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Empowered Organizations: Management Fad or Critical Success Factor?

Undoubtedly, every business leader wants employees to work in harmony towards the success of the organization. Employee empowerment can be one of the most powerful ideas to achieve this in the knowledge-centric world today.

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The word "empowered" means giving someone the authority or power to do something. Empowered organizations are those where along with responsibilities, employees are also given authority to take decisions related to their responsibilities and welfare. Many modern day management practitioners and leaders believe that the practice gives employees a sense of ownership, motivating them to work towards common organizational goals. So, is this a passing fad or fast becoming a critical success factor in organizations today?

As the world transitions from a manufacturing economy to a knowledge economy where repetitive tasks are increasingly handled by machines and employees need to be innovative and creative, and adapt to changing job requirements, one can argue that it becomes imperative to trust and empower employees.

Steve Jobs said, "Technology is nothing. What is important is that you have faith in people, that they are basically good and smart, and if you give them tools, they will do wonderful things with them."

Many innovative organizations like Google and Apple not only inculcate the culture of employee empowerment but also advocate it strongly. Google has managed to stay at the top of the "Fortune 100 Best Companies to work for" list for many years. A key factor enabling this is that Googlers are highly empowered, one celebrated facet of which is the much acclaimed 20% policy where Googlers can pursue projects of their own interest for 1/5th of their time and the resultant game-changing innovations like Gmail. Similarly, Netflix, which is disrupting media distribution, does not track leaves or mandate detailed expense policies and instead trusts its employees to "do the right thing".

Let's look at five things leaders can do to develop an "Empowered Organization."

1. Clearly defined Purpose and Values – If the organization has a clearly defined purpose and set of values that employees understand, they can figure out how by themselves how best to discharge their responsibilities. As General George Patton famously said, "Never tell people how to do things, tell them what to and they will surprise you with their ingenuity." Employees who are well aware of their company's purpose and know what the company stands for make a lasting impression on customers and win their confidence, which is great for business.

2. Hiring passionate employees- It is a well-known fact that people perform better if they love their job. While recruiting, leaders must select people who take pride in their work and its quality. Employees who are passionate about their work are self-driven and also pro-active in their approach. They perform without much supervision and do not hesitate in taking new responsibilities. This can go a long way in further strengthening the organization as an empowered organization.

3. Open Culture & Knowledge sharing - An open culture is where the leader shares information with employees, is open to feedback and allows them to openly share ideas and feedback with each other. This kind of culture helps in keeping the environment transparent and lets senior management know what the employees actually think and feel about the organization. Mechanisms should be put in place for seamless sharing of information. Today social media has become an important tool of communication.

Leaders can stay in touch or communicate with ease on platforms such as Facebook, Linkedin, Whatsapp, Twitter or corporate versions of such tools.

Leaders should also encourage the idea of knowledge sharing. Junior employees are not as well exposed as their experienced colleagues, who have richer experiences from their life and professional journey. There can be activities like knowledge sessions, town halls, informal meetings, one-on-one mentorships, etc., to share experiences, lessons learnt and achievements. This will enable employees experience personal growth, which is one of the most important aspects of job satisfaction.

4. Appreciating quality work and rewarding - Appreciation and rewards of any form are the best way to communicate that the person is valued in the organization. This motivates people and generates desire to excel and perform better. Recognizing good work socially would result in sense of pride among employees.

5. Personal Development projects - Employees could be encouraged to identify and propose areas where they can improve themselves. This encourages self-awareness and makes them more committed. In additional to Key Performance Indicators (KPIs), which most organizations use, experts have recommended that they also have Key Development Indicators (KDIs) for employees. KDIs, just like KPIs can be periodically set and tracked for employees, thereby ensuring that they develop themselves regularly. There should also be some rewards associated with achieving KDI milestones to further motivate the employees.

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