CEO

Center for Effective Organizations

A PERSPECTIVE ON EMPOWERMENT

CEO PUBLICATION
G 93-6 (226)

SUSAN A. MOHRMAN

Center for Effective Organizations
Marshall School of Business
University of Southern California

1993

A Perspective on Empowerment

The term "empowerment" has come to express in many managers' minds the essence of new approaches to management that are believed to be capable of delivering higher levels of performance by tapping into the energies and enthusiasm of employees. Companies that have tried for years to improve performance through such mechanisms as quality circles, total quality management, employee involvement, and union/management cooperative efforts have discovered that these approaches are more effective when employees have the power to make a difference. Power is one of the resources (the others being information, knowledge and skills, and rewards) that have to be spread downward in the organization in order to achieve a high involvement system (Lawler, 1992)--i.e., an organization in which employees are involved in the success of the organization. Studies of the quality circle movement have shown that these programs in many cases died out because the circles didn't have the power to make change (e.g., Lawler and Mohrman, 1985). Recently, Peter Block (1990) has popularized the notion of empowerment in his book *The Empowered Manager*, that describes new ways to manage that change the power dynamics in an organization.

Suddenly we have large corporations who say their organizational strategy is empowerment. This focus is both laudable and dangerous. It is laudable because it connotes a willingness to reconsider the power dynamics that have perpetuated the status quo and worked against significant organizational change. It is dangerous because we run the risk of management oversimplifying what has to change in order to increase performance. This danger comes from two overly simplistic notions held by some management's.

1) Thinking of empowerment as an individual characteristic that can be achieved by exhorting people to act differently to make decisions and take risks. This overlooks the fact that behavior of people is shaped by organizational practices, structures, policies and systems as well as by people's skills and motivations. This simplistic notion of empowerment can lead to the

consoling misconception that people can be empowered without changing anything in the organization.

2) Equating empowerment with "autonomy"--i.e., empowerment occurs when organizational units and people are able to determine what they do and how they do it. In an organizational setting, units are part of larger wholes that have goals, missions and market imperatives. It is important that empowerment be defined to include organizational direction and to address the question of what are people being empowered to do? Empowerment must be placed in a context of responsibility to the larger whole.

These two partial truths about empowerment are dangerous because they may result in management abdicating its critical role in empowering the organization: to design the organization for empowerment, and to provide direction within which empowered teams and individuals can make a difference. The rest of this article addresses the definition of empowerment and addresses several facets of the empowerment concept. It draws implications for organizations that have as part of their organizational strategy the improvement of organizational performance through approaches that require the empowerment of organizational participants.

DEFINITION

In an organizational setting, the definition of empowerment that seems to make sense is:

Empowerment is the sense of being able to make a difference in the attainment of individual, group, and organizational goals.

This definition acknowledges both organizational and individual purposes. To attract and retain high quality employees, an organization must make it possible for employees to achieve career and professional satisfaction, and to experience intrinsic satisfactions of accomplishment and pride as well as extrinsic satisfactions of reward and recognition. Likewise, to be successful

in the market place, the organization must enact a competitive strategy and deliver value. Empowerment must be with reference to both the individual goals and the organizational goals. In fact, the concept of organizational empowerment requires that individual and organizational goals are aligned. Otherwise, people will be empowered to do things that are not in the organization's interests; alternatively, people will be empowered to do things in the organization's interest but not motivated to do so because it is not in their own self-interest. The human resource systems of the organization are key tools in accomplishing such alignment.

NOTIONS OF EMPOWERMENT

Several notions of empowerment have appeared in the literature, each of which offers insight into organizational empowerment, and useful direction for organizations. These will be briefly described below.

I. Psychological Notions of Empowerment

This view holds that empowerment is the "mind-set" of the person, and relates to notions of assertiveness, efficacy, and self-confidence. This view holds that feelings of empowerment stem in part from the natural predisposition of people and in part from years of experience being successful or unsuccessful in accomplishing things and achieving goals.

Studies have demonstrated that it is possible to teach disempowerment--or in other words, for people to learn helplessness. Some classic studies where the concept of learned helplessness was first illustrated involved teaching hungry dogs not to pursue food by putting an electric shock field between the dog and the food. The failure to pursue food generalizes to situations where there is no shock field, as the dog has "learned" to be helpless.

A similar phenomenon seems to occur with people. They learn not to try to accomplish their goals if they repeatedly experience negative consequences as they try to accomplish things. This can lead to a syndrome that is common in many organizations: employees feel that *they*

won't let them do things. The people who are the *they*--the managers, staff groups, corporate offices, and so forth-- are surprised by this impression. <u>They</u> may believe that there are procedures and processes that allow people to get things done. Examining the actual processes, however, yields a whole series of "electric shocks" along the way -- paperwork to fill out, cross examinations, huge response delays, having to deal with people who talk down to you as though you don't understand life, and so forth. Ultimately, there is a large possibility that the request will be turned down.

In this kind of environment, people may have stopped trying to get things accomplished, and have come to believe that they can't get things done. This may take the form of "minimalist" behavior--of doing just as much as it takes to get by--, or of "testing the limits" in order to accomplish personal goals. In response, management may have put more and more controls in place. This becomes a self-sealing loop.

Related to empowerment is self-efficacy--i.e. the belief in one's ability to successfully accomplish things based on confidence in one's skills and abilities. If people repeatedly apply skills and effort and do not succeed -- e.g., in getting a necessary change made or task accomplished, they may develop a lack of self-efficacy. This leads to stopping trying and avoiding challenges. The lack of self-efficacy may be specific to certain kinds of challenges. For example, a person may feel very efficacious in applying professional skills to the task at hand, but not efficacious in dealing with the organization to get needed support and contextual changes. Consequently, the person will concentrate on the task that leads to feeling efficacious, and not worry about the bigger picture.

Taking a psychological view of empowerment puts the emphasis on changes in the mindset of the individual, and consequently in the way that the individual relates to the organizational context. Thus, practitioners who utilize this framework will help the individual clarify goals, develop knowledge and skills, overcome inertia, and try to make changes. The approach is: don't wait for the context to change; through your own energies, you can create

your own context. Organizationally, however, the task is to remove the "electric shocks" that result in a low sense of efficacy.

II. A sociological view of empowerment

This approach emphasizes individuals' and groups' abilities to deal with their context. Early work looked at community groups that are disempowered, and what was necessary for them to become more effective in getting their needs met and building a more positive context for themselves. Behavior is assumed to a great extent to be constrained by context. Power differentials hold the status quo in place, and change requires the utilization of effective influence and power techniques. Three components of empowerment are particularly important:

1. *Understanding yourself in relation to the context in which you operate*: This includes how your goals and aspirations are related to the context, what impact it has on you and what behavior patterns you have been using to cope. For example, you may have given up and withdrawn; you may cope by complaining about the "they" but not try to change things; or you may ignore all the aspects of the context that promote sub-optimal performance and concentrate on your narrow sphere. The belief is that people will be motivated to exert effort to change their context only if they see what's in it for them, such as how their work-life will be improved if they can help make changes and improvements.

2. *Understanding the context, and how it operates:* People may feel victimized by bureaucracy, perhaps because they don't understand how to make it work for them. People often don't have a picture of the different groups in their organization, where to get information, and what resources are available. The likelihood of having successful impact on an organization increases with an understanding of the organization and how it operates.

3. *Skills and Abilities:* Making changes and improvements in an organization requires skills and abilities beyond technical job skills. Group process, problem-solving, influence and communication are some of the skills for accomplishing personal and organizational goals in a complicated organizational context.

This approach to empowerment has as its goal to teach people to be effective in influencing their organizational context. It assumes that the context will only change if people develop the skills and are motivated to exert effort to change it. Such knowledge and skills development underpins many empowerment-based approaches in organizations.

III. Organizational Design

This way of understanding empowerment focuses on the design of the context itself and how it fosters or impedes people's ability to make a difference. On a global basis, for instance, totalitarian regimes make it difficult for people not in the inner power circle to make a difference in their own daily life and in how the society works. Democratic regimes offer many more opportunities for input and influence. Design features such as electoral procedures, budgeting processes, referenda, and free press build in influence opportunities. The same can be said for different forms of organization. Some organizational features stifle influence and consequently stifle innovation; other features promote opportunities for influence and for innovating and trying different approaches. Some organizations are designed to tightly control behavior from the top and to ensure conformity. Other organizations are designed to control through results, and to promote diversity of practice and innovation.

The organizational design approach to understanding empowerment suggests that organizations can purposefully change aspects of their design in order to promote empowered behavior. For instance, eliminating levels of approval makes it easier to get things done. Levels of approval place a personal cost (time, frustration, delays, impersonal treatment) that make it onerous to do things. Collecting central information but not making information readily available to the people doing the work stifles empowerment. True empowerment can only occur if people are well informed. For people to become involved in improving organizational performance, practices, policies, and organizational design elements must foster such a relationship between people and the organization.

Since organizations have purposes and missions, for people to become involved in making a difference, their efforts must be channeled in the direction of the valued organizational outcomes. Thus, goal-setting and accountability systems are as important to empowerment as influence systems. Furthermore, since the efforts of many groups are often required to succeed in meeting goals, there must be design features such as shared goals that increase the likelihood that various stakeholders work together, and that one stakeholder doesn't ride roughshod over another in the course of exercising empowerment. Finally, since an organization has to achieve a predictable identity in the marketplace, there will be dimensions of performance and organization that will have to be relatively uniform across units. Consequently, people must be empowered within an overall strategic direction and broad parameters that are common in all units. It is important that those broad parameters and strategic direction have been formulated with the contribution of people and groups who have diverse perspectives, and that there is widespread knowledge and understanding of the direction and common parameters.

SUMMARY: FACETS OF EMPOWERMENT

The notion of empowerment includes a psychological component (people clarifying their goals and developing a sense of efficacy and developing skills);   a sociological component (people and groups understanding the context in which they are operating and developing effective influence and power techniques); and an organizational design component (designing the various features of the organization in order to empower people to make a difference).

Empowerment includes both an individual and an organizational focus: people must be empowered to make a difference in their own outcomes as well as in their workgroup or organization's outcomes. The organization design task is to make sure that these are aligned, i.e. that people are accomplishing their own goals as they contribute to improvement in organizational functioning. Performance management practices such as pay, appraisal and career systems are key design features in creating such alignment.

Because of the purposeful, collective aspects of the organization, there will always be a necessity for a common strategic direction and some aspects of organizational functioning will be common across the organization. Thus, empowerment of sub-units (areas, departments, workgroups, individuals) must be within the constraints of common direction and parameters. Even the process used to determine direction and arrive at common parameters, however, can take into account the perspectives of a broad array of stakeholders, increasing the likelihood that people will feel empowered while operating within shared constraints.

The role of management in providing direction, responding to input, designing an organization that facilitates empowerment, and ensuring that individuals and groups have the skills, knowledge and information to effectively utilize power cannot be overestimated. In fact, in an empowered organization, managers' jobs will increasingly consist of designing context and providing direction within which units can manage more aspects of their own functioning.

References

Block, Peter. *The Empowered Manager: Positive Political Skills at Work.* San Francisco: Jossey-Bass, 1990.

Lawler, E. E., III. *The Ultimate Advantage*. San Francisco: Jossey-Bass, 1992.

Lawler, E. E. and Mohrman, S. A. "Quality Circles After the Fad". *Harvard Business Review*. 1985, *85*(1), 64-71.