



Employee Empowerment

Wonders of Grassroots - Philosophy of SDWT Organization

This article is written based on the experiences of Kobe Precision Technology Sdn Bhd (KPTEC).

Abstract

The article explores the concept of Employee Empowerment and its relevance in the current era. It aims to address one of the effective systems – SDWT (Self directed Work teams) towards attaining the lofty goal and to resolve the various dilemmas which may occur while implementing it.

The philosophy behind SDWT is to enable employees to take decisions, without fear of any retribution, which are respected by all their colleagues irrespective of the drawbacks it may have. Unlike a few other intervention processes and systems SDWT aims to bring about a holistic business enhancement motive and not merely an improvement in certain functional efficiencies.

Employee empowerment is commonly referred to as a two sided coin. While implementing employee empowerment, it will be seen that employee empowerment can actually be a double edged sword.

The basic assumption for employee empowerment is to give authority and let the employees participate in decision making that affect their work. While convention organization is comfortable with a single edged sword, the approach of top-down, where the superior talks and subordinate listens. The opposite is true in a empowered organization, there is a mix of top-down and bottom-up. Thus, the metaphoric thinking of a double edged sword.

When we embark on the journey of employee empowerment, we must realize that we are sharpening the blunt edge of the sword. It must be done while involving the target groups who shall be empowered. Majority of empowerment efforts fail because the superiors thought they know what is best to be empowered. However, our experience has indicated that the employee should participate from the beginning in the process. The employee should be briefed of the end-in-mind (goals to achieve) rather than the step-by-step process. Let the employee propose the process of achieving the goals within the boundary as specified by the organizational vision/mission.

We see therefore the benefits of employee empowerment from the perspective of the management and that of the employee. We had a glimpse on how SDWT served as a vehicle toward achieving empowerment in a smooth and even-phased manner at Kobe. It was emphasized that the receptivity for the new process among the top and middle management is key ingredient in the success of SDWT implementation. SDWT is a process towards long term positive change in Business structure and Employer–employee relationship and not a quick-fix solution to correct functional deficiency or other short term issues. We observed that like various other intervention measures, SDWT is bound to encounter a few roadblocks, but none of which were insurmountable by the combined strength of a creative and cooperative management and a workforce strengthened by team spirit. Are you ready to take up the SDWT challenge?

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What is Empowerment?

To empower means to “give power to”. Power, however, has several meanings ... authority, so empowerment can mean authorization. However, power also means energy, thus to empower also can mean to “energize”. This latter meaning best captures the present motivational usage of the term. Our perception is that the word empowerment has become popular because it provides a label for a non-traditional paradigm of motivation. . . .change [has] forced a search for alternative forms of management that encourage commitment, risk-taking, and innovation. . . . the newer paradigm involves relaxed (or broad) controls and an emphasis on internalized commitment to the task itself. . . . We use the word empowerment to refer to the motivational content of this newer paradigm of management. (p. 667)

Introduction

Organizations are re-modeling their structures to achieve operational and business excellence. Many are working on employee involvement initiatives to bring out the best in them. However, combining both, organization structure re-modeling and employee involvement in that context, is not as smooth as can be perceived on the papers.

The journey to discover the wonders at the grassroots at KPTEC was not an easy task. SDWT (Self Directed Work Teams) is a philosophy, process and system that promises employee empowerment, discretionary effort and spirit at the workplace.

Background

In early days of industrial revolution, people were organized to work around tasks. Pyramidal structures, inverted pyramid, hierarchical process had contributed to business success in the past – but businesses had to pay a price – in terms of delayed

customer responses – decision delays and dent in business bottom line. These structures resulted from adopting models based on Taylor’s scientific method. However, these were useful only in the past. The hierarchical model is based on the fact that division of labor begets efficiency. The work is divided between operators, supervisors, managers and leaders. Each person has an expanding portfolio based on the information they possess regarding the “big picture” and their knowledge levels. However, in today’s world where organizations are investing in training their employees, lack of knowledge is no longer a barrier that existed in the past. Even operators are getting trained and becoming knowledgeable about the industry, working methods, new products and quality.

Understanding SDWT

SDWT is a way in which employee roles and organization structure is superimposed to encourage application of creativity & innovation to their work, to exploit in the interest of the organization, their intimate and often unconscious knowledge of the work process.

- **Managers → Hand-holders**
Employees → Self Directed

SDWT philosophy is best understood by drawing similar experiences from daily life. For example, there are two schools of thought in managing a family. The first school prophesizes use of disciplining methods, hierarchical models to operate the family as a unit. There is distinct difference between authority, approval levels in the family based on seniority, education, age etc. The other school of thought is-children need to be allowed to grow up. They too can make decisions and have equal participation in the home. *Parents need to be only like banks of a river and not dams.* They need to direct the flow subtly, not through strict and obvious interference.

Drawing this analogy to the working world-one model is to treat employees as limited sources and give them limited jobs. The other model is a circular model- where each person is a source of unlimited knowledge and potential. Each is in control of the entire chain of activities that receive the input and release the output. *This means that managers/supervisors are not dominating or disciplining but behaving as banks of a*

river and the operators/doers are in control of the course they want to take—all in the interest of organizational gain.

Of course many organizations undertake employee involvement programs such as Quality Circles, TQM, Kaizen etc. However, the impact is local and not organization wide. As these initiatives are documentation and hierarchy driven, the enthusiasm of giving the best is short-lived. *The best employee involvement mechanism is one – where work & joy are the same for the employee, he/she feels empowered to take actions without fear of mistake – A place which is the intersection of living, loving & learning.*

- **Empowerment & Let go**

This intersection provides the much needed empowerment to employees. Traditionally, most companies call a change in organizational layers, change in authority and responsibility profile as empowerment. However, this is only the hardware aspect of it. The software aspect of empowerment is to create a climate where decisions taken by “empowered” employees must be respected, employees are allowed to make mistakes, and a good, healthy interaction exists between colleagues. *It's like building a house and transforming it into a home with the collective spirit of the employees.*

- **Coherent & Concurrent Change with Business Enhancement**

Very often stand alone ‘HR type’ intervention address organizational issues in pockets. Several initiatives are tried to patch-up different problems. However, weaving these initiatives into one coherent organizational change process is the key to enhanced business performance. SDWT is a coherent and concurrent change process that has a business enhancement motive as against improvement of functional efficiencies. *SDWT sees the organization a whole and not as discreet functions.*

- **Organization as a Living Organism – Skill Progression & Flexibility**

A living organism structuring means- a state like the amoeba. The one-celled entity performs various roles for its existence. The organization also needs to be one

celled-meaning an approach where every individual can perform multiple roles. This living structure will result in a flexible state, which makes the organizational entity ready to respond to outside influences and market changes. Otherwise building number of cells with specialization will result in insulating the organization from market changes.

The SDWT Journey Snapshot

1. Understanding the conversion process – raw material to product – the entire supply chain and the value addition at every stage of conversion.
2. Decision Tree and skill and competency mapping .
3. Mapping the conversion process – value added and non value added activities.
4. The core in conversion processes and the non core activities (like HR, accounting, Quality, Maintenance, end packaging etc – context and organizational specific based on customer excellence).
5. Creation of Key performance measures at each conversion or decision point.
6. Role – Re- alignment for the new Living Organism structure.
7. Equipping the role holder.
8. Electronic tracking of Performance Measures and inter team competition. Healthy competition between teams result in cooperation among them instead of confrontation.
9. Self Managed process and hence no policing.
10. Business and customers determine decisions and not hierarchy.
11. Shows MONEY (The ultimate bottom line).

Methodology – Prepare the soil first before you seed

Majority of the system we implement in the organization fail due to lack of acceptance at various level, so prepare the ground even before we find a solution.

In the early days of industrial revolution, people were organized to work around tasks. Pyramidal structures, inverted pyramid, hierarchical process had contributed to business success in the past. In recent time of knowledge revolution, businesses with functional / departmental silos are paying the price– in terms of delayed customer responses – delayed decision and dent in business bottom line. Today, organizations

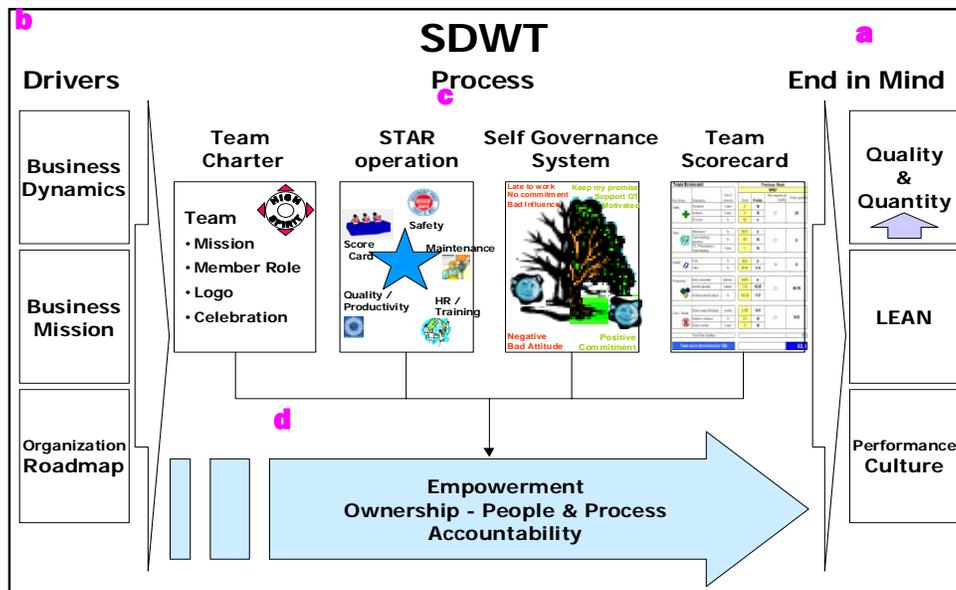
are investing in training their employees; lack of knowledge is no longer a barrier that existed in the past.

SDWT is a way in which employee roles and organization structure is superimposed to encourage application of creativity & innovation to their work. SDWT utilizes intimate and often unconscious knowledge of the employees in the interest of the organization. We choose this path for reaching the heights of success.

What we choose to do

When you want to bring a change, make sure that you are addressing the biggest group within the organization and build the pressure from the bottom but never forget that if you want this to happen you have to align the top and the middle band the best way possible. (The following is the steps we adapted)

SDWT (Self Directed Work Teams)



a. End-in-mind: -

The end-in-mind is to improve quality and quantity, work towards lean people and lean processes and encourage a culture where performance is recognized and rewarded.

b. Input Drivers: -

The inputs are received from business dynamics, business mission and roadmap.

c. Process: -

The process start with the teaming, STAR operation, self governance system and Team Scorecard (not necessarily in the above sequence).

d. The result of these processes, the employees will be given the empowerment to make decisions (within a certain boundary) related to their daily work. There will be ownership of the processes by the people at the grass-root. It will be made clear that with responsibilities they need to take accountability.

6 Action Plans and Watch Outs

Action Plan	Watch Out
1. Communicating to the grass root and building excitement	1. Make sure you have the Blue-print or the Roadmap
2. Building Teams and measuring	2. The teams should be structured
3. Define and redefine roles	3) Clarify the new role till they fully comprehend it
4) Involve as many people as possible	4) Don't leave it loose, pre plan it
5) Get ready for confusion and clarification	5) Fire fighting will be there, change cannot happen in a day
6) Empower	6) Start in small way

- 1) Communicate to the grass root what is the plan, ahead and create excitement.
- 2) Build teams and the measurement systems (rewards can be added later).
- 3) Define and redefine the roles and yet wait to make sure others understood about this.
- 4) Involve as much people as possible to bring change, give it a structure, it is easy for people to change when they want it.
- 5) Get ready for the confusion and clarification.
- 6) Empower, start small first with the end in mind (ensure that the 'big picture' is visible and transparent).

The Process

It started in March of 2003 by formation of cross functional teaming to create a platform for the employees to work together. Getting any monetary results at this moment was secondary. The primary goal of cross functional teaming was to create teamwork. Two types of teams were structured. Firstly, the teams shall be called KIT (KPTEC Improvement Teams) and secondly, KFT (KPTEC Football Teams). The purpose of KIT is to solve a problem using the 7QC tools as the problem-solving tool. While the KFT is a high powered task-force to immediately solve an issue or problem. KIT teams that have a mix of 80% operators and 20% Engineers/Supervisors were found to be more successful. This indicated that the operators should be involved in projects that will affect their work area. It gave confidence to the management to introduce the next initiative that will engage all employee.

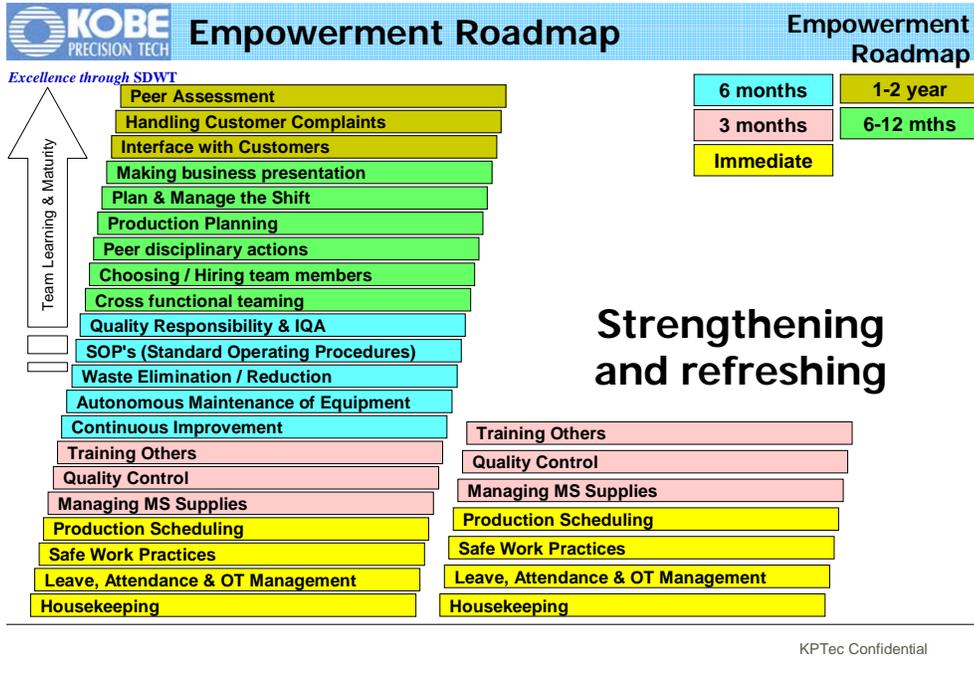
The process started in October 2003. It started with a pilot consisting of 120 (approximately 15%) employees from the total population of 780 people. Six (6) teams were formed, 4 from the operation, 1 from training, and 1 from technical. These 6 teams went through the following processes:

- 1) SDWT Awareness.
- 2) Team Synergy
- 3) Team Communication
- 4) Developing the Team Scorecard
- 5) Self Governance System
- 6) Developing Star Caps

The organization noticed a significant change to the employees who were members of the pilot teams. A difference of about 10% was also noticeable in terms of productivity. Surprisingly, employee who were adjacent to the pilot teams started to claim that they are practicing SDWT too. This illegal copying needs to be halted because it was dangerous to copy partially without fully understanding the concepts and principles of SDWT.

With this new development, the Steering Committee members decided that the soil was proper to activate the plant-wide SDWT. The system went full swing to propagate the SDWT from pilot to plant-wide.

Empowerment



Empowerment Roadmap

As an organization, we are eager to empower as many things as possible as soon as possible. However, we need to understand the capability of the people who will be receiving the empowerment.

Leave, Attendance & OT Management

Attendance & OT Management

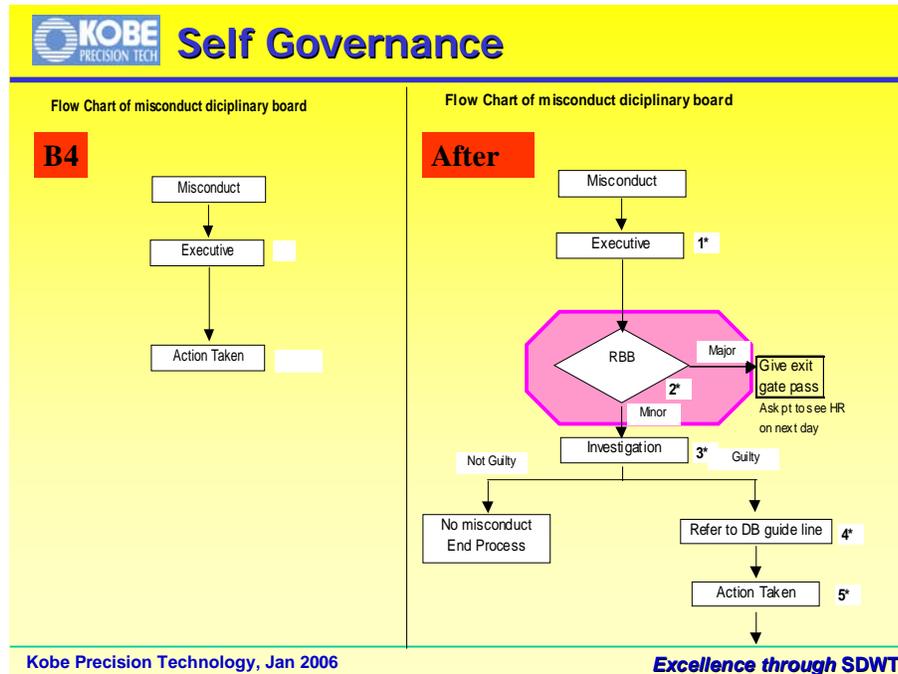
Leave Management

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Excellence through SDWT

On-line leave and overtime management

It all started by the teams taking up the leave arrangement and overtime arrangement for each of the team. At the beginning, the planning was done through paper on a off-line model. The Star Cap will plan and inform the supervisor who later approves it in the system. However, due to this miscommunication between the Star Cap and Supervisor there were still many errors in the on-line system that resulted in many cases of back pays. The Star Caps were later given the authority to approve on-line in the system. To make this happen, trainings had to be conducted to the Star Caps and passwords created for each Star Cap.



Behavioral correction flow

Managing disciplinary issues is a difficult position in a convention management system. Supervisors who take disciplinary actions are always questioned for their transparency and fairness. In a SDWT environment, we allow members of the teams to form a disciplinary council that will meet when cases are forwarded to their attention. The team will handle minor misconduct cases while major misconduct cases are immediately referred to the Human Resource Department. This council will be guided by a reset rules and guidelines. Since the council members are team members, the recommended punishment is more acceptable by the wrong-doers compared to the olden days where an individual supervisor had the final choice of the punishment.

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