

*Investigating the impact of time horizons, and boundaries on empowerment...*

# Exploring empowerment from the inside-out (part two)

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*When groups of workers are transformed into empowered workteams, their work world changes significantly. We wondered if differences in time horizons of responsibility and structural or psychological boundaries affect their success or failure?*

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**W**hile we interviewed many people involved with empowered workteams in a regulated utility to determine whether the outside-in view of them was consistent with their inside-out view\*, we also sought information that would help us to understand whether changes in the time span for which teams and team members were responsible for planning, performance and reporting, as well as changes in structures had any significant impact of their success or failure.

**Time span of discretion** — In trying to understand why people reject self-management, we decided to see if Elliot Jaques' 1956 research into "time span of discretion" and psychological development could help to explain rejection of self-management by workers. In Jaques' study, time span of discretion refers to the amount of time that goes by before someone's work is reviewed by someone senior to them in the organization. The greater one's time span of discretion, the more we feel someone should be paid. More recently, in 1986, 1989 and 1994, Jaques tied time span to how long one must look forward and plan into the future to be able to do one's job properly. Jaques has theorized that the proper structuring of power and authority in organizations should be based on time spans (greater authority should equal greater time span) and that a person's level of cognitive development limits the time span that they are able to operate under.

\* See conclusions in part one of "Empowerment from the inside-out" in the March, 1996 issue of this journal.

One of the realities of empowered workteams in manufacturing settings, that has not been studied, is that empowered workteams radically alter the time span of work. In an assembly operation the cycle time of work, and therefore the time span, can often be measured in minutes. The introduction of empowered workteams, with the inclusion of administrative and planning tasks, leads to time spans that are much, much longer. Therefore, we studied changes in time span to see if we could understand people's attitudes and feelings toward empowered workteams as a function of enlarging a person's time span of discretion.

*Time span and empowerment: findings...*  
None of the time spans of any of the successful teams had changed. This is consistent with the theory but is certainly no test of it. We did, however, observe that in two of the failures time spans did grow. In fact in one of these cases supervisors were re-introduced because team members did not take the team's and organization's longer term interests into account in managing and coordinating their work. This team was described as *not mature*.

We therefore encourage those implementing or studying such workteams to pay attention to changes in the time span in which people are expected to operate. Too large an increase may set teams up for failure.

## Boundary clarity as rated by external suppliers/customers of the empowered workteams...

We asked each team member which outside groups they frequently interact with (suppliers & customers) both inside and outside TechCo. For each group, we asked them about the boundary clarity they experienced and the typical feelings they have when interacting with that group. We

Averages	Frequency	What we want	What they want	Who does what	Who's in charge
Unionized team	1	5	4.6	4.6	4.3
Unionized team	4	4.6	4.6	4.6	4.6
Unionized team	3.6	4.6	2.6	2.6	1
Professional team	3	5	5	3	4
Professional team	1.5	4.5	4.5	4	4

Values/frequency: 1 = daily, 2 = a few times a week, 3 = once a week, 4 = less often  
Clarity: 1 = very unclear, 2 = unclear, 3 = neither clear nor unclear, 4 = clear, 5 = very clear

then contacted representatives of those external groups (by phone) and asked them the same questions (as well as general questions about their observations and judgements about the empowered workteam). This resulted in 70 cases of boundary clarity and feeling states, allowing us to do some simple statistical analysis.

**The impact of structural and psychological boundaries** — Numerous researchers have pointed out that organizational structure plays an important role in reducing potential uncertainty and anxiety at work by de-personalizing human interaction, eliminating the need for personal choice, and ensuring that clear boundaries between people and roles exist. As organizations *de-structure* to allow for greater initiative and innovation by employees and less reliance on rules and procedures, boundaries become fuzzy, uncertainty increases and so does *free-floating anxiety* (anxiety that cannot be easily attributable to any one cause). In a 1992 publication, Hirschhorn and Gilmore theorize that there are key boundaries that must be clear for people to be able to work together without being overwhelmed by confusing or negative emotions. The three central boundaries are:

1. Authority boundaries — who is in charge?
2. Task boundaries — who is supposed to do what?
3. Political boundaries — who wants what?

With the introduction of empowerment, the structures that had traditionally clarified these boundaries are less present. Therefore these boundaries must now be negotiated on a relationship by relationship basis by employees. In each new circumstance issues of who's in charge, who wants what and who will do what need to be discussed and agreed upon.

Hirschhorn and Gilmore also theorized that there are predictable emotional states caused by boundary interactions.

Clear boundaries lead to certain "positive" feelings while unclear boundaries lead to certain "negative" feelings. Thinking about these two aspects of boundaries led us to wonder if perhaps:

- Some empowered workteams fail because employees and managers are not aware of and/or do not have the skills to manage psychological boundaries on an everyday basis.
- That poor boundary clarity leads to negative feelings that become attributed to the other person or group and cause negative judgements to be made about empowered workteams.
- Feeling unable to work effectively because they don't understand the need to manage these boundaries, they blame it on lack of structure and reject empowered workteams.

Therefore we studied the quality of boundary clarity between members of empowered workteams and other groups and individuals they interact with on an ongoing basis. We also explored whether boundary clarity (or lack of it) led to predictable feelings.

*Structural and psychological boundaries findings...* As the table above shows, four of the teams tended to have clear boundaries while one team didn't. This latter team was the only one to receive poor reviews by external observers. More on that below. **I**

We looked at correlations between different boundary states and feeling states experienced both by empowered workteam members and those who interact with them using a one-tailed T-test of significance. Here we report only significant correlations.\*

\* We used pairwise deletion of missing cases so the actual N's range from 55 to 65.

**“...clarity about influence and authority is the most potent for creating positive or negative feelings between members of empowered workteams and those outside the group who must work with it.**

*Impact of frequency of interactions...* We asked respondents how frequently they interacted with the other group. The data show that the more frequently people interact across functional boundaries, the less exploited they feel ( $r = -.24$ ,  $p < .05$ ) and the less proud they feel ( $r = -.23$ ,  $p < .05$ ). These results show that frequency of interaction, in and of itself, has little consistent effect on feelings toward the other group.

*Impact of clarity...* We asked respondents to tell us how clear they were during a typical interaction about:

1. Who does what...
2. What they (the other group) want...
3. What we (the respondent) want...
4. Who is in charge.

All four of these variables were significantly inter-correlated ( $r$ 's ranged from .36 to .54) except for the correlation between “who is in charge” and “what we want”, which was not. This is not surprising, as we'd expect that the better groups are at managing one kind of psychological boundary, the better they are at managing all psychological boundaries.

There were no significant relations between clarity about who does what and what we want with any of the feeling states. A lack of clarity about what they want was significantly correlated with feeling:

- Distrust ( $r = .23$ ,  $p \hat{=} .05$ )...
- Incompetent ( $r = .40$ ,  $p \hat{=} .001$ )...
- Rebellious ( $r = .25$ ,  $p \hat{=} .05$ )...
- Rigid ( $r = .24$ ,  $p \hat{=} .05$ ).

*Clarity over who is in charge...* The highest number of significant correlations occurred with clarity about who is in charge. The greater the clarity about who is in charge, the more people feel.

- Confident ( $r = .24$ ,  $p \hat{=} .05$ )...
- Empowered ( $r = .26$ ,  $p \hat{=} .05$ )...
- Treated fairly ( $r = .30$ ,  $p \hat{=} .02$ )...
- Loyal ( $r = .33$ ,  $p \hat{=} .01$ )...
- Secure ( $r = .26$ ,  $p \hat{=} .05$ )...
- Tolerant ( $r = .29$ ,  $p \hat{=} .02$ ).

A lack of clarity over who does what was correlated with feeling distrust ( $r = .40$ ,  $p \hat{=} .001$ ) and exploited ( $r = .30$ ,  $p \hat{=} .02$ ).

*Major finding about boundaries...* Of the psychological boundaries we studied, the data indicate that clarity about influence and authority is the most potent for creating positive or negative feelings between members of empowered workteams and those outside the group who must work with it. As well, a consistent lack of clarity about what the other party wants can result in negative feelings.

The importance of these findings are illustrated by the one team that received unfavorable reviews by those outside the group. All the external respondents rated their clarity about who is in charge as very unclear. In contrast, ratings of clarity about who is in charge by external respondents of the other four teams averaged clear (4) or higher. This seems to be strong evidence of the importance of clarifying psychological boundaries, especially authority boundaries, when implementing empowered workteams.

**Facets of empowerment** — Building on and beyond the 1990 work of Thomas and Velthouse, we developed a model of personal empowerment in work systems which we believe integrates diverse theorizing on empowerment and helps us to understand varying aspects of an individual's experience of empowerment in an organization.

The model is based on the idea that as an employee, *I feel empowered when I can accomplish what I must to get the rewards I value*. The experience of empowerment, when working in an organization, comes from *the relationship between the effort I can and do put in to create outcomes and the rewards that accrue from that*. This is a complex definition and leads to a conception of empowerment that has many facets to it. <sup>2</sup>

*Choicefulness...* One type of empowerment has to do with people's sense of choicefulness in a situation. Choicefulness is tied directly to effort. The more one feels that one can choose what to put one's effort into, and what not, the more empowered one feels.

*Effort...* A second type of empowerment has to do with people's experience of how much effort it takes to attain an outcome. A person's sense of self-competence or self-efficacy, has to do with their sense of whether they can, given enough effort, attain an outcome.

We theorize that people feel they've been empowered when they can attain the same outcomes as before with less effort, or a greater

outcome with the same effort. Increased efficacy, and therefore empowerment, can be attained by increasing a person's knowledge/skill or reducing organizational barriers to task accomplishment.

*Impact...* A third type of empowerment has to do with the actual outcomes one achieves. We call this impact and hypothesize that people feel empowered when they can have impact on the organization, that is, when they are able to accomplish the tasks they (or others) have set out for them, and disempowered when they cannot. People will feel empowered when they are given tasks of a greater magnitude or value than they were given previously. Of course, if the new task is too challenging people will feel incompetent (type 2) and therefore, disempowered.

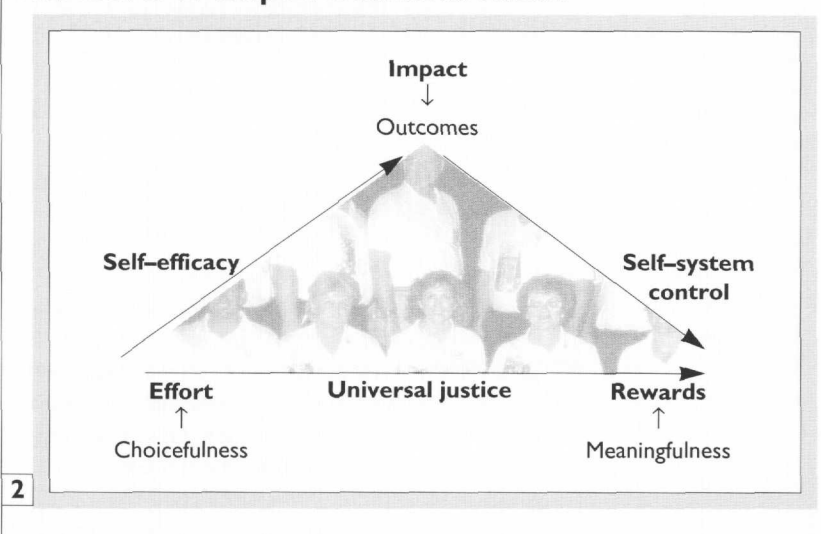
*Self-system control...* A fourth type of empowerment refers to the link between outcomes and rewards and a person's ability to influence what rewards s/he receives by performing and accomplishing outcomes. Those who are able to influence the rewards they receive through their accomplishments experience self-system control, the kind of empowerment that is associated with entrepreneurial activity.

*Meaningfulness...* A fifth type of empowerment has to do with the meaningfulness of extrinsic rewards that are possible to attain. Systems that provide rewards of high value to members engender a sense of empowerment amongst their members while those in systems with meaningless or no rewards feel "empowered for what?". We believe the experience of empowerment in the world of work and employment includes being able to attain valued rewards.

*Universal justice...* A sixth type of empowerment, and perhaps the one least recognized in the literature, is the link from effort to reward, regardless of outcomes. We call this universal justice and it comes from a sense that the amount of effort one puts into something should count, regardless of outcomes. Those who perceive some connection between their amount of effort and the rewards they receive experience, we believe, a sixth kind of empowerment.

Empowerment, of course, is a relative thing. We are in no position to test the subtle interplay, the additive and multiplicative properties of these various types of empowerment. We can, however, say this person or team is more empowered than that person or team.

### The facets of empowerment model...



In this study we simply looked for increases in choicefulness, self-efficacy, impact, self-system control, meaningfulness, and/or universal justice. This is the model we used to guide us in studying the permutations of empowerment at TechCo.

**Facets of empowerment findings** — The most striking finding from this part of the study is that different individuals within the same team can have widely varying experiences of empowerment. For just about every type of empowerment we found team members who felt there had been an increase and other team members who felt there hadn't. There does not appear to be anything *objective* about the experience of empowerment. We could not predict, looking at characteristics of a team or its context, what people would say about their experience of empowerment.

*Greatest impact in choicefulness...* In all five cases the kind of empowerment experienced by the most people was an increase in choicefulness. Operating in a empowered workteam, without a supervisor, tended to increase people's sense of choice over where they put their effort. While the job to be done didn't change, many people felt they now had more choice over how to do the work, when to do the work, and where to put more or less effort. This in itself appeared to have a powerful affect on the work climate and members' motivation.

*An increase in ability to influence the organization...* An increase in impact was the second most often experienced type of empowerment. Some people in just about every group felt that their ability to influence the organization

**"The most striking finding from this part of the study is that different individuals within the same team can have widely varying experiences of empowerment."**

had been increased. Often this had to do with being able to deal with others directly, and not having to go through a supervisor.

*Self-efficacy findings — mixed...* Our findings about increases in self-efficacy are confounded by the number of people who said that they had increased the amount of effort they put into their job because they feel more ownership (choice) and are more motivated.

In one of the failed cases we saw a large increase in the amount of effort people had to put into accomplishing outcomes because the organization had been radically de-structured and people left to work it out themselves. This de-structuring had been done in the name of empowerment with the idea being to wipe the slate clean and to let the employees develop the processes and procedures they need. What this did was to make it more difficult to get anything done. Without agreed upon processes, people floundered and were unable to get simple things done that required the cooperation of others. Rather than feeling empowered, these people felt disempowered.

In our successful cases this kind of de-structuring did not occur. Organizational procedures for accomplishing work were still in place. It appears that people experienced little change in the amount of effort it took to accomplish outcomes except in those cases where they could now make resource decisions without having to obtain *sign-off*. In some cases being able to make decisions independently took days or weeks off the amount of time it would have taken to complete work in the past. There did not appear to be any increases in self-efficacy from increased skills or knowledge though a number of people did report feeling more confident than in the past.

*Self-system control findings — unions and professionals differ...* Changes in self-system control were quite different between the unionized and professional teams.

The unionized groups tended to feel they had no control over rewards such as pay and benefits. Those unionized employees connected to professional teams experienced decreases in self-system control as they watched their “fellow team members” receive management bonuses while they did not. Unionized groups reported having little sense of connection between outcomes and rewards and the empowered workteam had done nothing to effect this.

The professional teams were different. In both cases they had developed performance measures which they felt more accurately and objectively portrayed the real contribution they make to the organization. In this sense their experience of self-system control had increased. Only for management bonuses, however, was there any sense that these outcomes were tied in any way to financial rewards and bonuses are tied to subjective appraisals, not objective performance measures.

Money is only one kind of reward and self-system control was evident in other ways. For the professional teams a very important reward was their profile in the organization, and many felt this had increased considerably since becoming an empowered workteam.

*Meaningfulness and universal justice findings...* Meaningfulness, which refers to being able to influence extrinsic rewards so that they have higher value than before, did not appear to change in any of our cases. Finally, universal justice was a facet of empowerment we did not explore in the interviews.

*A synergistic effect...* One other observation about these facets of empowerment can be made. A person who experienced empowerment in one facet was more likely to experience it in other facets as well. We did have a few team members in successful teams who did not experience the shift to an empowered workteam as empowering. If they did not experience the empowered workteam as giving them more choice they tended to not experience it as empowering in any way. Those who found that the empowered workteam increased their choicefulness were more likely to also experience other types of empowerment from being in an empowered workteam.

## Some final thoughts

Studying the experience of empowerment from the point of view of members of empowered workteams supports the position that successful implementation of self-management can have important, positive motivational consequences for members of empowered workteams. In addition, successful empowered workteams appear to result in improved organizational outcomes like productivity, innovation, organizational commitment and customer service.

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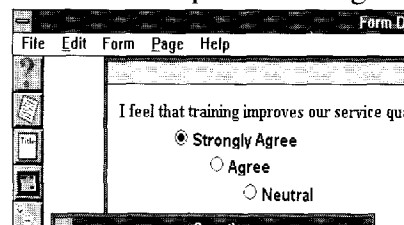
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We found that the experience of empowerment was a deeply individual thing — that members of the same team could have very different experiences of how they were or were not empowered. We did find that empowered workteam members needed to feel an increase in choicefulness (more control over what they put their effort into) to experience any other kind of empowerment as well. We also found that the defining characteristic of empowerment was to operate without a supervisor close at hand.

Of great interest are the contrasts we found between the inside-out of empowerment and what the literature tells us about the outside-in of empowerment. While most of the focus in the research literature is on teaming, for members of empowered workteams working without a supervisor is much more salient:

- Much of the motivation to operate as an empowered workteam seemed to come from the reduction in stress that this created.
- Additionally, being able to deal with customers directly and being able to focus on meeting customer needs (not supervision's needs) created intrinsic motivation.

Increasingly, the research literature provides lists of determinants of successful teams. We found the successful teams here all faced barriers that the literature suggests would derail an empowered workteam. By contrast we found that any group of people that wanted to be a team could find ways to overcome any barrier. The motivation to cooperate and be self-managing is a strong force. There is a growing consensus in the literature that teams, as opposed to groups must have interdependent tasks. At TechCo we found that successful teams were not interdependent, though they did have common tasks. This may be a feature of early, successful applications as the lack of strong interdependence makes it easier to accommodate other team members' needs and reduces the need for members to have a high level of interpersonal skills.

The path of least resistance to implementing empowered workteams in this company, and perhaps in all large, bureaucratic organizations, was to take groups of people who were already well versed in their tasks and who perform the same task for different customers, and simply remove supervision. We'd recommend others take a look at consciously adopting this strategy during the



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first wave of empowered workteams implementation. Groups with those characteristics seem the hardest and their operation provides the organization opportunities to learn and adapt to team based organizing.

The study found that training needs of individuals are idiosyncratic. *One size fits all* training programs for empowered workteams are likely to be less useful and less cost effective than allowing empowered workteam members to individually choose the kind of training they feel they need to be successful.

**Boundary clarity** — We found that the clarity of psychological boundaries between empowered workteams and other groups inside the organization they interact with may be an important determinant of people's experiences of empowered workteams. In particular, being able to clarify who has authority over what may be critical to good relations between empowered workteams and others in the organization. Related to this was our finding that, in general, managers seem to act in a more supportive way with empowered workteams that are hierarchically lower from their own positions. They seem to be much less comfortable dealing with an empowered workteam that is, hierarchically, on their own level. Whether this is simply a manifestation of lack of boundary clarity or something else (e.g., fear of being replaced by a empowered workteam) was not be studied here. Overall, the success of these teams, both for their members and for the organization, suggests that empowered workteams can be used in organizations, like government or regulated monopolies, that are limited in how much control they can actually give to teams.

As noted earlier, there are two salient arguments against attempting to utilize empowered workteams in such organizations:

1. The organization is severely limited in its ability to use extrinsic motivation to control team behavior (e.g., profit sharing)...

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2. Demands for public accountability require greater formalization and restrict how independently any group can operate.

In this study we found neither of these to be barriers, at least in the short term, to successful application of empowered workteams. The complete lack of extrinsic rewards seemed to have no impact on member's desire to be in an empowered workteam and teams seemed just as able as any manager to operate within the restrictions placed by regulation and the need to document and justify actions to external constituencies.

**Service versus manufacturing applications of empowered teams** — Another potential barrier to empowered workteams this study sheds some light on is the difficulty in measuring service or knowledge work and providing timely feedback. Manufacturing organizations, in contrast, have much less difficulty doing this. We found that teams were able to overcome any problems that might arise from a lack of timely performance measures by focusing on satisfying immediate customer needs.

It appears that successful application of empowered workteams in service or knowledge work systems may require:

- Clarity about who the team's customers are...
- Frequent interaction with those customers.

This study leads us to be cautiously optimistic that empowered workteams can be successfully used in externally regulated organizations, at least in the short term.

When team members respect each others competence, know what they have to do, and who their customers are, the desire to be self-managing appears to be a strong force that leads to cooperative team behaviors and can overcome just about any barrier placed in its way. ♦

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