

# Employee Empowerment: The Rourkela Steel Plant Experience

**Anuva Choudhury & D.V. Giri**

---

*This paper analyses the employee empowerment practices and measures the degree of employee empowerment that exists in Rourkela Steel Plant (RSP), a unit of SAIL. The company, like many others, has been using employee empowerment as a strategy to increase its organisational effectiveness. The dimensions of employee empowerment on which RSP has been focusing are: information-sharing, knowledge development, autonomy and rewards. The study indicates that the organization succeeded to a large extent in its endeavors to promote 'workplace spirituality' and has reaped positive outcomes. Thus, one can take a sanguine view about RSP's efforts towards increasing the degree of employee empowerment as a strategy to enhance the organization's performance.*

**Anuva Choudhury** is Field Work Instructor in the Post-Graduate Department of Industrial Relations and Personnel Management, Berhampur University, Berhampur 760 007. E-mail: anuvachoudhury@yahoo.co.in. **D.V. Giri** is Professor & Head, P.G Department of IR & PM, Berhampur University. E-mail: dabbiruv@yahoo.com

## Introduction

The fast moving global economy has necessitated that organizations learn and adapt quickly to the increasing pace of change, and turbulence of the environment. Organizations today require more cross-functional working, more cooperation between areas, and more integration in their processes if they are to meet the customers' needs. Such co-operation can be achieved only when organizations reorient themselves towards people-based systems that focus on motivation, involvement, development and empowerment. It is a fact that employees are the most strategic resource of any organization. As contrast to technologies, product and processes, the knowledge, skills and abilities of the employees cannot be imitated by their competitors. As such, retaining its most valuable assets while utilizing the employees' individual capacity to improve and enhance organizational performance is a daunting task for any organization. Achieving performance in these new circumstances requires that employees take and exercise much greater responsi-

bility. Thus, empowerment is a strategy, a philosophy, a concept of giving employees responsibility, power, and autonomy to make decisions about their jobs. It is a process which has evolved in response to a trend towards a greater responsibility and involvement amongst employees in running their organizations. This trend has emerged as most organizations have realized the importance of people involvement and recognized the capacity of their human resources to improve and enhance business performance (Pattanayak, 2001:221).

Bowen and Lawler (1992:32) defined empowerment as “sharing with front-line employees four organization ingredients: [the first being] information about the organization’s performance.... [another is] knowledge that enables employees to understand and contribute to organizational performance”. The other two ingredients they note were: “rewards based on the organization’s performance [and] power to make decisions that influence organizational direction and performance. Later the authors concluded that “empowerment exists when companies implement practices that redistribute power, knowledge, and rewards throughout the organization....” (Bowen & Lawler, 1995:73-74). The authors further went on to note that “if any of the four elements is zero, nothing happens to redistribute that ingredient, and empowerment will be zero”. Spreitzer (1995:1442) defined psychological empowerment “as a motivational construct manifested in four cognitions: meaning, competence, self-determination, and impact. Together, these four cognitions reflect an active,

rather than a passive, orientation toward a work role.” Spreitzer noted that “The four dimensions are argued to combine additively to create an overall construct of psychological empowerment. In other words, the lack of any single dimension will deflate, though not completely eliminate, the overall degree of felt empowerment.” This additive construct is distinct from Bowen and Lawler’s (1995) construct noted above which is multiplicative, indicating that the absence of any one of their four elements (power, information, knowledge, and rewards) will completely eliminate empowerment.

From the above definitions, it may be discerned that in order to achieve empowerment of employees, managers must be sure that employees at the lowest hierarchical levels have the right mix of information (about process, quality, customer feedback and events), knowledge (of the work, the business and the total work system), power (to act and make decisions about the aspects of work) and rewards (tied to business results and growth in capability and contribution), to work autonomously or independently of management control and direction (Lawler, 1992; 1994; Lawler et al., 1989). Thus, the competitiveness of an organisation depends to a large extent on the presence of the above four elements: Information-sharing/open communication, knowledge development, autonomy, and rewards. Their presence will indicate the overall degree of empowerment prevailing within it, among other things. The present paper examines the validity of this generalisation by analysing the empowerment practices prevailing in

Rourkela Steel Plant (RSP), which has the distinction of being one of the leading public sector steel producing units in the country. As empirical studies on employee empowerment in the steel industry in India are few and far between, the present study assumes significance. Before discussing the employee empowerment practices of RSP, the meanings of the dimensions that are operationalised for the study are discussed. Further, as a backdrop to the analysis, a brief profile of the RSP is given.

**The competitiveness of an organisation depends to a large extent on the presence of the above four elements: Information-sharing/open communication, knowledge development, autonomy and rewards.**

### **Employee Empowerment**

The concept of employee empowerment includes mainly: information-sharing, knowledge development, autonomy and rewards.

*Information-sharing:* The existing literature on employee empowerment is unanimous regarding the need for increased information-sharing or open communication though their way of describing the importance is different. “The first key is to share information with everyone.... People without information cannot act responsibly” (Blanchard, Carlos & Randolph, 1996:34). According to Ginnodo (1997:8), information-sharing “involves articulating a vision, values,

strategies and goals; aligning policies, practices and business plans; improving processes; organizing, communicating and ‘walking the talk’ of total quality.... and removing barriers that prevent outstanding performance.” For Fox (1998:19), information-sharing involves, sharing of information about the goal to be achieved and why it is important to the organization as a whole.... mentoring the employees such that they absorb both the organizational culture and the value of empowerment. “Empowerment must be placed in a context of responsibility to the larger whole” (Mohrman, 1997:16). Managers must help employees understand that their work is, “directly aligned with strategic goals and individual accountability [is maintained] all the way along the line to senior management, customers and stockholders.” Empowered employees will only understand these bottom line implications if organizational information is shared with them (Ettorre, 1997:1).

Sharing information about goals and, “Effective communication about the organization’s plans, successes, and failures” (Byham, 1997:27) may seem commonplace; however its importance cannot be undervalued. Randolph informs us that, “people who have information about current performance levels will set challenging goals and when they achieve those goals they will reset the goals at a higher level” (Randolph, 1995:22). Open communication tends to flatten out the organization and de-emphasize the hierarchy.... Nevertheless, open communication was found to be very closely related to worker empowerment, and both,

among other conditions, were found to be important to ensure the success of the modern firm (Zollers & Callahan, 2003). "To make employee empowerment work, not only do we need to give them information about their own work, we must give employees information about the business and demonstrate how their work fits in.... Everyone wants to feel they do something of value. When you demonstrate the value individuals bring to the business, people want to grow" (Caudron, 1995:29).

*Knowledge Development:* Development of employees' knowledge and skills is becoming increasingly important in the face of globalization, technological change, trade liberalization, deregulation, growing tendency towards an empowerment culture, and other pressures on organizations today (Bloom & Lafleur, 1999). Knowledge refers to efforts on the part of management to enhance employees' access to job related knowledge and skills through training and job-embedded learning such that the same will enable the employees to develop new ideas and creativity. "Training and professional development activities help to diffuse innovations, as employees learn about and introduce ideas applied successfully in other organizations. They also expose employees to a broader palette of ideas that can be brought to bear on new problems" (Damanpour, 1991; Thompson, 1965; Katz & Tushman, 1981). When employees learn that high-quality work is crucial to the success of the organization and to their own job security, they are likely to become more conscientious. Once they become fully aware of what

is expected of them and how their efforts fit into the big picture, and then receive the skills to meet those demands, the quality of their work generally rise (Bloom & Lafleur, 1999).

*Autonomy* may be defined as the degree to which one may make significant decisions without the consent of others. At various levels of analysis we may look at the autonomy of individuals within an organization or the autonomy of organizations or subunits thereof...an employee, a manager or any other organizational member is relatively autonomous if he can make most of the important decisions relevant to his job without requiring permission from other people in the organization (Brock, 2003). And giving front-line employees more decision-making autonomy was found to help the competitiveness of the firms (Nielsen & Pedersen, 2003; Hall, 1991:32, Datta et al., 1991).

Empowerment is often thought to be a technique capable of generating improvements in workers' morale by offering them greater control over what happens at work (Spector, 1986). Studies have also shown that autonomy may have desirable outcomes in the right context. Hackman and Oldham (1976) showed that autonomy (along with other core job dimensions like task significance and feedback) promotes positive motivation, performance, satisfaction, and reduces absenteeism and turnover. Pushing authority downward can also encourage employees to innovate by imparting a sense of control and responsibility for the quality of their work. It seems that em-

ployee empowerment is not the same as autonomy but rather autonomy may be created first to enhance the degree of empowerment among frontline employees. Thus, creating autonomy and freedom to make decisions and act on one's own are a pre-requisite to employee empowerment.

*Rewards:* A high involvement system requires a different reward system- one that rewards performance rather than the job per se (Lawler, 1992). However, a large body of research shows pay and other extrinsic rewards can still be used effectively to increase effort, performance and job satisfaction (Green & Haywood, 2008; O'Reilly & Caldwell, 1980; Mottaz, 1985; Lawler, Mohrman, & Ledford, 1992; 1995). Even among public employees with higher levels of public service motivation, monetary rewards appear to be significantly valued (Wittmer, 1991; Wright, 2007; Alonso & Lewis, 2001; Perry, Mesch & Paarlberg, 2006). Based on the research cited above, it is reasonable to conclude that empowerment practices aimed at offering financial rewards based on performance will cause employees to feel more encouraged to innovate. However, it cannot be said that non-monetary rewards do not motivate employees to innovate.

**It cannot be said that non-monetary rewards do not motivate employees to innovate.**

In her exhaustive review of literature, Linda Honald (1997:202) indicates, "to be successful, each organization must

create and define it (empowerment) for itself. Empowerment must address the needs and culture of each unique entity." As such, for studying the employee empowerment practices of any organization, the meanings of the above dimensions need to be operationalized keeping in view the needs and culture of that particular organization.

We held informal discussions with a cross-section of RSP employees, mostly non-executives belonging to various formal and informal groups, including Shift-in-Charges, Quality Circle members, Small multi-disciplinary groups, Safety Apex Committees, award winners etc. These discussions were made in order to ascertain what they meant by employee empowerment and what dimensions need to be focused upon in order to create a culture of empowerment in the RSP. A large majority of these respondents expressed that the employee empowerment practices in any organization should cover the four dimensions outlined above. Their description of these dimensions largely tallied with the description of the meanings outlined above. Thus, for the purpose of our study, the above four dimensions of employee empowerment have been selected for discussion.

### Methodology of the Study

The data for the study were collected from both the primary and secondary sources. A cross-section of executives, supervisors, and non-executives belonging to different categories constituted the primary sources. The secondary sources

included files, records, relevant documents, annual reports, in-house magazines of RSP, occasional publications of RSP, publications of SAIL, the company website etc. Other sources included books, research journals and unpublished research materials having a bearing on the study. The descriptive analysis of the data was supplemented with the opinionated data collected from 140 sample respondents—non-executives drawn through stratified-random sampling method. As there are a very large number of non-executives in RSP (more than 15,000), it was decided to select the sample respondents belonging to the following five categories, who constitute the key representatives by virtue of being directly involved in the empowerment gamut in the organization: shift-in-charges (18), quality circle members (33), small multi-disciplinary groups (42), safety apex committees (22), and award winners (25). The data were collected during June-August, 2012 with the help of a structured interview schedule and a questionnaire (Table 4 for details).

### **A Brief Profile of RSP**

SAIL, since its formation in 1973, is India's largest steel-making company dominating the Indian steel landscape. The Maharatna company is a fully integrated iron and steel maker, producing both basic and special steels for domestic construction, engineering, power, railway, automotive and defence industries and for sale in export markets. The company has the distinction of being India's second largest producer of iron ore, and of having the second largest mining op-

erations thus having a competitive edge over other steel-producing companies. Today, SAIL has within its fold five integrated steel plants situated at Rourkela, Bhilai, Durgapur, Bokaro and Burnpur. There are also three Special Steel Plants – Salem, Durgapur, and Bhadravati –under its umbrella. The Chandrapur Ferro Alloy Plant of SAIL is the country's largest bulk producer of ferro-alloys. The SAIL Refractory Company Ltd. is a subsidiary of the company. Apart from this, the company has also joint ventures with NTPC, SAIL Power Company Pvt. Limited (NSPCL), Bokaro Power Supply Company Pvt. Limited (BPSCL) etc. and has signed MOUs with several Indian and foreign companies like RINL and L&T (India) and POSCO (Korea), KSL (Japan) etc. At present, the Government of India has 86% ownership in SAIL.

Rourkela Steel Plant (RSP) was commissioned in the year 1959, in collaboration with leading steel makers from Germany. With an initial capacity of 1 Million Ton per annum (MTPA), the plant grew to a 2 MTPA plant today. By March 2013, the Plant will be more than doubling its capacity of hot metal to 4.5 MTPA, while simultaneously increasing the crude steel capacity from the level of 1.9 MTPA to 4.2 MTPA and production of saleable steel from the level of 1.671 MTPA to 3.9 MTPA. The Plant is also on the way to commission a New Plate Mill designed to produce wider plates so as to cater to the needs of the growing demand in the domestic market. The workforce of the plant which was more than 35,000 has been substantially reduced over the years. The present

workforce of the plant is 18,068 including 2,211 executives, 15,659 non-executives, and 198 trainees. Over the years, the plant has been earning huge net profits, which ranged from Rs.646 crores to Rs. 1340 crores during 2009-10 to 2011-2012, through domestic sales and export to various countries. It is expected that the ongoing modernization and expansion process of the plant, will enable it to benchmark itself against the best in the world and attain international competitiveness.

### **Information-sharing**

In RSP, the organization's policies and strategies are translated into objectives/targets and are deployed throughout the plant through well structured communication processes, which serve as the backbone of the company's internal communication system. The General Managers' Communication Meeting (GMCM) and HODs' Communication Meeting (HODCM) are held every day, where the senior officers interact with the employees regarding specific goals, problems and targets of individual units. The HODs meet with their Shift in-Charges everyday to review production, quality, technological norms, delays and safety measures. The Shift in-Charges then hold short informal meetings with their employees at the beginning of the shift to apprise them of the previous day's performance and the targets and tasks for their shift. The major objectives and targets of any individual department/division are displayed in the boards kept in the shop floor for information to all the employees.

**Employees' involvement is ensured on a regular basis through well-structured communication forums at all levels of the organization.**

Employees' involvement is ensured on a regular basis through well-structured communication forums at all levels of the organization. Most significant amongst them is the Mass Contact Exercise (MCE). The MCE is a sustained communication intervention over the past 10 years in RSP in which about 500 employees of various cross-sections interact, and have frank and free discussions directly with the CEO, MD, Executive Directors and other top officials every Wednesday. Suggestions given by employees are recorded, followed up for implementation, and feedback on the same is provided in subsequent MCEs. The underlying theme for the MCEs, which is modified from time to time, is laid down in synchronization with the priorities of the organization. The theme which started with 'Regenerating Strength with People for the Survival and Future of RSP' in 2002, transformed over the years 'Towards Profitability and Prosperity' and reached 'Our Sankalpa is to ensure Safety, enhance Quality and spread Cost consciousness in the organization' in 2011-12. Under 'ANTARANG' the CEO reaches out directly to employees of a particular department /area on the shop-floor through an interaction session to discuss department-specific issues and challenges and solutions are jointly worked out with people at the core. Other initiatives include monthly in-house

magazine, *Ispat Sahayog*, a trilingual (English, Hindi and Oriya) magazine, Rourkela Steel Television (RSTV), RSP Portal etc. The suggestions generated in the communication forums are documented and followed up for implementation. This has resulted in significant improvements in the plant and has contributed strongly to a sense of employee participation and involvement and more so, empowerment. Table 1 gives an overall idea about the different internal communication exercises undertaken by the plant from 2007-08 to July 31, 2012.

The External Communication System of RSP includes issuing press releases to newspapers highlighting the achievements of the plant on various fronts, taking collective pride in the plant's achievements and sharing these moments with the customers and stakeholders.

### Knowledge Development

**RSP has adopted the most modern methods of identifying competency gaps of its employees.**

RSP has adopted the most modern methods of identifying competency gaps of its employees. Once the gaps are identified, they are bridged through comprehensive technical and skill based training programs at the Human Resource Development Centre (HRDC) and at the Central Power Training Institute (CPTI), both ISO 9001 certified units. If the skill and knowledge gaps require any other external training or supplier based foreign training, they are also arranged

**Table 1 Communication Exercises in RSP, 2007-12 (up to July 31)**

Name of the Program	2007-08		2008-09		2009-10		2010-11		2011-12		2012-13 (up to July 31)	
	No. of sessions	No. of employees Participated	No. of sessions	No. of employees Participated	No. of sessions	No. of employees Participated	No. of sessions	No. of employees Participated	No. of sessions	No. of employees Participated	No. of sessions	No. of employees Participated
Mass Contact Exercises	50	27163	52	25541	45	22145	46	21950	47	22102	17	7762
GMC	275	6295	198	4535	137	3355	116	2483	97	2264	25	625
HODCM	693	9449	680	10230	505	6961	546	7389	532	7227	115	1639
Shop Floor Communication	1540	12254	1382	14979	1599	15195	1521	14838	1362	12070	450	3539

Source: Personnel Department, RSP.

through the Training Department so as to bridge the gaps. Apart from these, Leadership and Higher Management trainings are arranged through external faculties or other agencies from inside or outside the country. The feedback on the training is tracked to evaluate the effectiveness of such programs.

*Identifying Competency Gaps:* In RSP, identification of competency gaps and training needs is carried out keeping in view:

- Organizational focus;
- Requirement of the job positions in the departments; and
- Developmental needs of the individual employees.

*Training Need Analysis:* The Annual Training Need Analysis is carried out for employees with the assistance of Training Engineers and the support of the Heads of all departments from November to January every year. The training needs of employees are identified and indicated in all the existing regular in-house modules. The needs of each department are compiled into an Annual Training Calendar through a need moderation workshop with all the departmental Training Engineers at HRDC at the beginning of the year. Any new / additional requirement is also indicated through Competency Mapping.

Competency Mapping is a tool used for identifying specific needs of the employees of a particular department based

on their present level of competence. The broad steps followed are:

- Identification of competencies required for a job.
- Identification of knowledge and skill level of employees keeping in view the job requirement/competency.
- Identification of the gaps in competencies that can be filled through systematic training efforts.

During the year 2010-11, Competency Mapping was carried out in 5 departments for 23 Job positions covering 630 employees. The various training programs that are offered in RSP are:

- Technical Development Training meant for enhancing technical knowledge and skill of employees. During the year 2010-11, 553 employees attended the Enhancing Engineering Skill (EES) Mechanical Modules and 256 employees were trained in Electrical Modules.
- Managerial Development Training imparted to enhance the managerial capabilities of both executives and non-executives. During 2010-11, 1168 employees were trained in various managerial development programs.
- Skill Gap Training due to Retirement— The employees who are going to retire are identified beforehand and if their skills are found to be critical, the same are transferred to the

identified successors through Skill and Knowledge Training (SKT). During 2010-11, SKT was carried out in 35 skill-areas, as a result of which 39 employees were trained in new skills.

- Department Specific Programs— In the case of procurement of any new equipment or any change in any process, the department assesses the competencies required for the employees and arranges for specific training programs. During 2010-11, a total of 151 employees were trained through 6 department specific modules.
  - Unit Training to handle specific equipments in a one to one manner. During the year 2010-11, 32 employees were trained through Unit Training.
  - Multi-skill Training— During 2010-11, 23 employees were trained in shop-based multi-skill training and another 360 employees were trained through regular multi-skill training program at HRDC.
  - Critical Equipment Training imparted to the existing employees availing the services of the retired employees of RSP so as enable them to learn the skills required to handle critical and vital equipments like Locomotives, Cranes, Coke Oven Quenching Car operation, etc. During 2010-11, a total of 176 employees were trained through 9 equipment specific modules.
  - Additional Skill Training— In view of expansion plans of RSP and the new equipments that are being commissioned in existing departments, training is provided to employees to enhance their skills.
  - Redeployment Training provided to employees who are transferred to other departments.
  - Induction Training provided to all new entrants of the company like Management Trainees, Junior Managers recruited for projects, finance, technical and other disciplines, Trade Apprentices, Technician-cum Operative Trainees, Sr. Technician-cum-Operative Trainees, Semi-skilled Worker Trainees and non-executives promoted to executive cadres.
  - Supervisory Development Programs for non-executives.
  - Specific Training— provided to all employees focussing on ISO awareness, Safety, Environment Management, Energy Conservation, Quality Circle tools, etc.
- Besides the above training programs, certain special initiatives have been taken by RSP to create a culture of learning in the organization. They are:
- Ankur, the Learning Forum— a forum on knowledge sharing launched by the HRD Centre where employees can learn on relevant and novel subjects such as concepts of 5S, knowledge management, economic meltdown, positive attitude etc.
  - jigyasa@hrd— a part-time computer training program covering basics of Windows XP, Power Point, Word, Excel and Internet.

- Experience Sharing— Employees are sent in small teams to other steel plants, including sister units of SAIL, to learn their best practices and on return to make presentations to share their knowledge and key learning points within the organization.
- Developing People through Work Experience— In every department, the new entrants are imparted on-the-job training by an experienced employee, called the Master Trainer. This type of training is also known as ‘Attachment Training’ in the shop-floor. During 2010-11, 37 employees were trained through this route.
- Skill Development Programs— These hands-on sessions are organized in the HRD Centre. As part of these programs, the employees are also taken for a visit to the shop-floors to observe the actual work processes.

The effectiveness of any training program is evaluated at three levels—Level-I (Reaction Level— to know the participants’ reactions to the program); Level-II (Learning Level— the extent to which the participants improved their knowledge, skills, and attitude as a result of the training); and Level-III (Application Level— the extent to which the participants apply the knowledge and skills in their workplace).

### **Autonomy**

In RSP, the employees at frontline levels are empowered through leadership roles as Shift-in-Charges. They are em-

powered to take operational decisions in shifts and are entrusted with the responsibility of managing personnel and doing lateral coordination with related agencies to achieve set targets of the shifts. For implementation of specific improvement activities at the shop-floor, multi-disciplinary teams are constituted which are empowered to take decisions to meet organizational objectives. These work-teams are provided with necessary resources and support to achieve set goals.

Besides these, formal joint committees like Safety Committees, have been constituted with representatives from various departments, where employees discuss the safety and welfare aspects pertaining to their areas of work and jointly chalk out action plans with the representatives of management for remedial measures.

Quality Circle (QC) groups are empowered to take up special improvement measures/problem-solving in their respective departments. During the year 2011-12, a total of 5762 employees participated in 1424 Quality Circle cases benefiting the organization in the form of improved safety, housekeeping, productivity, equipment health and reduced cost.

Another step to encourage employee involvement and sharing of knowledge is empowering small groups within the departments to take up small problems at their own initiative, give suggestions for improvement, and implement the same using their own resources, innovative ideas and expertise. The employees are then recognized and rewarded, under the Special Awards

Scheme, for their unique jobs. Examples of a few good jobs done under this scheme during 2011-12 that resulted in substantial cost savings are given in Table 2.

**Table 2 Jobs Done & Money Saved under Special Awards Scheme in RSP during 2011-12**

Sl. No.	Department	Job Title
01.	SWPP	Modification of Rotary Flame Cutting of 72'' dia. Pipes. First time saving Rs. 5.6 crore/annum.
02.	SMS-II	Design and development of tap hole filling m/c for LD converter saving Rs. 37 crore/year.
03.	B F	Reduction of make-up water consumption in hot water tank of BF#4 for slag granulation saving Rs.41 lakh/year.
04.	ERWPP	In-house repair of high frequency welder's inverting module saving Rs.13 lakh.

Source: Personnel Department, RSP.

Note - SWPP: Spirally Welded Pipe Plant  
SMS: Steel Melting Shop  
BF: Blast Furnaces  
ERWPP: Electrically Resistant Welded Pipe Plant

## Rewards

In RSP, the employees are appreciated, rewarded and recognized for their valuable contributions towards fulfillment of organizational objectives. A wide gamut of schemes ranging from monetary and non-monetary incentives, reward schemes to public recognition is in place in the organization.

The major schemes include the following:

*Srujani, the Creativity Award Scheme* is a suggestion scheme that harnesses the creative potential of employees for improvement of the plant as well as motivates and engages them through formal recognition, and monetary or non-monetary awards. In this employee friendly suggestion scheme, employees are encouraged to give their innovative ideas for process improvement preferably pertaining to

their areas of work in a prescribed form. A Departmental Committee chaired by the HOD assesses the suggestions received. The employees whose suggestions are accepted are encouraged and provided all support for implementation of their ideas for the benefit of the organization. employees whose ideas are implemented or found suitable for implementation are recognized in a 'SRUJANI' function specially organized for the purpose and they are awarded certificates of merit and given cash awards. Every year a Srujani Mela is organized in each department. All employees of the concerned departments are encouraged to submit their innovative/creative ideas in the prescribed format and they are handed over instant token gifts. During the year 2011-12, 24 such Srujani Melas were conducted and 12017 Srujani suggestions were received, out of which 4163 suggestions were implemented. Table 3 shows the status of the scheme.

- *Quality Circle Scheme:* Competitions are organized at plant level (1st week of July); zonal level (2nd week of September); and national level (4th week of December). The quality

**Table 3 Status of Suggestion Scheme in RSP, 2009-12 (up to July 31)**

Year	No. of Suggestions	
	Received	Implemented
2009-10	13021	3768
2010-11	13282	4310
2011-12	12017	4163
2012-13 (up to July)	14212	8763

Source: Personnel Department, RSP.

circle teams that win at the national level are sent abroad to participate in the international level quality circle competitions. Besides the above, the quality circles are given wide publicity in the in-house magazine and in the Rourkela Steel TV for the contribution they make to the organization, and for their achievements at the national and international level quality circle competitions.

- *Nehru Vishista Karmachari Puraskar* is given every year to the best employees cash awards of Rs. 2000/- each and citations on the Independence Day.
- Awards to the Best Shift in -Charges of the plant units.
- Two Rolling Shields in each zone for Fire Safety Consciousness.
- Summer Attendance Award Scheme
- Special Award for higher attendance - 305 or more days in a year.
- Zero Accident Recognition Scheme
- Managing Director's/Executive Director's (Works) visits to shop-floors to felicitate employees on the

spot for best daily/monthly/quarterly production.

- Community lunch for best monthly production, record despatches and zero accident.
- Giving wide publicity, through in-house TV channel - Rourkela Steel Television, to the noteworthy performances and achievements of employees.
- Publishing the achievements of winners of various awards in the company's magazine, *Ispat Sahayog*, and *SAIL News*.

*Sample Respondents' Perceptions:* A questionnaire covering a total of 17 statements — four each relating to information-sharing, knowledge development and rewards, 5 statements relating to autonomy — was used. The responses of the sample respondents were recorded in a 4-point scale. The score values given to the responses ranged from 1 to 4 (strongly agree: 4, agree: 3, partially agree: 2, and disagree: 1). Analysis of the responses revealed that the respondents in general have a positive perception about all the four dimensions of employee empowerment (the mean values of the average scores given by the sample respondents to the four dimensions ranged from 2.89 to 3.12; Table 4). The knowledge development and autonomy dimensions have been given relatively lower scores. However, these scores are not much different from those of the other two dimensions — information-sharing and rewards.

**Table 4 Perceptions of the Sample Respondents**

Statements	Average Score Respondents Given (n=140)	Mean of the Average Scores by the Sample Given for Each Dimension (n=140)
<b>A. Information-Sharing</b>		
In this organization:		
1. The information relating to the organizational objectives is communicated regularly.	2.88	3.01
2. The jobs and responsibilities of individual employees are clearly and adequately communicated.	2.71	
3. The management makes best efforts to communicate to employees how their work relates to their goals and mission of the organization	3.19	
4. The information gathered from the clients, customers, suppliers and other stakeholders about the organization's performance is clearly communicated to the employees at regular intervals.	3.26	
<b>B. Knowledge Development</b>		
In this organization:		
1. There are systems in place that ensure training of employees so as to enable them to acquire the knowledge, skills, and attitude that are required for their jobs.	3.05	
2. The employees are cross-trained to perform various job functions.	2.91	2.89
3. The managers both support and take on the roles of coaches, mentors and facilitators for learning.	2.84	
4. Opportunity is provided to people to learn by doing.	2.76	
<b>C. Autonomy</b>		
In this organization:		
1. The frontline employees are encouraged not only to perform the role of shift-in-charges, but also to take decisions independently.	2.79	2.90
2. Small decisions are taken at the lower level on the spot and superiors involve peers in decision-making.	2.82	
3. There is a system in place that encourages and stimulates interaction between departments and promotes cross-functional projects.	3.03	
4. The members of quality circles are free to take decisions on their own while planning, developing, and implementing their projects.	3.05	
5. The outcome of any joint committee largely depends on the degree of autonomy that is given to the members of the committee.	2.81	
<b>D. Rewards</b>		
In this organization:		
1. Employees are recognized and rewarded for experimenting with new ideas.	3.22	3.12
2. The reward system is aligned with the performance both at the individual level and the group level .	3.06	
3. There is a differentiation between good and bad performers.	2.95	
4. There are specific schemes in place to groom potential leaders from non-executives.	3.25	

**Analysis of the responses revealed that the respondents in general have a positive perception about all the four dimensions of employee empowerment.**

As the mean values of the average scores given by the sample respondents were around 3, it may be concluded that the non-executives of RSP, in general, have a positive perception about the employee empowerment practices of the organization.

### Conclusion

The descriptive analysis and the analysis of the perceptions of the sample respondents relating to employee empowerment practices in RSP indicate that the organization uses employee empowerment as a strategy to facilitate the process of enhancing organization's performance.

Using Bowen and Lawler's (1992:35) model of the three levels of employee empowerment, from 'suggestion involvement' (essentially using suggestion schemes or quality circles), through 'job involvement' (job redesign and team working) to 'high involvement' (involvement in all aspects of the organization's performance), we may conclude that the RSP's employee empowerment practices fall in many respects under the 'job involvement' level, with the possibility of touching the 'high involvement' zone, in the course of time, provided the organization continues to pursue the empowerment-related activities with the same spirit as it does now.

The RSP's approach to employee empowerment practices suggests that, in many respects the organization endeavors to promote a spiritual culture at the workplace – 'workplace spirituality', which means the recognition that people have an inner life that nourishes and is nourished by meaningful work that takes place in the context of the community. Typically, a 'spiritual organization' has five cultural characteristics: strong sense of purpose; focus on individual development; trust and respect; humanistic work practices; and toleration of employee expression (Ashmos & Duchon, 2000:139; Giacalone & Jurkiewicz, 2003:6-13; Robbins & Sanghi, 2007:475-77). Thus, we may take a sanguine view of the RSP's efforts towards increasing the degree of employee empowerment for enhancing the organization's performance.

### References

- Alonso, P. & Lewis, G. B. (2001), "Public Service Motivation and Job Performance: Evidence from the Federal Sector", *American Review of Public Administration*, 31: 363-80.
- Ashmos, D. P. & Duchon, D. (2000), "Spirituality at work: A Conceptualization and Measure", *Journal of Management Inquiry*, (June):139.
- Blanchard, K., Carlos, J.P. & Randolph, A. (1996), *Empowerment Takes More Than a Minute*, Berrett-Koehler, San Francisco.
- Bloom, M. R. & Lafleur, B. (1999), "Turning Skills Into Profit: Economic Benefits of Workplace Education Programs", *The Conference Board, Inc.*, New York: 1-15.
- Bowen, D.E. & Lawler, E.E. (1992), "The Em-

- powerment of Service Workers: What, Why, How and When”, *Sloan Management Review*, 33 (Spring): 31-39.
- Bowen, D.E. & Lawler, E.E. (1995), “Empowering Service Employees”, *Sloan Management Review*, 36 (Summer):73-84.
- Brock, D.M. (2003), “Autonomy of Individuals and Organizations: Towards a Strategy Research Agenda”, *International Journal of Business and Economics*, 2 (1): 57-73.
- Byham, W.C. (1997), “Characteristics of an Empowered Organization” in Ginnodo, B. (ed.), *The Power of Empowerment: What the Experts Say and 16 Actionable Case Studies*, Arlington Heights, IL, Pride.
- Caudron, S. (1995), “Create an Empowering Environment”, *Personnel Journal*, 74 (9): 28.
- Damanpour, F. (1991), “Organizational Innovation: A Meta-analysis of Effects of Determinants and Moderators”, *Academy of Management Journal*, 34: 555-90.
- Datta, D. K., Grant, J. & Rajagopalan, N. (1991), “Management Incompatibility and Post Acquisition Autonomy: Effects on Acquisition Performance”, *Advance in Strategic Management*, 7: 157-82.
- Ettorre, B. (July 1997), “The Empowerment Gap: Hype vs. Reality”, *HR Focus*:1
- Fox, John. (1998), *Employee Empowerment: An Apprenticeship Model*, Barney School of Business University of Hartford.
- Giacalone, R. A. & Jurkiewicz, C. L. (2003), “Toward a Science of Workplace Spirituality” in R.A. Giacalone & C. L. Jurkiewicz (eds.), *Handbook of Workplace Spirituality and Organizational Performance*, M. E. Sharpe, Armonk, New York
- Ginnodo, B. (ed.) (1997), *The Power of Empowerment: What the Experts Say and 16 Actionable Case Studies*, Arlington Heights, IL, Pride.
- Greene, C. & Haywood, J. S. (2008), “Does Performance Pay Increase Job Satisfaction?”, *Economica*, 75: 710-28.
- Hackman, J.R. & Oldham, G.R. (1976), “Motivation through the Design of Work: Test of A Theory”, *Organizational Behavior and Human Performance*, 16: 250-27.
- Hall, R. H. (1991), *Organizations: Structures, Processes, and Outcomes*, Prentice-Hall, Englewood Cliffs, NJ.
- Honold, L. (1997), “A Review of the Literature on Employee Empowerment”, *Empowerment in Organizations*, 5(4): 202.
- Katz, R. & Tushman, M. (1981), “An Investigation into the Managerial Roles and Career Paths of Gate Keepers and Project Supervisors in a Major R&D Facility”, *R&D Management*, 11: 103-10
- Lawler, E.E. III., Mohrman, S.A. & Ledford, G.E. (1995), *Creating High Performance Organizations: Impact of Employee Involvement and Total Quality Management*, Jossey-Bass Publishers, San Francisco.
- Lawler, E., Ledford, G. & Moheman, S. (1989), *Employee Involvement in America: A Study of Contemporary Practice*, American Productivity and Quality Centre, Houston, Tx.
- Lawler, E. (1992), *The Ultimate Advantage*, Jossey-Bass Publishers, San Francisco, CA.
- Mohrman, S.A. (1997), “Empowerment: There’s More to It Than Meets the Eye”, in Ginnodo, B. (ed.), *The Power of Empowerment: What the Experts Say and 16 Actionable Case Studies*, Arlington Heights, IL, Pride.
- Mottaz, C. J. (1985), “The Relative Importance of Intrinsic and Extrinsic Rewards as Determinants of Work Satisfaction”, *Sociological Quarterly*, 26: 365-85
- Nielsen, J. & Pedersen, C. (2003), “The Consequences of Limits of Empowerment in Financial Services”, *Scandinavian Journal of Management*, 19: 63-83

- O'Reilly, C. A. & Caldwell, D. F. (1980), "Job Choice: The Impact of Intrinsic and Extrinsic Factors on Subsequent Satisfaction and Commitment", *Journal of Applied Psychology*, 65:559-65
- Pattanayak, B. (2001), Human Resource Management, Printice-Hall of India, New Delhi.
- Perry, J.L., Mesch, D. & Paarlberg, L. (2006), "Motivating Employees in a New Governance Era: The Performance Paradigm Revisited", *Public Administration Review*, 66:505-14.
- Randolph, W.A. (1995), "Navigating the Journey to Empowerment", *Organizational Dynamics*, 23(4): 22.
- Robbins, Stephen & Sanghi, Seema (2007), Organizational Behavior, Pearson Education, Delhi,
- Spector, P. E. (1986), "Perceived Control by Employees: A Meta-analysis of Studies Concerning Autonomy and Participation at Work", *Human Relations*, 39: 1005-16.
- Spreitzer, G.M. (1995), "Psychological Empowerment in the Workplace: Dimensions, Measurement, and Validation", *Academy of Management Journal*, 38(5): 1442.
- Thompson, V.A. (1965), "Bureaucracy and Innovation", *Administrative Science Quarterly*, 10: 1-20
- Wittmer, D. (1991), "Serving the People or Serving for Pay: Reward Preferences among Government, Hybrid Sector, and Business Managers", *Public Productivity and Management Review*, 14: 369-83.
- Wright, B. E. (2007), "Public Service and Motivation: Does Mission Matter?", *Public Administration Review*, 67: 54-64.
- Zollers, F. E. & Callahan, E. S. (2003), "Workplace Violence and Security: Are There Lessons for Peacemaking?" *Syracuse University School of Management*: 28-32.