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## Employee empowerment - terminological and practical perspective

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**Employee empowerment – terminological and practical perspective**

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## Employee empowerment – terminological and practical perspective

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**Keywords:** *employee empowerment, human resource management, employee participation*

### Abstract

**Research background:** The 1980s saw popularisation of the management paradigm requiring that employee intellectual potential should be noticed and used. The subjective approach to employees is fully reflected in the empowerment process. The definition scope of the analysed notion has not been unambiguously delineated to date. In narrow terms, empowerment means delegating power in the decision-making process and is considered a management method. In broad terms, in turn, the idea is at times called even a management concept.

**Purpose of the article:** The aim of this paper is to provide answers to the following research questions:

- 1) Can empowerment be called a separate management concept?
- 2) What is the awareness of the essence of empowerment among contemporary employees?
- 3) What are the barriers to implementing empowerment assumptions in enterprises?

**Methodology/methods:** The research process was based on literature studies and empirical research that was conducted in Poland under two separate research projects. One, carried out in the period 2006-2015, was oriented towards assessing the level of interest in employee participation and identifying the approach to implementing such participation in enterprises. The research covered over 300 respondents. It used structured interview complemented with free interview and analysis of the provided documents of the respondents' enterprises. The results of the research encouraged a closer look at the category of empowerment. Pilot empirical research on the category of empowerment was conducted in 2016 with questionnaire surveys. The research sample was 63 employees.

**Findings:** It was found that empowerment should be perceived as certain expansion of employee participation rather than a separate management concept. It consisted in sharing not only information but also power with employees. The results of the empirical research permitted the ascertainment that interest in lower participation forms prevailed among the respondents. Barriers related to applying empowerment were sought in this context. The pilot research allowed a conclusion that the barriers should be sought primarily in the failure to prepare (also mentally) employees and employers for using empowerment. Although the presented results of the research are not representative, they encourage further in-depth research within the discussed area.

### Introduction

The eighties have standardised a management paradigm that values and uses employee potential (Piwowar-Sulej, 2010, pp. 233-244), and human resources management (HRM) concept was born. It can now be said that new ideas were formed from that initial idea, such as human capital management (HCM), or high-performance work systems (HPWS). M. Fortier and M. N. Albert (2015, pp. 1-12) propose a new, individualised approach to employee management, which they call persons management, and they insist that every employee is a stakeholder. A person retains individual autonomy and freedom. Many modern general management concepts underline the importance of people. Employees are expected to be professional, proactive and creative, and are often given a broad field for decision making. The empowerment approach is one to fully reflect a personal approach to employees.

Empowerment is a term that interests many scientific fields. There are various profits of implementing the idea that has been empirically tested (Shah et al., 2011, pp. 8558-8566; Alazzaz & Whyte, 2015, pp. 21-37; Hanaysha & Tahir, 2016, pp. 272-282). Employee empowerment is essential in this era of globalisation to enable the organisation to respond quickly to any changes in the environment and reduce employee turnover

(Ongori, 2009, pp. 9-15). Nevertheless, it should be said that the definition of empowerment has not hitherto been precisely delimited in management sciences. As remarked by S. Jain and R. Jain (2014, pp. 32-49), empowerment is an umbrella term in the literature often used to indicate different factors. This ambiguous nomenclature is one of the barriers to implementing empowerment in organisations. Taking all this into account, we have established the goal of this article: an attempt to answer the following questions:

1. Can empowerment be called a separate management concept?
2. What is the awareness of the essence of empowerment among contemporary employees?
3. What are the barriers to implementing empowerment assumptions in enterprises?

### **Method of the Research**

The research procedure included such stages as formulating the research problem, establishing the research goal and questions, choosing research methods, establishing research tools, conducting research, analysing the resulting data and information, drawing conclusions. Thus, we have:

1. Interpreted and criticised the existing literature on the subject. We made an attempt at arranging the existing knowledge on empowerment in the light of some of the modern ideas on management and employee participation.
2. Used the results of our original empirical research conducted between 2006 and 2015, which aimed at evaluating the interest of Polish enterprises in employee participation ideas.
3. Performed a pilot inquiry into the empowerment idea awareness, and the extent to which it is used in Poland.

Empirical research into the interest of Polish enterprises in employee participation was conducted using structured interview, which was further complemented by unstructured interview and an analysis of the documentation of chosen enterprises (64 entities). The interviews made use of a questionnaire, prepared by one of the authors of this article, which offered immediate answers, as well as semi-open questions. Two variants of the questionnaire were made, one for the employees and the other for employers. Interviews were anonymous and confidential. The results of those were complemented by an in-depth interview and an analysis of documentation. The main criterion for choosing the respondents was their consent to participate in research.

The results of this research inspired us to take a closer look at the empowerment category. Pilot empirical research on empowerment was conducted in 2016 using surveys, and questionnaires with immediate answers, semi-open and open questions, anonymous and confidential. The sample was 63 professionally active people.

### **Literature background – the idea of empowerment**

According to the research procedure, the first phase was literature research. As we have mentioned before, empowerment is an idea interesting to various scientific fields, such as social politics.

Psychological empowerment consists of four components: meaning, competence, self-determination, and impact. Meaning entails congruence between an employee's beliefs, values and behaviours, and job requirements. Competence refers to confidence in one's job performance abilities. Self-determination refers to feelings of control over one's work. The impact is a sense of being able to influence important outcomes within the organisation pp. 1442-1462. Within the category of psychological empowerment, authors concentrate on employee's perception (Peccei & Rosenthal, 2001, pp. 831-857).

If empowering an individual is not reflected in their behaviour, several factors may be responsible, such as (cf. Kanafa-Chmielewska, 2012, pp. 130-140):

- weak perception of socio-political control (the individual does not think they can effectively influence the social and political system)
- no critical awareness (the individual does not know what goal they want to reach, what resources are necessary for it, how to obtain and manage them)
- no knowledge of social norms and values.

In management sciences, empowerment is seen as a multidimensional process of transferring the right to control actions and decisions to the employees; of increasing their self-sufficiency and autonomy, raising their enthusiasm and involvement, making them feel they are valuable for the organisation (see Zeffane & Al Zarooni, 2012, pp. 332-352; Story, 1995, pp. 81-90; Sharma, Kaur, 2008, pp. 7-12).

According to R.M. Kanter (1977) empowerment results from decentralisation, a flattering of the hierarchy, and improved employee participation. The author believed that access to empowerment structures

is associated with the degree of power an individual has in the organisation. Formal power is derived from jobs that allow flexibility, visibility, and creativity and from jobs that are considered relevant to the organisation. Informal power is developed from relationships and networks with peers, subordinates, and superiors.

## **Literature background – empowerment in management concepts and its relationships with the theory of employee participation**

M. Budgol (2006, pp. 46-47) considers empowerment to be “in a sense” a management concept, which entails, among other things:

- increasing employee awareness, their faith in being more efficient than their co-workers,
- delegating power and credentials for better efficiency and self-reliance,
- a form of social contract, a psychological agreement between the employers and employees.

According to M. Bratnicki (2000, p. 22), empowerment is a complex process typical of management concepts, because it encompasses almost all aspects of organisation functioning. D. Berry, Ch. Cadwell and J. Fehrman (1994), divide empowerment into three types, adding a managerial aspect to the organisational and individual (psychological) aspects.

In our literature study, we have not found a typology of management concepts that would include empowerment among others, such as lean management (LM), total quality management (TQM), knowledge management (KM), business process re-engineering, or benchmarking. What's more, ideas such as LM, TQM or KM do include the ideas of employee involvement into process and product perfecting. According to R. Randeniya, N. Baggaley and M. A. Rahim (1995, pp. 215-220), empowerment should be a separate theory, cooperating with TQM. However, empowerment is not aligned with TQM philosophy, which underlines employee involvement without changing organisation structures, whereas empowerment requires the creation of a new, flatter organisational structure (related to re-engineering).

As we have mentioned in the introduction, the ideas for people management evolve continuously. Approaches such as HRM or HCM see the employee as a person and underline their development and self-reliance. In fact, it is said that the main idea of HPWS is to create an organisation based on employee involvement, commitment and empowerment (Sanders, Yang, 2016, pp. 201-217).

Following anglophone scholars (cf. Lee, Kohn, 2001, pp. 684-695), they state that empowerment should be considered as an elaboration of participation management and work enrichment. The work of S. Emamgholizadeh, H.Z. Matin and H.R. Razavi (2011, pp. 3504-3510) should also be mentioned here: they have examined the relation between employees' participation in decisions making and their empowerment in a telecommunication company. A Spearman's correlation analysis was used to investigate the correlation between staff involvement in decision makings and psychological empowerment among employees.

Empowerment is further tied to employee participation in Poland due to the term being translated as *upelnomocnienie* (enablement, authorisation) (cf Konafa-Chmielewska, 2012). The term is in fact defined in various ways. However, among its many definitions, we find, for instance, that participation is “execution of power, by employees or their delegates, as concerns decisions on their place of employment, related to modifying the placement and distribution of power among the employees themselves” (Pool, 1992, p. 429). Literature on the subject mentions that the idea of employee participation develops in certain forms and types (Cierniak-Emerych 2012, p. 122):

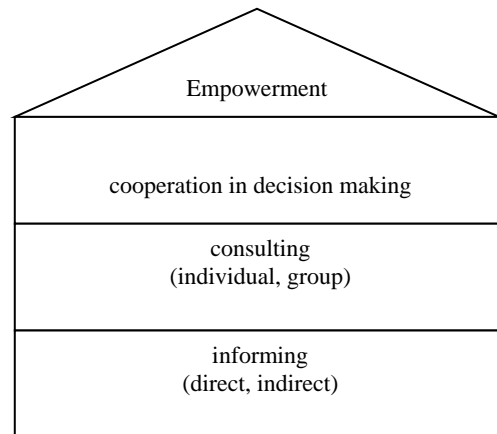
- types – direct and indirect participation (participation through delegates)
- forms – information, consulting, co-deciding, authorising – that reflect the extent to which employees participate in solving problems present in the company.

Indirect participation can be realised through such entities as work councils or trade unions. This kind of employee participation is, therefore, distanced from the idea of empowerment. Direct employee participation is understood as employees taking actual part in preparing and making decisions. It can be realised through such entities as quality circles, or individual consultations with employees, direct (face to face consultation) or indirect (arm's-length consultation). An especially important form of direct participation is authorisation delegating, usually divided into a delegation to teams and delegation to individual employees. (Rudolf, Skorupińska, 2012) This creates autonomous teams or autonomous individuals capable of making decisions.

As is easily demonstrated above, the employees' influence and power within these various types of employee participation varies significantly. Passing on information, directly or indirectly, is the lowest level of participation, as shown in Figure 1. The next level is consulting, both individually and in groups. The

highest levels of this figurative house are the decision-making aspects. Participation in decision-making entails the right to object or acquiesce, as well as the right to the two-sided preparation and deciding (Weiss & Kruger ed., 1990). This approach to participation does not include – as one finds in a literature study – authorised participation in executing power. The peak level of the participation house shows authority delegation, understood here as encouraging the increasing employee autonomy, which is undoubtedly related to empowerment (Gableta & Cierniak-Emerych, 2005, pp. 272-279).

**Figure 1.** “House of participation” - the ways of implementing participation on different levels



Source: original research, using (Cierniak-Emerych, 2012, p. 91, 140)

It would thus seem justified to say that empowerment, through equipping employees with influence and power, is the highest form of employee participation. It is a form of moving power to specific spots where specific problems arise in the circumstances of the functioning of a given enterprise. It does not, however, mean burdening the employees with taking the most difficult decisions (Cierniak-Emerych, 2012, p. 141), because the right to make the given decisions should belong to the people who – due to their function in the enterprise – are placed closest to the given problem. Appropriate competencies are, of course, required of the employees (cf J. Brilman, 2002, pp. 348-349).

Summarising our considerations so far, we can say that literature on the subject does not unambiguously answer our first research question. Some authors see empowerment as a separate management concept, others include it in, for instance, employee participation. We claim empowerment to be not a separate management theory, but the highest form of employee participation and we have proven that elements of empowerment are present both in general management concepts and in modern people management concepts.

### **Empowerment from the point of view of employees – research results**

The next stage of our research procedure was an analysis of the results of empirical research on the extent to which Polish enterprises are interested in implementing empowerment and employee participation ideas.

These results allowed us to form the following conclusions:

- Respondents do understand and identify the term employee participation, the majority of them can indicate the types and forms of participation, with the most widely known forms being informing, consulting and co-deciding.
- Over 80% of the respondents were not able to define the term “empowerment”, but the term of authorisation delegating was understandable to them.
- The most significant field in which the employees see participation ideas implemented is their own situation in the company, especially the workplace conditions, work organisation, ways of fulfilling tasks and employment conditions, including the form of contract, actual working location, and influence over their salary and social assistance forms and amounts.
- The respondents stated that implementing both direct and indirect employee participation was a good thing, preferring an individualised approach.
- They were interested in further development of lower participation forms – informing and consulting – in their companies.
- The employers answering our questions saw employee participation as a method of shaping desired attitudes and behaviours of their employees, while underlining the importance of lower forms of

participation.

- Practical implementation seems concentrated on selected aspects of work conditions and organisation, while using lower forms of direct and indirect participation.
- Respondents were not able to unambiguously explain their lack of interest in empowerment ideas, mostly citing no wish of being held responsible for decisions.

Comparing this empirically formed image of employee participation with the theory described in the literature, and taking our research questions into consideration, we conclude that pilot research concentrated on the idea of empowerment itself is necessary.

Results show that respondents do understand the term “empowerment” and associate it correctly with authorisation delegating and autonomous decision-making. These results are hopeful, in the context of the broader research on employee participation. Their answers as to whether empowerment is a separate management approach, or an extension of employee participation, are also interesting, given the literature problems we have outlined. 85% of our respondents considered empowerment to be the highest form of participation, and in only three companies, all with some portion of foreign capital, the employees have experienced empowerment as a separate management approach. As seen in the unstructured interviews performed with the representatives of these companies, their approach was based on the customs of their enterprises. An important component seems to be training employees in modern management ideas.

It should also be noted that 57 of the 63 respondents said that implementing empowerment ideas can, in their opinion:

- increase employee loyalty,
- enhance their involvement in attaining the goals of the company,
- improve cooperation between employees and their superiors,
- improve business development.

Respondents were then asked to indicate these areas of enterprise functioning where, in their opinion, empowerment should be implemented, choosing from a list of 30 possibilities that was created after literature study and previous empirical research on employee participation. They were also asked to give answers taking into consideration work on the basis of employment contract, and civil law contracts.

20 respondents considered it a good idea to implement the highest form of employee participation – empowerment – for workers with an employment contract. Only 11 respondents found it a good idea to empower the employees hired on civil law contracts.

Among those who did consider it right and possible to implement empowerment as the highest form of employee participation in a company, the most popular fields for that implementation were:

- establishing the employment conditions, including the kind of contract and the working location,
- improving the health and safety at work,
- establishing the extent and forms of offering social assistance to employees.

An interesting – and alarming – fact is that 43 of the 63 respondents did not indicate any aspect of company functioning in which they thought it a good idea to implement empowerment for staff with employment contracts. They have explained this by pointing to lower forms of participation, and possibly co-participating in decisions, as sufficient. Similarly to earlier research on employee participation, in this case, respondents were apprehensive of being responsible for decisions, especially of being held accountable for decisions that the management was not willing to shoulder on its own. Factors such as insufficient information flow in the company, or employees not knowing the general strategy and overall situation of the company, were also cited as possible reasons for the employees making wrong decisions when empowered. Organisational barriers when delegating credentials were also pointed out, as well as the lack of trust in employee decisions, declared openly by employers.

As for the staff working on the basis of civil law contracts, 52 of our 63 respondents said they see no possibility of implementing empowerment ideas for that group. The reasons for this opinion were similar to those cited above, with the additional factors such as the fact that such an employee is only involved with the company for a limited time, and could possibly use the knowledge gathered in one company to the advantage of another. One respondent has even claimed there are legal limitations to such solutions in Polish law, a statement which is not confirmed by an analysis of existing laws. This opinion can be seen as an expression of the lack of trust in employees and their decisions, also mentioned as a barrier to empowerment implementation in our research.

## Conclusions

A changing enterprise requires the necessary actions to be defined precisely and requires solutions that will match the faced challenges as well as possible. Managing people requires more attention to be paid to identifying and respecting the expectancies and interests of the employees – to creating reasons for which employees will be willing to put effort into attaining the company's goals. Employee participation is becoming more popular as a method of achieving this, including – as we have demonstrated – its highest form, empowerment.

A study of literature leads to the conclusion that research is conducted into the nature and origins of empowerment theory. The term itself appears in many contexts, including psychology and management. Low awareness of the possibilities of implementing empowerment in Polish companies, both among the employees and employers, is, however, a worrying sign, as is the lack of understanding of the term itself, in some cases. This is due to the fact that there are few examples of implementing the idea in management practice of specific companies.

The results of research on employee participation, and of the pilot research into empowerment itself, show that interest is principally concentrated on low forms of participation. This served as the basis for identifying barriers to empowerment implementation. The pilot research shows that these barriers are, first and foremost, a lack of organisational possibilities, but also a psychological “un-readiness” to use the highest form of participation – empowerment – by both employees and employers. Our research is not representative from a statistical point of view, but it may encourage further study in the field. An especially important subject is the personal policy of companies focusing on management using the highest form of employee participation – empowerment. Research into this field on a larger sample, preferably statistically representative, would definitely be worthwhile.

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