ABSTRACT

There is dire need for paradigmatic shifts in management strategies for business organizations in India, in today's highly competitive global scenario. Empowerment is a recent managerial 'mantra' for managing and facilitating human development. It is important to scrutinize the changing roles and attitudes of human resource for public and private sector which coexist on Indian scene. The present study on empowerment of executive/managers of four well- performing Indian organizations (two each from public and private sectors) belonging to four vital sectors of economy, namely banking, oil & energy, electronics& communication and automobiles has been undertaken. The study has shown that public sector units are as well or even better tuned to meet the challenges of business by empowered, committed professionalism of the executives/managers. They are at pains to train and teach themselves to meet the demands of time for survival and prosperity for themselves and their organizations. Our findings are corroborated by certain other recent HRM studies of public sector organizations elsewhere in India.

Empowerment as an Effective Instrument

of Modern Organizations To Face the

Globalised Liberalised Challenges: A Study

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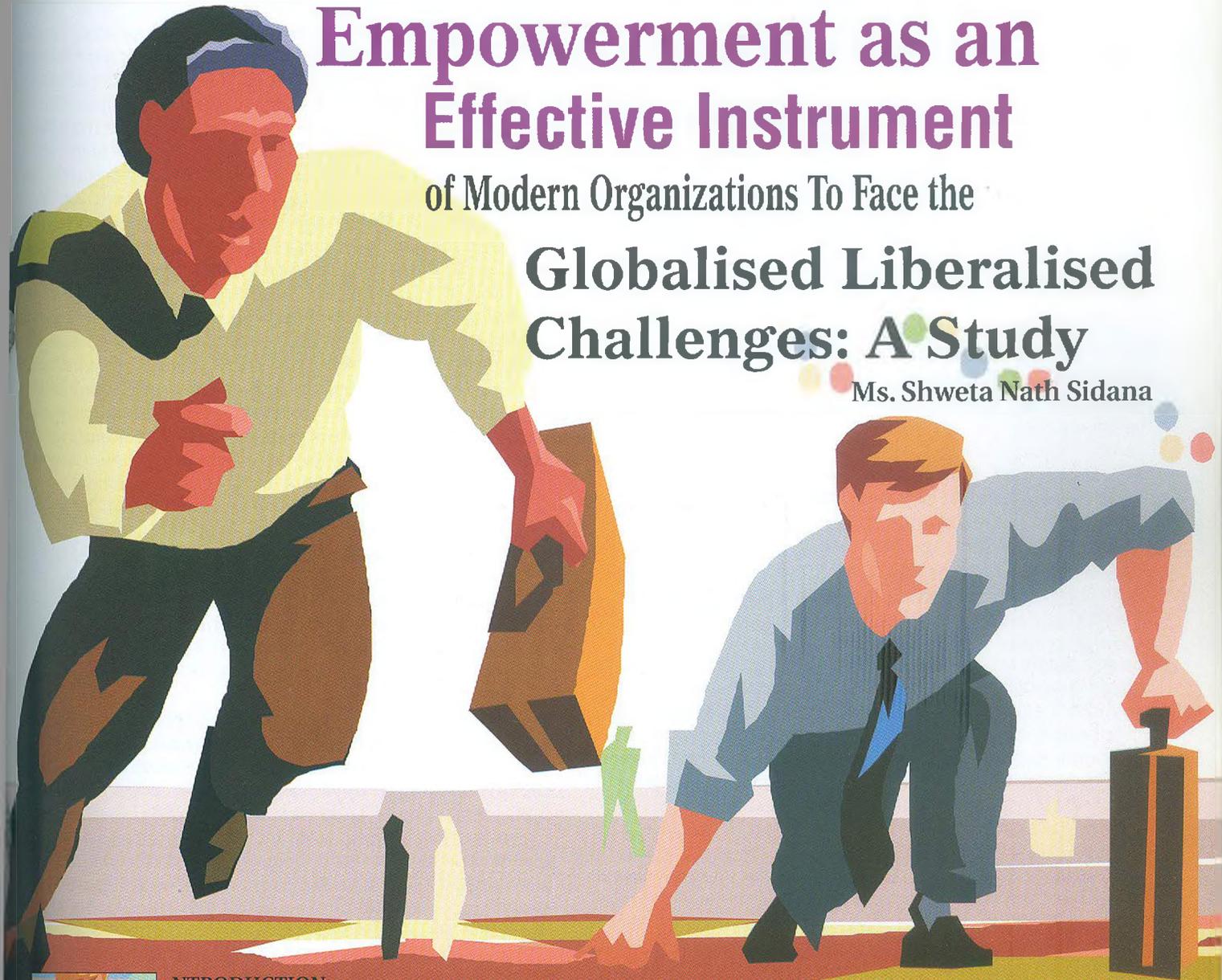
INTRODUCTION

The present day business organizations are in the era of market uncertainties, complexities, never ending competition, and chaotic and turbulent business environment. To cope up with these challenges, organizations have to adopt paradigmatic shifts in their strategies to survive and grow.

To manage such complexities, there would be a stronger need for revamping management strategies and evolving a process to tap collectively the information, knowledge and experience of people at various levels in the organizations, which is the essence of empowerment. Empowerment is a subject of wide ramifications. It is a comparatively recent managerial 'mantra' for managing and facilitating human development. It stands the basic human standpoint of demand for recognition, involvement and a sense of worth by both individuals and organizations. As a matter of fact, with the advent of super-technology and cyber age; the human expectations of work-place environment are demanding drastic change from hierarchical, bureaucratic management systems into more congenial & flatter organizational set-up with flexibility and empowerment.

In the context of business organizations Darraugh (1991) says, "Empowerment is getting employees do what needs to be done rather than make them do what they are told to do". In a similar tone Bennis (1985) while writing about the old GM philosophy of management, said, "Don't think dummy. Do what you are told". Now the new credo is, "I think I am not going to tell you what to do". This is the credo of empowerment. Thus the traditional management model of the manager being in 'control' and the employees being 'controlled' has become out of fashion and ineffective and has given way to empowerment which comes by increasing responsibility, individual discretion and autonomous decision-making. (Ackoff, 1999; Argyris, 1998; Bowen & Lawler, 1992; Collins, 1997; Ford & Flotter, 1995; Forrester, 2000; Hardy & Leiba-Sullivan, 1998; Quinn & Spreitzer, 1997; Kanter, 1989)

It has been well realized that bureaucracies limit people and bureaucratic people limit themselves and their organizations. Managers need to have a favorable attitude towards change. There is need for learning, empowerment of self and empowering leadership styles towards subordinates.

According to N.R. Narayana Murthy the promoter of Indian IT Giant, "Infosys Technologies", Leadership is about making people believe in themselves, enabling them to become positive minded and thereby, empowering them to achieve the impossible.

According to K.V. Kamath, the M.D & CEO of the fastest growing and largest private sector bank the ICICI Bank "Every employee, no matter how young, is expected to be an agent of change. The winner organizations must have a surfeit of individuals who can operate as leaders and ride the change. There is an immense need for empowering the employees at all levels".

For any organization empowerment is an attempt to build a culture that will attract and develop people with superior capabilities and enable them to achieve outstanding results. Empowerment can be achieved by providing employees with environment, proper tools and resources that enable them to contribute at a higher level and for management to help them achieve these goals by coaching, teaching and enabling.

The new forms of management require newer or different work attitudes. Global competition and organizational change have stimulated the need for employees who can take initiative, embrace risk, stimulate innovation and cope with high uncertainty. In the business world, what compels companies to implement the empowerment process is the promise of enhanced operational and financial performance as it results in an increase in overall employee ownership, involvement and job satisfaction. Empowerment has become the core theme in contemporary strategic thinking as well as a prescription for good management practice (Wall, Cordery & Clegg, 2002). This is well illustrated by Argyris (1998) when he says "No vision, no strategy can be achieved without able and empowered employees". Observing the strong prescription of empowerment in management literature and widespread adoption of this approach in organizations across the globe,

Hardy and Leiba-O'Sullivan (1998) remark that the popularity of the latest approach has led some writers to hail the 1990's as the 'empowerment era'. The dawn of 21st century sees the trend being pursued with even greater vigour and enthusiasm.
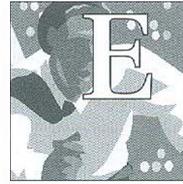
MPOWERMENT- THE CONCEPT

The word "Empowerment" was not in vogue in literature prior to 1985, but concepts like participative management, total quality control, individual development, quality circles and strategic planning were some of the synonyms used to imply more or less the same thing as what is now a days referred to as empowerment. The notion of empowerment builds on a well-grounded body of research on alienation (Blauner, 1964; Seeman, 1959), participative management (Lawler, 1988), and job enrichment (Hackman and Oldham, 1980). While earlier work conceptualized empowerment as a set of management practices focused on delegating decisionmaking authority (Blau and Alba, 1982; Mainiero, 1986), recent research has provided the conceptual base for a more broad-based including psychological definition of empowerment in the workplace. Building on the work of Conger and Kanungo (1988), Thomas and Velthouse (1990) defined **Psychological Empowerment as intrinsic motivation manifested in four cognitions reflecting an individual's orientation to his or her work role: meaning, competence, self-determination, and impact.** Whereas according to other researchers (Repley & Repley, 1992) empowerment involves both behavioral and organizational changes. As managerial behavior, empowerment involves talking with employees, training employees, building employees into teams, trusting employees, holding employees accountable, and giving recognition and holding them responsible for all their actions. There is an increasing trend to shift the organizational set-up to encourage and build empowered employees in order to achieve organizational goals speedily.

Empowerment thus is a concept, philosophy, set of organizational behavioral practices, and an organizational programme. As a concept, empowerment is vesting of decision-making or approval authority to employees where, traditionally, such authority was managerial prerogative. Empowerment as a philosophy and set of behavioral practices means allowing the self-managing teams and individuals to be in charge of their own career destinies, while meeting and exceeding company & personal goals through the shared company vision. Empowerment as an organizational programme involves providing the framework and giving permission to the total workforce in order to unleash, develop, and utilize their skills and knowledge to their fullest potential for the good of the organization as well as for themselves. Thus the empowering organization stresses performances by maximizing the resources devoted to the front line, which is supported by the management in creating value (Diwedi, 2000). There has to be an attitudinal shift on the part of the managers, from expecting the worst out of people to expecting the best. They need to develop an attitude of trust and positive expectations from the people, and appreciate the fact that this trust in the subordinates' potential is one of the most effective

ways of motivating people (Singh & Pathe, 2003). Thus it becomes imperative to develop empowering leadership strategies that would help inculcate a climate of empowerment thereby fostering commitment, innovation, creativity and satisfaction. It is well known that task competencies of the executives can be modified to give them a taste of democracy, independence, and autonomy.

Essentially for effective contribution by the executives in any organization, a key input can be the job-enrichment. The

executive may feel that he/ she is at a pivotal position to contribute to the progress of the organization. How to achieve the job-enrichment within the overall organizational goals is an important factor. Job profiles may be changed and the job-competencies are increased for the individuals as well as for groups/ teams by providing proper training, tools, resources, flexibility, calculated discretion and autonomy to achieve the organizational goals and desired levels of job satisfaction to the employees.
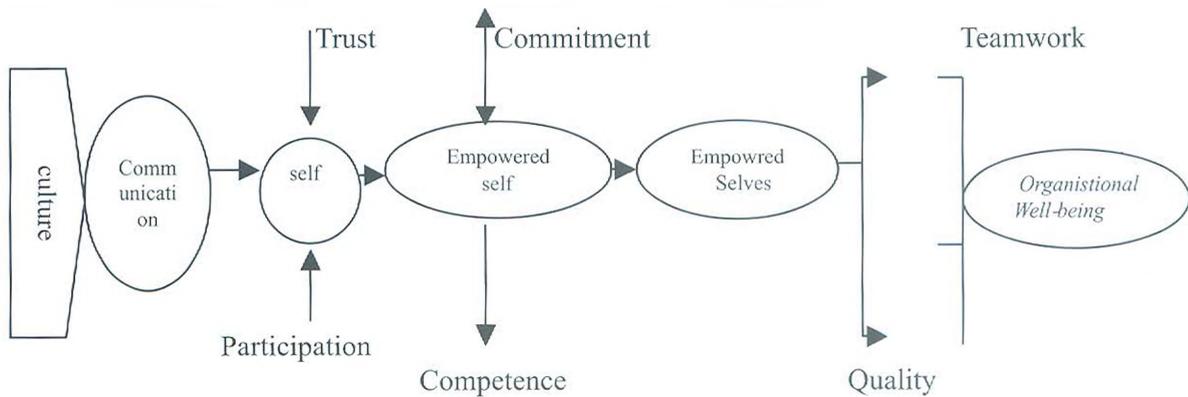
Vogt & Murrel (1997)

MPOWERMENT-AT WORK IN SELECT ORGANIZATION

The question is who is empowered. The answer is both "The people" and the "organization. Vogt & Murrel (1990, 1997) have given a process model of empowerment.

Thus empowerment has a personal application, as in, "How am I empowered" and another one, "How can I empower you". That is why an executive who is himself/ herself not empowered can't empower others in his/ her organization. (Spreitzer et al, 1999)

The self is empowered through trust and/ or confidence, communication/ zeal & zest for communication, and participation/ involvement. He/ She then becomes committed to people/ institutions/ projects/ experiences. He/ She becomes identified with the system of his/ her existence/ organization, as if he/ she and the operational scenario are the same and that leads to phenomenal efficiencies and better results for the organization and satisfaction/ self-actualization for the individual.

Individual/ team and organization support each other mutually for development of both individual as well as of the organization. Thus both attain their respective actualization and consummation. Presently the operational aspect of empowerment at individual level is going to be examined in all its perspectives.

ORK PERSPECTIVE OF BUSINESS ORGANIZATIONS

In general the characteristics of and the aims of business organization (Private or Public) can be viewed from many possible perspectives. One of the most frequently used perspective identifies the basic function of a business organization using a value-network-perspective, which then leads to the following primary functions of a business organization.

- Procurement
- Manufacturing product and/ or services
- Sale and Marketing
- Service before, during and after sale

But this all requires basically design, development and maintenance of: -

- Organization's infrastructure
- Corporate structure and systems
- Information systems
- Human Resource Management

The organization (assuming it as a living identity, X) and the humans (Y) (moving/ working individuals) working to maintain and sustain in perfect, health and shape, the organization (X) have to be always looked in togetherness. Both (X) & (Y) must exhibit the following generic abilities.

Analysis, in identifying

- The environment in which problem solving takes place
- Assumptions and objectives for solution of problems
- The resources and competences required to solve the problem

Choice meaning
- Being able to make decisions
- Being aware of the uncertainties and risks associated with making choices
- Stating the implications and consequences of the choice made
- Being able to argue and defend a choice

Implementation requiring abilities in:

- Planning and organizing
- Creating the right setting
- Managing change
- Argumentation and follow-up
- Understanding and awareness
- Leadership skills
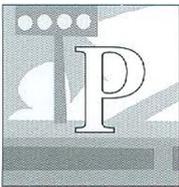
RESENT STUDY

Needless to say the traditional criteria of productivity and profitability of the organization must also simultaneously encompass the human and ethical values for sustainable personal and organizational enhancement while the people must put best of their head & heart for the organization, the organization also must have a policy of enhancing the individual's growth potential within the framework of their corporate goals. The present study is based on the state of empowerment of employees particularly those in Executive and Supervisory Manager's position in certain Indian organizations. The organizations chosen are

Organization	Sector	Category of business
A	Private	Banking
B	Private	Automobiles
C	Public	Electronics & Communications
D	Public	Oil & Energy

It is a well thought over selection to include high performing public and private sector organizations in areas of vital economic activity viz. Oil & Energy, Electronics & Communications, Automobiles and Banking. Also the desire was to study healthy organizations to allow real 'feel' of the phenomenon called Empowerment, because in present day's competitive scenario, only spirited organizations managed by spirited human resource can create and sustain prosperity. A study of such organizations alone can enable us a real understanding of 'empowerment' and its various dimensions.
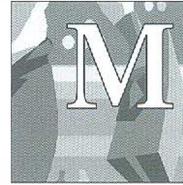
ETHODOLOGY

A structured questionnaire is the basis of our study. Much effort was invested into the preparation of the questionnaire consisting of 122 questions to make it comprehensive, analytical and decisive to the best possible extent. Attempt was made to include all the probable alternatives and variables of work culture/ attitudes/ aspects/ strategies, in order to be able to peep deeply into the psyche and the structures of the organizations as well as its human resource with special focus on specific variables of our study Two-stage stratified random sampling method has been done in this study.

The sample of present study consists of 171 executives/managers, drawn from all levels of organization. Sample size of private sector is 93 and that of public sector is 78. Multiple coefficient of correlation and other statistical techniques have been used to evaluate the collected data.
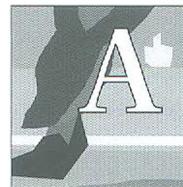
NALYSIS

Present paper restricts itself to analyzing factors which proved significant during analysis of empowerment at individual level for executives / managers. We shall concentrate on "Empowerment" at individual level from employees prospective who are executives and supervisory managers of the studied organizations.

Table 1: Relationship of (correlation coefficients) empowerment with other variables
(N=171)

Other Variables		Factor: Empowerment
No	Name of the factor	
1.	Innovation and Initiative	.5276**
2.	Training	.4705**
3.	Professionalism	.3970**
4.	Financial Motivation	.3877**
5.	Commitment	.6775**

** Significant at .01 level

Table 2: Relationship of (correlation coefficients) empowerment with other variables

(N=171)
Comparison between private sector and public sector

	Other Variables	Factor: Empowerment	
No.	Name of the factor	Private sector (N=93)	Public sector (N=78)
1.	Innovation and Initiative	. 4439**	.6764**
2.	Training	.3781**	.6194**
3.	Professionalism	.4038**	.3946**
4.	Financial Motivation	.3515**	.4480**
5.	Commitment	.6748**	.6702**

** significant at .01 level

The studies have brought into focus a number of factors effecting Empowerment of Executives and Supervisory Managers. We shall now discuss these factors sequencing them priority-wise in descending order.

1. Commitment r (.6775)

In present study commitment stands for executive/ Manager:

• Treating the organization as if his/ her own,
• Assuming full responsibility and accountability with complete identification of self with the organization
• To the extent of full willingness to own mistakes and failures
• Treating honour and goodwill of organization, as if their personal honour
• Being highly committed to work and high performance (without a tinge of tendency to work only to wield power or influence).

The highest value (.6775) among all other characteristic variables suggests that commitment makes the concerned Executive/ Manager most highly "empowered". Further reading Table 1 along with Table 2 suggests that in the present study managers of both Private sector r (.6748) and Public sector r (.6702) are almost equally empowered on account of their commitment with a slight better show by private sector executives/managers over the public sector executives/ managers. This is quite against the general perception which believes that public sector units perform poorly in respect of empowerment than private sector units. Such a higher level of commitment and resultant empowerment in healthy public sector organizations may be responsible for their increasingly better levels of performance during past few years, ever since post liberalization post globalization scenario.

2. Innovation & Initiative r (.5276)

Innovation & Initiative in our study implies:

• Individual flexibility to plan for change and practice

innovation.
• Ample scope for the Executive/ Manager to execute the change, with the organization tipping in with encouragement and support for the change
• The Executive/ Manager seems to have dynamic and fluid task profiles/ task processes and gets 'empowered' on account of it.

The high value of correlation coefficient suggests high degree of empowerment due to innovation and initiative shown by the Executive/ Managers.

Table 2 shows that empowerment is more r (.6764) in public sector than in the private sector where r (.4439). This is a shift from usual perception (Virmani and Guptan, 1991, P-163) and signifies huge positive shift in work aspects of executives particularly in public sector settings. We shall strive to explain the probable potential reasons behind these shifts later.

3. Training r (.4705)

By term training we imply:

• Essential training and imparting of skills takes place
• The training is functional and increases the skill level and personality
• Training takes place as often as necessary by changing work/ task systems
• Ample opportunity to develop skills and competencies.

Table 2 suggests a higher degree of empowerment for public sector executives/ managers with r (.6194) as compared to their counter parts in private organizations r (.3781). In pre-liberalization days the Indian management lacked any planned approach to training (Virmani and Gupta 1991, P-196). However in today's globalized context of working, managerial training is well planned. Much importance is now accorded to orientations and post-experience training. The organizations are paying much more attention to these aspects; in line with what might have been happening in pre-liberalization times in the western world organizations.

4. Professionalism r (.3970)

Professionalism stands for following in our context.

- Key decisions taken on basis of objective information and data without favour and prejudice
- No bureaucratic interventions allowed
- Managers at all levels empowered to take decisions relating to works/ tasks just next to them

The high level of correlation coefficient r (.3970) suggests that Executives/ Managers drive empowerment on account of adoption of professional attitudes towards their tasks. Each employee at all stages in the organization performs his/ her assigned duties and responsibilities in the 'niche' of his/her work assignments so that his/ her performance is qualitatively and quantitatively beyond fault. He/ she is alert, smart, agile and proactive; to some extent due to lack of fear since he/she knows that his/her conduct is always above board. Professional attitude is more or less equally significant and equally empowering for Executives/ Managers in both PSUs and private sector organizations. Almost identical coefficients of correlation, r (.3946) and r (.4038) may be accounted partially by the identical educational and skill levels of executives in similar jobs in both of public and private sector units.

5. Financial Motivation r (.3877)

The term implies
- Executives/ Managers Share the Profitability Gains of the Organization.

The executives/ mangers become quite empowered by financial motivation since our studies show significantly high correlation coefficient r (.3877) w.r.t. financial motivation. But strangely for the public sector, r (.4480) suggests that empowerment due to financial motivation is much more in public sector than for executives/ managers of the private sector, r (.3515). It could partially be due to the long standing past practice of no or negligible financial motivations in the public sector. Their newly introduced financial motivations seem to have catapulted them to empowerment in a big way. While in the private sector such motivations are not new and so less invigorating.

The correlation coefficient r (.3301) shows that executives/ managers are empowered on account of the flexibility. They make use of the flexibility towards attaining the objects and goals of their organization. The higher correlation coefficient r (.3704) for private sector than r (.2264) for public sector indicates that the executives/ managers in private sector are more empowered then those in public sector, in the group of organizations of the present study.

RM MISSIONS & VALUES OF ORGANIZATIONS

It is pertinent to go into details of human resource functioning of the organizations under study. It was found that each of the organizations had certain "stated and well propagated ' HRM values and missions which are as follows:
organization had certain "stated and well propagated ' HRM values and missions which are as follows:

Organization A (Private Sector)

- Considers its employees as its greatest assets.
- And so the employee satisfaction level, is possibly amongst the highest in the industry
- Workforce is drawn from different specializations and divergent backgrounds
- Informal and transparent HRD policies
- In addition to attractive compensation package, the organization offers leased housing facilities, medical and health insurance and loan options
- Continuous system of training both on- the job and also institutional.

Organization B (Private Sector)

- Considers its employees its greatest strength and assets.
- Philosophy that puts workforce into a team with common goals and objective.
- The structures ensures better communication and speedy decision- making processes.
- Environment that builds trust, transparency and sense of belonging.
- Employee-management is characterized by:
    - Participative management
    - Team work and kaizen
    - Communication and information sharing
    - Open office culture for easy assess ability
    - Open office, common uniforms and common canteen.

Organization C (Public Sector)

- Working with transparency, honesty and integrity
- Trusting and respecting individuals
- Fostering team work
- Striving to achieve high employee satisfaction
- Encouraging flexibility and innovation
- People proud of being part of the organization
- To create a facilitating environment for people to realize potential through continuous learning and teamwork.

Organization D (Public Sector)

- To nurture a set of core values CIPT standing for
    Care
    Innovation
    Passion
    Trust
- Firmly believe in fundamental importance of transparency, teamwork and pride in what people do.
- To foster a culture of participation and innovation for employee growth and contribution
- To cultivate high standard of business ethics and total

quality management for a strong corporate identity and brand equity.

CONCLUSION

The present study shows that the executives/managers in public sector undertakings have attained high levels of empowerment at times even more than the executives/managers of private sector units. These findings are particularly applicable with respect to variables viz. commitment, innovation & initiative, training, professionalism and financial motivation. Organizational culture and management of the high-performing public sector units has attained maturity over time in present day situations of razor edge competitions

Net result of present study appears as almost universal existence and establishment of five cognitive and organizational traits into the executives/ managers of Indian organizations irrespective of the type of organization public or private are what we shall name as PANCHTANTRA OF EMPOWERMENT of Indian executives/ managers .The essence of operation of these five traits:

- Unflinching personal commitment towards the welfare of organization.

- Availability and scope of right amount of flexibility and freedom in the design and content of the tasks-and execution their of. It leads to higher degree of innovative & innovation.

- Appropriate training from time to time for development of desired skills and technology needed by executives/managers for specific job requirements.

- Pure professional attitude in dealing with systems/persons/processes

- Surety of just appropriate amount of financial gains for performance

The existence of organization milieu where facilitation of desired traits is in-built automatically gives rise to evolution and existence of empowered executives/managers. It brings forth longlasting prosperity for the organization and total job satisfaction for executives/managers.

ANCHTANTRA OF EMPOWERMENT

A study by Jain (2005) on NTPC, National Thermal Power Corporation, a well known Indian public sector organization has reported effective human resource interventions at senior management levels towards goals attainment. Further in a separate study on transformational leadership and empowerment, Pande (2005) has reported higher levels of commitment and goal accomplishment by a cadre of competent professional executives at all levels. These studies were done on number of Indian public sector undertakings like NTPC, Indian Oil and BHEL.

In a significant development, with strong relevance to present analysis Vakil (2005) reports how EXIM Bank of India was born in 1982 as a public sector bank and given appropriate empowered HRM inputs has led Indian export import trade towards highly satisfactory economic levels during these years.

All these recent independent findings only corroborate our research findings and put them on firm footing.

COMMITMENT

PROFESSIONALISM

INNOVATION & INITIATIVE

EMPOWERMENT OF INDIAN MANAGERS

FINANCIAL MOTIVATION

TRAINING

PANCHTANTRA OF EMPOWERMENT

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