizations? Proof of the pudding is in the eating.

There is a growing awareness in India as well as any other countries, where women are not at the forefront of development. This scenario is changing and organizations need to be aware of such social changes which have a far reaching impact on Employment and employee motivations! Empowerment cannot be taken for granted and symbolic facilitations will not do.

Modern organizations have been created and sustained in an environment of intense competition and creativity to face the competition squarely. Redesigning organizational structures, lean organizations, empowered organizations are some of the buzz words in this context. Organizational changes have been implemented in several areas for ensuring

success and better performance. But the mute question is whether has been a positive correlation between the measures and the results and whether the correspondence could be established. The purpose of this article is to address these questions.



Fig. 1. "Jaipur, India - February 25, 2015: Women visiting center for women empowerment".

Environment of business is not static and it is ever changing. The capacity of organizations to analyze the impact of such changes in their operations will determine their relative success. Some of the recent environmental changes are the Technology particularly Mobile technology, Advancements in web and internet, Social media and impact on younger generation and in general the changes which seem to be irreversible! Organizations have to foresee at least the direction of such changes and adapt suitable technologies and organizational structures and strategies. Sometimes it calls for wholesale changes and retraining or replacement of present set of employees. How organizations deal with such challenges will determine their success and future

II. OBJECTIVES AND METHODOLOGY

Employee involvement in business is not a new topic for research or review, but how business organizations have coped with this pressure is a topic for review and research for finding new ways of managing the work force. Organizational and business environments are constantly changing and this leads to management of organizations taking new initiatives to contend with these developments and create new solutions. This research paper will address the specific issues facing organizations of today and will have the following broad Objectives:

1. To make a critical appraisal of the specific business environment.
2. A review of the challenges to organizations.

3. A review of how organizations have been facing these issues so far.
4. Impact of Empowerment and involvement of employees
5. What more can be done to improve organizational effectiveness.
6. Suggestions and recommendations based on above.

Research objectives have been specified as above. A lot of literature is available on the web and other forms of published literature. Qualitative and subjective nature of the research questions has been separately addressed. The challenge has been to identify the suitable information and edit the same to arrive at the conclusions and answers to the above research questions. This has been done and results are given below.

III. REVIEW OF LITERATURE

Employee involvement and empowerment is discussed in relation to an employee's job satisfaction. It has beneficial effects for employees over the long term, encouraging them to feel more in control and independence and to assume responsibility for continuous improvement and make a positive contribution to the organization. Employee empowerment has a greater organizational value as people join and hope to build their career in an organization. It is essential for employee's sense of job satisfaction to build on initial feelings of empowerment. The effects of employee empowerment can be many for employees. Some are discussed in academic studies of management and organizational psychology, but they also affect their lives. Irrespective of a small business, a large corporate environment or a public agency, people want to influence and participate in the decisions that affect their jobs, and they want to help customers through autonomous decision-making.



Fig. 2. Empowerment and employee grievances.

It is the responsibility of organizations to create an environment in which Employees can contribute maximum. In a survey conducted by Team Wise it has been found that the

following are the most annoying parts of their job: 3/4th of the Employees have said that their bosses make their lives stressful and miserable, 50% of the employees want to switch jobs or want to leave because of their boss, Employees have exhibited poor productivity because of bad bosses, They prefer a better boss over a pay hike, bosses fail to give credit for their work on time, 44% percent of employees have found a supervisor who abused them emotionally or physically. These can be seen in figure 2 given above. Employees enjoying regular contact with managers can suggest solutions and influence departmental and organizational decisions. Their direct input depends on a manager's willingness to listen, and it motivates employees to think strategically about how to improve performance and make the company stronger. Employees want to work for an organizational culture that values employee empowerment.

There are also hidden effects of employee empowerment in the workplace. When managers seek to enhance employee empowerment, they earn the respect of their subordinates. They are rewarded with hard-working, loyal people. This will have a positive impact on managers who use an authoritarian leadership style and get business results but don't exhibit acceptable behaviors. Senior managers should weed out these managers with unacceptable behaviors instead of recognizing their results. There are other effects of employee empowerment besides employees who take over more responsibility for their work-improving productivity. True empowerment changes the nature of the organizational culture with effects on previously held beliefs in the work culture. For example, managers must adjust to the idea that some of their power will be given to their subordinates. Also, employees at every level must realize that they are not entitled to take their jobs for granted just because they are career veterans; in the new culture, they must continue to contribute valuable services to the organization.

Employee empowerment has been defined in many ways but generally means the process of allowing employees to have input and control over their work, and the ability to openly share suggestions and ideas about their work and the organization as a whole. Empowered employees are committed, loyal and conscientious. They are eager to share ideas and can serve as strong ambassadors for their organizations.

Benefits of Employee Empowerment

Following obvious benefits accrue as a result of empowering employees:

1. Productivity improvement and optimization of cost of Inputs.
2. Better customer service. An empowered employee can make quick customer service since he has the confidence and approval of his supervisor to take decisions on the spot. This leads to better customer contact and loyalty. They can make decisions on the spur of the moment without waiting for the protocol which sometimes take a time.
3. By constantly questioning and challenging status quo they become the change agents. Unless the employees feel

comfortable, they cannot change the status quo, companies become stagnant and competitors move swiftly ahead. Establishing an environment where employees feel comfortable in questioning the status quo, and offer new ideas can help avoid stagnation and benefit employee and employer in the long run. Embracing change is part of empowerment.

Managers can test this experience by asking an employee to carry out a task that has enough flexibility for creative input. Rather than making his own decisions, the employee may come to you with an onslaught of questions, trying to pin down the exact parameters of the task. You become exasperated, wondering why the employee has to ask you permission for every tiny detail. This isn't an unusual phenomenon – it can be difficult to break out of the leader-follower mindset at the workplace. In fact, researchers from Penn State, Claremont McKenna College, and Tsinghua University find that only rare, "transformational leaders" are able to prevent employees from being excessively reliant on their bosses, cultivating instead a staff that feels empowered and self-guided. Trust and business acumen are some of the cornerstones in building this type of work culture. We can use this wisdom to train informed and decisive teams that we can trust.

One of the biggest benefits of empowerment is that you get a group of learning employees. Empowerment means the employees must solve their problems without waiting for the supervisor or management to intervene. This means they need to have a group cohesion and group dynamics to develop the focus. Following picture depicts a Training session wherein such group dynamics are explored and the group becomes more cohesive (see figure 3 and figure 4). On and off the job Training facilities are given to Employees to develop skills for working together and empower themselves to handle any task that may be assigned to the group. Figure 4 clearly indicates the benefits that accrue to a company having self directed and empowered employees. Apart from building rapport among the team members, it clearly shows how risk is avoided or minimized and increases flexibility for the employees. One of the greatest advantages is that such flexibility and self motivation among the team members ensures that Managers have more time at their disposal for attending to more critical issues and make decisions on time.

If you manage other people, the first thing you need to understand is that your success depends on their success. The more you empower your employees, the more they will grow and thrive. Contrary to conventional wisdom, boundaries don't restrict team members; they empower them. Define the boundaries within which an employee can make his or her own decisions. In doing so, you give them freedom to act. For example, if you allow a customer service rep to spend up to 20% of a customer's annual fees on keeping that customer happy, you enable the rep to solve a problem without consulting a manager (and slowing down the service provided). The best managers get outstanding performance from ordinary human beings. If they wait for a team of superstars, they will be waiting forever. They discover what each person does best and find better ways for people to

support each other. Bring people together to support and encourage each other. Then their achievement will never fall short of 100% in these partnerships and collaborations. One has to be tolerant of mistakes that may be committed in the process of innovation.



(Photo credit: Create-Learning Team Building & Leadership)
Fig. 3. A training and learning session in progress.

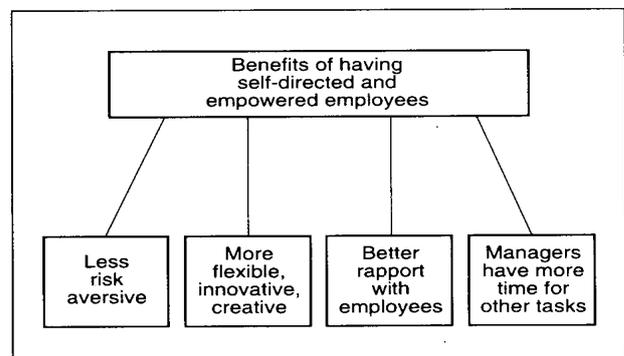


Fig. 4. Benefits of self directed employees for the organization.

The Ritz-Carlton empowers its employees, over 35,000 Ladies and Gentlemen, and this has resulted in a legacy of legendary service. The idea of empowerment may seem frightening at first, but there are several clear advantages of employee empowerment. Feedback on services is instant and not a once in a quarter survey at high cost. Such feedback and criticism is useful for honest improvement in services instead of any blame game for failures. Empowering has the advantage of creating an executive mentality among staff instead of a clerical mentality. There is no use of passing the buck and in time this practice stops. New challenges and opportunities become a daily affair and employees are not afraid in the face of any new challenge! Of course, the members respect their boundaries for successful team work.

Giving up control and empowering your team can be a terrifying experience for many leaders. Give your team some space, trust them, and you might be impressed by what they're able to achieve. Breaking out of the traditional leader-follower mindset can help you create stronger staff bonds founded on trust, self-confidence, and achievement. When you create room for independent work and decision-making, your team

might discover that they're able to achieve far more than they originally thought possible. Do you know that bees are empowered workers? Dr. Michael O'Malley, author of 'The Wisdom of Bees' notes in his book that "The bees' highly decentralized form of government allows the workers who are closest to the information to act upon it immediately and make the most informed decisions." When empowerment is done correctly—in nature as well as in business—it produces an organized, efficient colony of activity and results.

According to a recent survey conducted by Live Person, "82% of consumers say the number one factor that leads to a great customer service experience is having their issues resolved quickly." When employees are not empowered, customers must work their way up the chain of command in order to get their problems resolved. Often they have to wait while someone in a position of higher authority is located, and customers do not keep quiet but repeatedly tell their sad story to several people. Waiting and repetition do not lead to happy customers. Empowered employees can resolve issues immediately—eliminating the need for repetition and waiting.

Organizations that want to embrace employee empowerment may want to begin by creating written empowerment guidelines. It's also important to offer employees ongoing training so that they're prepared and capable of resolving any customer issues. Truly empowering employees is about granting them freedom to build genuine customer relationships and to create memorable moments for your customers. Your company handbook allows you to navigate not only your business' policies, but also your brand and your company's vision. While the idea of a "handbook" often conjures up a jumble of technical jargon and rules to follow, writing one is really a chance to express how your company thinks about culture, how you treat your team, and how you celebrate success or endure hardships together in a credible and simple language. The handbook is a place to communicate the values that bind you together and keep you on the path of true north. (See figure 5, below)

by cut throat competition and organizational survival. The environment is challenging in the sense the control of the organization decision is not entirely with management whims and fancies. Management needs to understand the aspirations of employees. The Employees today form a self directed team with autonomy and empowered to take decisions on behalf of the organization, as seen from examples of customer support and satisfaction. The growth and survival 'mantra' today is "Empowerment of Employees" so that organizations can achieve their specific objectives and continue to be profitable.

The current challenges before organizations are manifold. Of great importance is survival and growth for which the willing participation of employees is necessary. This is not just achieved by providing salary and benefits to employees, but by securing their loyalty and commitment. Unless the employees feel a sense of participation in the organizational growth and prosperity it is difficult to obtain their long term commitment. Long term commitment from employees can be obtained by their participation and involvement in the organizational process which in turn is possible by appropriate levels of empowerment of suitable employees.

Organizations are very much aware of the current situations and are facing the same in various ways as outlined in the review of Literature. Organizations show benefits that can accrue to employees apart from employers to secure their commitment. For example any productivity improvement will result in better output and increased output will result in better bonuses and incentives for employees. Training and Development of employees are done in a large scale by modern organizations to obtain employee commitment and retain their services for long term. Management Control has been effectively replaced by Management direction and employee empowerment. Managers have also found that this allows them more free time to plan their future activities.

The experience of many organizations is positive with respect to empowerment. Self directed teams, particularly in software industries which are growing exponentially have produced excellent results. In fact there is no going back for them. By empowerment organizations have also realized benefits in terms of less supervision and better teamwork and output. Flexibility provided to empowered employees has resulted in them becoming more innovative and risk taking and decision making has been pushed down the ladder. By constantly challenging the status quo employees are rendering better customer service and customer satisfaction and improved business results.

Organizations can do a lot better with training and preparation of new recruits to assimilate the culture of the organization. The Employee hand book has been mentioned and organizations need to focus on this to achieve better commitment and information for attracting new talent. Constant monitoring of employee participation and their empowerment has to be reviewed. Due to digital proliferation and growth of personalized communication media like mobile and the social networks companies have to stream line their promotional strategies. Recruitment and placement also is an area requiring digital attention.

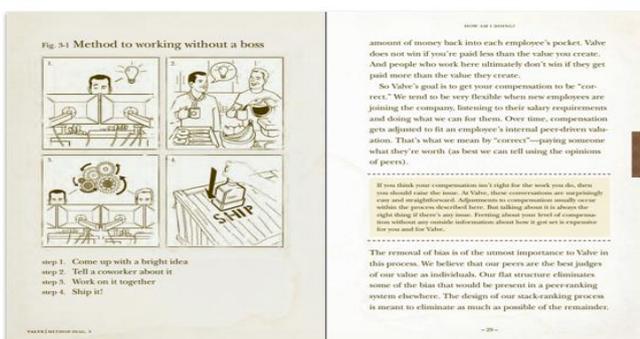


Fig. 5. A page from the employee handbook of valve software company.

IV. ANALYSIS AND INFERENCES

The business environment has been discussed at length. In fact the whole paper is based on the environmental changes and their impact on the organizational philosophy of empowerment. Current business environment is characterized

V. CONCLUSION & RECOMMENDATION

In conclusion we cannot ignore this aspect of empowering employees in modern organizations. With digitalization of communication process and advancement in digital technologies companies will have to embrace latest technologies to survive and grow in the fast paced competitive environment. Analysis of data and conclusions thereof need to be carefully updated from time to time to be competitive.

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