

Empowerment and goal setting



Empowerment and Goal Setting Empowerment is the recognition that employees and managers do have valuable skills and can be trusted and therefore authority can be passed down the hierarchy to them. It trusts employees to make decisions within the business. This leads to employees gaining self confidence and therefore leads to higher motivation. The ultimate goal is to improve staff efficiency and promote the business strategy through performance improvements.

The principles of empowerment are developed from those of Kaizen, a Japanese philosophy for gradual, orderly, continuous improvement, involving everyone in the organisation, people doing the job know more about a job than anyone else does. It is management's responsibility to create an environment in which that knowledge is brought out and used for the benefit of the people and the organisation.

An employee's ability to solve problems, make decisions and take actions based on those decisions, management has often encouraged the first two but has failed to allow the third. (Holbeche 2004, p. 60).

Three organisations utilising the empowerment process are Delphi Packard (Delphi), Virgin Mobile and Ritz Carlton Hotels, all three organisations are applying the process differently and with differing results.

Delphi is applying empowerment as stated in the Holbeche quote from a management perspective, the lead engineer responsible for the day to day engineering management of the Ford Transit Project, has been empowered to request overtime for contractors and permanent staff. The necessity for it and the amount of time required needs to be agreed by senior management. The lead engineer also has the responsibility for giving appraisals and assigning staff responsibilities. All of which merely removes some of the

repetitive tasks from the HR department.

In opposition the junior staff at Delphi have been given more empowerment as an engineer can act on his decision to make changes to the system without the need to consult the lead engineer. Personal experience (Delphi) supports the level of empowerment an engineer has, as the lead engineer's favourite saying is 'just do it'.

The reason for Delphi's approach to empowerment is that Delphi is multinational organisation with the parent company in America, the main HR decisions and strategy are agreed in director level meetings and the outcomes are filtered to the separate business units.

The HR strategy, having been decided in Dearborn, Detroit, is first passed to Delphi offices in Germany, which in turn reports the necessary details to Delphi offices in the England. This information is further filtered to the individual Delphi sites.

As such Delphi, operating as a separate business unit with minimal HR presence, a single person for Packard's 150 staff, is forced to apply the empowerment process in this manner and rely on the individual managers to be responsible for the minor HR decisions.

Ritz Carlton Hotels have the same HR structure, one central department and each business unit (hotel) has individual staff responsible for the day to day HR tasks.

In comparison Ritz Carlton have fully empowered their staff, to the extent they are giving all staff spending authority to the value of \$2000 and the authority to call in co-workers for help, Ritz Carlton want staff to move heaven and earth for the customer. Mosely, T. Customer Focused Empowerment Pays at Ritz-Carlton (online). Available from <http://www.https://assignbuster.com/empowerment-and-goal-setting/>

serviceexcellence.co.uk/ritz.shtm (Accessed 7th April 2004).

Works Cited

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Available from <http://www.serviceexcellence.co.uk/ritz.shtm> (Accessed 7th April 2004).

Virgin Mobile Website (Online). Available from http://www.virginmobile.com/mobile/media_centre/media_newsarchive.jsp (Accessed 11th April 2004)