

EMPOWERED EMPLOYEE

GOVIND JOHRI
Principal Learning Centre Chennai
Ex RM UIIC Bhopal
Faculty Member

The sudden transition from a protectionist regime to opening up of Insurance Sector needs strategic planning and time-based implementation. May we articulate 3 C's Imperative for survival - Cost Effectiveness, Computerisation and Customer Friendly work culture.

Researchers have identified four characteristics of empowered people defined in terms of fundamental beliefs and personal orientations.

1. Freedom to choose, how to do their work - **SENSE OF DETERMINATION.**
2. Feeling by the people in general that their work is important and they do care about what they are doing - **SENSE OF MEANING.**
3. Confidence in them about their ability to perform their work well - **SENSE OF COMPETENCE.**
4. Beliefs that they have influence over the work unit or team and others listen to their ideas - **SENSE OF IMPACT.**

Employees in any organization reflect these four personal experiences or beliefs about their role. Therefore, any attempt by an organization to influence the behaviour pattern of employees must be addressed towards these characteristics.

Employees' expectations of freedom at work Centre and attaching credibility to employee's suggestions, is undoubtedly the best way to make them truly empowered. **Empowerment is a mind set a proactive orientation of the role** - the employees' feel that they can play in any organization. Any designed empowerment programme structure must reinforce these beliefs of the employees to succeed in their attempt to have empowered employees.

If a company wants and needs its employees to be more effective, innovative and transformational, empowerment appears worth its efforts. The basic steps for empowerment constitute sharing of information, developing teams, training and knowledge and transparent rewards system.

Sharing of Information is to facilitate employees to know how are they and their company performing and that their actions are truly making a difference in the over all performance of the company. This impinges on their sense of meaning and gives a *sense of pride* and belongingness with their organisation.

Developing decision making Teams The front line personnel who are at point of contact with the customer must possess adequate authority to take decisions. They must have a definite say in the decision making process. Our Development Officers are primary front line staff whose job is to make a promise to pay in the event of loss and not merely premium procurement. Therefore, Development Officer's must be permitted to have a definite role in claims settling process, if any worthwhile customer service is our intention. This will make Development Officer adhere to good underwriting practices so that promises made while soliciting business, also becomes the responsibility of promissory through Policy contract to fulfill it at the time of claims settlement. The current mind set of our Development Officers that their job is only to procure premium, needs to be changed by empowering them to have a say in fulfillment of the policy contract terms and thereby, they are able to keep their promise.

Training and knowledge is essential to learn how to work collaboratively. The employee must possess tools and techniques of problem solving. This will enforce their *sense of competence* i.e. their confidence in ability to work.

Importance of rewards relates to adequate compensation to employees for increased responsibility and accountability. World-over profit sharing, granting stock options, making their employees millionaires are used to enthuse **sense of partnership** among the employees.

The Public Sector approach is bureaucratic, encompassing multiple layers of hierarchy. The prevailing rewards system in our industry emphasis status quo and is found discriminatory. Incentive schemes of Development Officers do not give any worthwhile motivation to perform due to ceilings on pecuniary reward and the back up team is not considered to play any worthwhile role in the efforts of Development Officers procuring business, though the renewal will come only if the backup teams performance is found satisfactory. The sense of meaninglessness felt by the employees that their work is not important has made them careless and unconcerned.

The current performance appraisal systems have given way to prevalence of peers' conflict due to pitting of one against another. This has resulted in employees perceiving a hostile environment. Consequently each employee wants to protect himself first rather than do what is right for the organization.

No matter how much the top management is convinced of the need for employee empowerment as the much-desired intervention, the only message reaching to them has been to "**CONFORM, DON'T ROCK THE**

BOAT". This has caused the well-structured insurers into slow moving Ocean Liners who customarily don't change their course often.

Any worthwhile empowerment programme must be directed towards employees so that they may see their **role as partners in the business**, who have influence over their work units and that all others are receptive to their feedback consciously. Further, empowerment demands willingness of the Senior Executives at the operational units and top executives to exercise faith in their employees and embrace risk taking and committing mistakes.

Empowerment is not merely delegating authority. It is delegating decision making within a set of boundaries so that the ultimate customer is benefited. Empowerment generally starts from the top. It is nearly impossible for un - empowered people to empower others. The change beginning at the top clearly stipulates that top executives should actually strive to change their behaviour instead of attempting to implement a structured training programme, howsoever, well it might be delivered. It is necessary that the Top Executives are seen practicing what is required to be preached to others. Therefore, it is essential for top management to continuously monitor themselves in the following areas that are under their stewardship:

1. whether they are themselves working to clarify a sense of strategic direction for the employees;
2. whether they are themselves striving for participation and involvement of employees;
3. whether they are themselves clarifying the goals, tasks and lines of authority continuously;
4. And whether they are themselves working to resolve conflicts among the employees.

Once the top Executives continuously keep clarifying to themselves the above aspects, they will succeed in communicating top-down strategy to empower employees.

Every leader must ask the following questions:

- 1 to what extent do I have a sense of impact, influence and power and what can I do to increase.
- 2 to what extent do I have a sense of meaning and task alignment and what can I do to increase it
- 3 to what extent do I have a sense of competence and confidence to execute my work and what can I do to increase it
- 4 To what extent do I have self-determination and choice.

We see our Senior Executives in the industry every day, insecure and un-empowered. The employees around them continually struggle. Is empowerment a set of managerial practices for cascading power down to lower level of the organization. We must take personal risk, trust and initiative to empower employees with continuous self-questioning by the top management about their building the climate of empowerment. The employee empowerment will need execution of following steps:

- clarifying the organisations mission, vision and values to each employee;
- clearly specifying tasks, roles and rewards to employees;
- delegating responsibilities with appropriate boundaries to enable freedom to work and use of discretion;
- Finally holding them accountable for results.

When top executives take the aforesaid steps, the empowerment percolates up to middle level executives only, who are key persons to convey the message to employees at the lowest level. In this sequence of performance there are bound to be some employees committing mistakes whilst acting as entrepreneurs or risk takers. They may also be found indulging in creative conflicts, constantly challenging each other so as to prove their ability to perform their work well.

Therefore, **empowerment is much beyond delegating decision making within set boundaries. It is trusting the employees and tolerating their imperfections.** To achieve this holistic view of empowerment the following bottom up approach is needed to be simultaneously implemented:

- 1 understanding the needs of employees;
- 2 understanding model empowered behaviour of employees by operational level executives;
- 3 building teams to encourage co-operative behaviour by creating high performance teams;
- 4 encouraging intelligent risk taking;
- 5 trusting them to perform complete empowerment as an integrated approach by top executives questioning themselves continuously and communicating downwards through assimilation at various levels to create trust in the minds of all.

The lower rungs of executives allow the much needed "space" for employees who trust them more than any circular or structured training and encourage them as a member of their team, who wants to perform. Leaders of our industry must prepare themselves to confront these different implicit assumptions and related perspectives to see the emergence of the empowered employee to achieve a cutting edge.

Finally the empowered employee must also be prepared to understand the top management 's sense of strategic vision. The employee must feel that he is part of the Corporate Culture that explains the value of human potential in an organization. The mission statement must give due emphasis to this value of openness and teamwork. It must be simple and clear to be understood by the lowest of the staff.. It may read as here under:

"We want our people to feel respected, treated fairly, listened to and involved. We want to be a company that our people are proud of and committed to, where all the employees have an opportunity to contribute, learn grow and advance in his career".

This type of mission statement would prompt openness and teamwork through active participation in the organization's decisions making process by each employee. This will give a feeling in the employees that their ideas are valued and taken seriously by the organisation and that they can work together to solve the problems.

The empowered employees must exercise discipline and control. The employee must be made fully aware of limits to autonomy. The employee must be clarified situations allowing use of discretion. The most important of all is that the employee must believe that their bosses, peers and subordinates will support them as they learn and grow.

A room service operator committed his chain of Hotels to Lufthansa Air lines to detain its flight until their customer boards the aircraft. The customer cancelled his room service order and asked to leave hotel.. The room service operator decided to find out the reason for cancellation of order when she learnt that the customer's mother was on deathbed. The operator checked for flight, booked the ticket, and helped the customer in his packing and committed her chain of hotels to detain the aircraft knowing that it may cost heavily to the Employer in liability suits. It would have costed millions of dollars but the Hotel chose to reward the operator for its human approach and asked her if she wanted to work in any other position in the Hotel. She revealed her desire to work as Banquet -In-Charge. She was rewarded with her desire and Hotel took the trouble to find another job for Banquet In-charge too."

No insurance policy will save us if we fail; nevertheless people will be willing to accept that responsibility if they truly experience a sense of empowerment in an environment that values and supports risk, taking trust, and initiative.