EMPOWERMENT: A NECESSARY ATTRIBUTE OF A LEARNING ORGANIZATION?

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**Abstract.** **Purpose**: The purpose of this paper is to study the role of empowerment in a learning organization. This research tries to explore whether empowerment is a necessary attribute for organizations to enhance their learning capability or not. It attempts to address two fundamental questions:

- What is the role of empowerment in an organization’s learning capability?
- Is empowerment an essential attribute of a learning organization?

**Methodology**: The study adopted a mixed method of research design, which includes both qualitative and quantitative methods of data collection and analysis. The quantitative survey comprised of two questionnaires was used to survey 213 executives from various IT organizations. Interviews were also conducted with executives of two case organizations where in-depth study was conducted. Qualitative data was analyzed using the grounded theory methodology.

**Findings**: The findings indicate that only the decision making dimension of empowerment has emerged as a significant predictor of organizational learning, not the power sharing and people valuing dimensions. Further, no difference is observed in high and low learning organizations on their empowerment pattern.

**Research Limitations/Implications**: The sample organizations were from one geographical location (National Capital Region) of India and the study was conducted in the IT sector only. Future studies may investigate this further in different regions and sectors.

**Key words**: organizational learning, empowerment, information technology, mixed method.

**Introduction**

Globalization has brought about with it immense changes in the environment, fierce competition and dynamic customer preferences which have forced organizations to adapt to changes in order to survive and succeed. These changes are not just in the external environment, i.e. product, service, technology, but also in the internal environ-
ment like people’s mindset, values, attitudes, and purpose. Therefore, there is a growing need for organizations to rethink and redefine their coping strategies.

According to Johnson (1998), this accelerating environmental change has allowed theorists and practitioners to envision an organization entity known as the “learning organization”. As defined by Senge (1990), a learning organization is one “where people continuously expand their capacity to create results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together”. This capacity for creation distinguishes learning organizations from others. According to Johnson (1998), “learning organizations are not those that lie in waiting; they are intended to initiate and forcefully create”. They should be designed for creating knowledge at a speed that will benefit them to sail through environmental turbulences. Organizations are constituted of various sub-systems. These subsystems are like basic pillars which interact to create an identity. An organization tries to learn and survive through these pillars or attributes. These attributes may be manifested in an organization’s culture, structure, reward, and control mechanisms.

Gephart, Marsick, VanBuren, and Sipro (1996) identified that learning organizations focus primarily on systems-level organizational learning. This systems-level learning occurs when organizational structure, culture, and its people centric elements interact with each other. Interaction of these attributes shapes the nature and the extent of organizational learning. Empowerment is considered to be an important attribute of learning organizations by the existing literature. Studies hold mixed views regarding the role empowerment plays in organizational learning. Some authors (Burdett, 1991; Hill, 1996; Goh, 1998) and (Jamali, Khoury, and Sahyoun, 2006) are of the opinion that empowerment acts as an essential feature for an organization to increase its learning ability.

It is against this backdrop that the present study was undertaken in Information Technology (IT) organizations in National Capital Region (NCR) of India. The study adopted a mixed method of research design incorporating quantitative and qualitative methods to gain breadth and depth of data about the role of empowerment in learning organization. The quantitative part of the study is based on data gathered from 213 employees across ten IT organizations. Out of those ten organizations one high and one low ranking organization were chosen for qualitative study.

The results of the qualitative study are used to illuminate the findings from the quantitative study.

**Assumptions**

The basic assumption taken in this paper is similar to the one made by Thomsen and Hoest (2001) that learning organizations and organizational learning are understood as two sides of the same coin. A learning organization is one which is learning or in the process of learning (Sun, 2003). All organizations are in the process of some learning or
the other but their learning capabilities vary (Dibella, 1995). Some may be high learning organizations (HLOs), while others are low learning organizations (LLOs). HLOs are those whose learning capability is higher in comparison to LLOs.

If organizations are viewed from a systems perspective, the external and internal environmental factors may act as constraints in organizational functioning (Goh, 2001). These factors may act as facilitators or inhibitors, and then the nature of empowerment pattern of HLO may vary from that of LLO.

Literature review

Concept of Learning Organization

Learning organization is defined by Garvin (1993) as an organization not only skilled at creating, acquiring, and transferring knowledge, but also at modifying its behavior to reflect new knowledge and insights. The heart and soul of learning organization lies in the creation of new results and new knowledge or insights by continuous learning. Though the debate over the nature and importance of learning organization has grown and become more diverse over the years, the basic underlying concept has remained the same: organizations sustain themselves through their learning capability.

On the basis of literature review, Fiol and Lyles (1985) stated that “as argued by some theorists (Chandler, 1962; Katz & Kahn, 1966; and Thompson, 1967), the ultimate criterion of organizational performance is long-term survival and growth”.

According to some other theorists (Barnard, 1938; Lawrence & Dyer, 1983; and Lawrence & Lorsch, 1967), in order to achieve the goal of survival and growth, organizations have to be competitive and innovative. Thus, to remain competitive and innovative, organizations need to increase their knowledge domain through learning. Organizations which keep on practicing learning, unlearning, or relearning, can be called as learning organizations.

“In the management literature, learning organization tends to refer to both organizations designed to enable learning (i.e. have the capabilities to learn) and organizations within which learning is already occurring” (Rifkin & Fulop, 1997, p. 137).

Lynton and Pareek (2000) observed that a turbulent environment fed by instantaneous global information and tremors of all kinds causes the shift to a learning organization. This shift is from a spasmodic organization-wide learning to a continuously learning organization. So a learning organization is one where incessant learning occurs.

A brief look at the literature pertaining to learning organization suggests that a learning organization is nothing but a particular organizational form (Goh, 2001). Senge (1990) who popularized the concept of learning organization stated that in order to build a learning organization, five disciplines are necessary. The presence or mastery of these disciplines distinguishes a learning organization from others.

These five disciplines are: Personal Mastery, Mental Models, Shared Vision, Team Learning, and Systems Thinking. These five disciplines are the building blocks for an or-
ganization to become a learning organization. McGill and Slocum (1993) proposed that the primary responsibility of management and the focus of management practices in a learning organization is to create and foster a climate that promotes learning. According to them, in order to build learning organizations, there is a need to unlearn several roadblocks that hinder learning, and embrace new practices which pertain to: Learning Culture, Continuous Experimentation, Network Intimacy, Information Systems, Reward Systems, Human Resource Practices, and Leaders’ Mandate.

Slater and Narver (1995) suggested five components of learning organization - two elements of culture and three elements of climate. The culture elements consist of market orientation and entrepreneurship, whereas the climate features include facilitative leadership, an organic and open structure, and a decentralized approach to planning. A learning organization is a living, breathing organism that creates the space that enables people and the system to learn, to grow, and to endure (Marsick & Watkins, 1999). In order to develop better ability to adapt to a changing global environment, there is a greater need to design organizations that can learn (McGill, Slocum & Lei, 1993). Then, how is a learning organization formed? Are there any elements or attributes that are specific to these organizations?

There are diverse views regarding the design of a learning organization. Pedler, Burgoyne, and Boydell (1991) offered 11 characteristics of the learning organization.

Garvin (1993) suggests that learning organizations have to develop skills in a systematic problem-solving approach, experiment with new approaches, learn from their own experience and past history, and learn from the experiences and best practices of others, transferring that knowledge quickly and efficiently throughout the organization. McGill and Slocum (1993) stated that the role of management is not to control or be a corporate cheerleader or crisis handler; it is to encourage experimentation, create a climate for open communication, promote constructive dialogue, and facilitate the processing of experience. When the management accomplishes this, employees share a commitment to learning. The current review suggests that there are wide ranging theoretical perspectives that provide a basis for identifying a bundle or set of variables that define the management practices and characteristics of a learning organization (Goh, 2001).

The present study tries to focus on the kind of role that empowerment plays in building a learning organization. The subsequent section reviews the relationship between empowerment and organizational learning.

**Empowerment as an attribute of a learning organization**

The meaning of empowerment has been a subject of great debate and is a poorly defined concept to date (Greasely et al., 2008). The existing literature defines empowerment broadly as a relational and motivational construct (Conger & Kanungo, 1988), psychological and structural dimension (Greasely et al., 2008), the psychological and multidimensional perspective (Greasely & King, 2005) and psychological and environmental empowerment (Myerson & Kline, 2008).
Some factors in the above mentioned dimensions / construct / perspectives are: environmental (work method, work scheduling, and work criteria), psychological or motivational (perceptions and beliefs of power, competence, control and self-efficacy), structural (organizational policies and practices, decision making, power-sharing), multidimensional and relational (role of management and leader). Are these characteristics applicable to a learning organization? Empowerment is considered to be an important attribute of a learning organization by the existing literature. Argyris (1990) and Garvin (1993) describe that empowerment and learning organizations are connected to a certain extent. Similarly, Burdett (1991) found an obvious and significant relationship between empowerment and organizational learning. It is an important concept that can unlock the energy and talent that resides within an organization and is therefore, at the heart of competitiveness. The personal mastery discipline (Senge, 1990) is nurtured by empowerment. Employee empowerment enables self-efficacy, power sharing, participation in decision-making through establishing open communications (Ford, 2006). “Empowerment with its associated sense of self-efficacy encourages individuals to pursue their growth process, to seek development opportunities, to surface, experiment, challenge and adapt, hence nurturing the drive towards personal mastery” (Barker & Camarata, 1998; Greenberg & Baron, 2003). Similarly, studies by Gardiner (1999) and Jamali (2006) stressed the relationship between empowerment and learning organizations. Sundbo (1999) studied the creation of corporate entrepreneurship as an induced empowerment process and investigated two issues: how well firms succeed in developing entrepreneurial competences and what are the conditions for success. The investigation is based on a longitudinal case study of a small Danish bank.

The work is based on the creation of corporate entrepreneurship as an induced process in organizations, through which the management attempts to develop the competencies of the employees, using human resource management (HRM) and organizational development projects. Inducement is a process whereby the management establishes projects to start an organizational development climate of initiative, which should become self-generating. As a consequence, the employees (including the leaders and managers) should generate new ideas and carry them through to practically implemented innovations. The innovation activities, thus, are decentralized by empowerment. By this induced empowerment process, the organization could also be developed into a learning organization that decentrally accumulates both experience of the innovation process and (perhaps) also changes in innovative routines as described by Sundbo. Prugsamatz (2010) found that trust and empowerment are also important in sustaining an organization’s ability to learn in the long run.

The foregoing literature presents empowerment as a “whole”, but are there any specific characteristics of empowerment that are relevant to the learning organization?

In this context, empowerment is labelled in terms of ‘participative policy making and informing’ (Pedler, 1991), ‘decision making’ (Gardiner & Whiting; 1997) & Goh (1998), ‘role clarity and decision making’ (Burns et al., 2003), and ‘power relations’, (Dymock, 2003). These are described as follows: Pedler et al., (1991) emphasized em-
powerment as one of the eleven characteristics of a learning company. Empowerment in the form of ‘participative policy making’ and ‘informating’ can help employees to get actively involved in decision-making processes of an organization.

In 1997, Gardiner and Whiting studied one company which moved towards becoming a learning company in some respects like degree of empowerment, and employees’ own learning and self-development. The factors under the purview of empowerment are: providing employees with responsibility and freedom to make decisions without being checked upon, and commitment and personal expertise as members of a team. Goh (1998) observed that a learning organization is characterized by a flattened organizational structure, thereby empowering employees to make more decisions with minimal formal control imposed on them.

Burnes et al. (2003) stated that empowerment, in the form of more clarity of role and more responsibility for decision making has helped the sample organization to become a learning organization. Dymock (2003) investigated the empowerment pattern of a major service organization in Australia. The company chosen has passed through many changes and has been developing a learning culture. The findings revealed that what is needed to develop a learning culture is willingness from all parties to acknowledge the power relations in the organization, particularly when the company is in a competitive market and its first and final commitment is to its owners or shareholders.

Another aspect of empowerment pertaining to organizational learning that has attracted the attention of many researchers is the criticism towards empowerment and the learning organizations. In a study of 8 firms, Field (1997) looked at the concepts of “empowerment” and “learning” and examined the difficulties in making “empowered learning” a reality. Drawing on a series of case studies (eight) in the Australian manufacturing industry, the results showed that empowerment and learning present challenges for both managers and employees. For managers, empowerment and learning raise the prospect of loss of control, and for employees, the risks of empowered learning are high, as compared to its potential benefits.

Schein (1999) stated, “Although organizational learning is often defined as the result of many individuals learning generatively in an organizational context, the argument is made that such learning is de facto coercive persuasion popularly known as ‘brainwashing.’ The current obsession with empowerment and getting employees to become fully engaged with the organization and its needs to become competitive and more productive results from management’s perceived need to convert the creative impulse of the employee into organizationally useful channels”. Schein believes empowerment is nothing but “coercive persuasion” where employees are forced to conform to certain norms, rules, regulations irrespective of their willingness to do so or not. For empowerment to work, a sense of responsibility towards their work and towards their organization needs to be felt by the employees. Somerville and McConnell-Imbriotis (2004) conducted a study to explore the results of applying a diagnostic questionnaire for measuring the dimensions of a learning organization in a resource squeezed service organization. One of the weaknesses revealed through the findings is the empowerment dimension.
The literature reviewed so far presents mixed views by authors regarding the empowerment attribute in learning organizations. The interest for this research is triggered as a result of the variety of views/opinions held by the various researchers on the relationship between empowerment and organizational learning. Another important aspect which the paper tries to inquire into is whether there are any specific characteristics or dimensions of empowerment that have any association with learning organizations.

**Guiding research questions**

This research builds upon the existing literature and attempts to answer the following questions:

- Is empowerment an essential attribute of a learning organization?
- What is the role of empowerment in an organization’s learning capability?
- Does the empowerment pattern differ in high and low learning organizations?
- Are there specific dimensions/characteristics of empowerment that determine organizational learning?

**Hypotheses of the study**

The main objective of the study is to assess the role of empowerment in building a learning organization and to find out whether the pattern of empowerment differs in high and low learning organizations. If the high and low learning organizations differ in their empowering pattern, then it can be inferred from the study that empowerment can contribute significantly in increasing an organization’s learning capability. The hypotheses of the study are as follows:

**H1:** A higher degree of empowerment will be positively related to a higher degree of organizational learning.

**H2a:** The level of decision making will be positively related to the level of organizational learning.

**H2b:** The level of information sharing will be positively related to the level of organizational learning.

**H2c:** The level of valuing people will be positively related to the level of organizational learning.

**H3:** High and low learning organizations will significantly differ in their empowerment attributes (decision making, information sharing and valuing people).

**Methodology**

**Use of Mixed method**

As mentioned earlier, this study adopts a mixed method (both qualitative and quantitative approach) for collecting and analyzing data. These two approaches are not being
taken as they hail from ‘opposing’ traditions, but rather as being complementary to each other. Jick (1979) said that qualitative data are useful for understanding the rationale or theory underlying relationships revealed in the quantitative data or may suggest theory directly which can then be strengthened by quantitative support.

A positive relationship has been found to exist between learning organization practices and financial performance (Tippins & Sohi, 2003; Ellinger et al., 2003). In a study involving 111 Spanish companies, Isabel and Revilla (2006), using a structural equation modelling, found a strong link between learning capability, financial performance and non-financial performance. Similar findings were recorded in numerous studies by Bierly and Chakrabarti (1996), Baker and Sinkula (1999) and Calantone et al. (2002). Taking a cue from all these previous studies, this research picked up ten IT sample organizations based on the financial performance ranking from ET 500 (Economic Times) April, 2003 and Data Quest, Vol. xxi, No 16, August 31, 2003. Of these, the top five were termed as ‘high’, and the bottom five were termed as ‘low’ learning organizations. Moreover, the firms that have been chosen for conducting in-depth case studies had demonstrated a high learning curve. Acquisition of new knowledge through learning and continuous employee development were two important values espoused in their vision statements. One of the case organizations was a relatively young organization with people capability maturity assessed at level 3 (much ahead of its peers in the same category). Hence, learning and knowledge were two key ingredients of their very survival. Therefore, it was deemed fit to carry forward the in-depth studies in these two organizations.

**Research Design: Two-Phase Approach**

The study was conducted in two phases. The first phase of the study was quantitative in nature. The IT companies were first short-listed on the basis of their performance ranking and their geographical locations.

The sample consists of 10 organizations from National Capital Region (NCR) of India. Both Purposive and Convenience sampling techniques were used to select the sample. In each organization, 40 members across all levels were randomly selected to make a representative sample for data collection. A set of questionnaires was distributed to the selected sample (N=400). However, in spite of repeated visits and contacts with the sample respondents, only 213 responses could be obtained with a response rate of 53.25%. Thus, the final sample consisted of 213 eligible responses.

The average age of respondents was 31.40 years (SD of 7.37 years) and average experience was 5.06 (SD of 4.05 years). Out of 213 responses obtained, 73.23% were males and 26.76% were females. Forty-two respondents were from the senior level, eighty-four were from the middle level, and eighty-seven were from the lower level management. The respondents were asked not to mention their names and were assured confidentiality of the data.

The second phase of the study was a qualitative one. One of the top five and one of the bottom five organizations (based on financial performance) were selected for an in-
depth study. A variety of data gathering methods involving unstructured to semi-structured interviews were conducted supplemented by observations, informal discussions, and documentation reviews. Fourteen respondents from different hierarchical levels were interviewed from each of the two organizations selected for an in-depth study. For the sake of reliability, some interviewees were interviewed several times during the research period. Each interview lasted for a period of about one hour. The interviews were tape-recorded with the permission of the respondents and were subsequently transcribed. Detailed notes were also taken in some cases (where the interviewee was not comfortable being taped). Some of the questions in the interview schedule are as follows:

- What factors relating to empowerment inhibit or create obstacles in organizational learning?
- What factors underlying empowerment support or facilitate your organization’s learning capability?
- How are you going to rate your organization on its journey towards learning organization based on empowerment attribute?

Observations and informal conversations were held while spending some additional time in the organizations. After every interview session, extensive notes were taken, which were then formatted into a case description of organizational learning process taking place in these organizations. The names of the two organizations chosen for case studies were disguised for the sake of confidentiality.

Hence, the organizations were named as Net Centre (High learning organization) and Web Centre (Low learning organization). Their profiles are given in Table 1.

![Table 1](image-url)

**TABLE 1. Profiles of Net Centre and Web Centre**

<table>
<thead>
<tr>
<th></th>
<th>Net Centre</th>
<th>Web Centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founded in:</td>
<td>1998</td>
<td>1975</td>
</tr>
<tr>
<td>Employee count:</td>
<td>800</td>
<td>1200</td>
</tr>
<tr>
<td>Nature of business:</td>
<td>Provides systems integration and consulting</td>
<td>Technology development services, application services, designing technology &amp; BPO</td>
</tr>
<tr>
<td>Levels:</td>
<td>SCMM Level 5</td>
<td>SCMM Level 3</td>
</tr>
<tr>
<td>PCMM Level:</td>
<td>World's youngest</td>
<td>No PCMM Level</td>
</tr>
</tbody>
</table>

**Instruments Used**

Two instruments were used for data collection, the details of which are given below.

1. **Organizational Learning Diagnostics (OLD) Scale (Pareek, 1995)**

This is a 23-item scale, which provides a diagnostic insight into the organizational learning practices of an organization. It has a five-point rating scale in the categories ranging from ‘very low or no value’ to ‘very highly valued’. Examples of such items are: “Here
employees are encouraged to experiment” and ‘Periodic meetings, chaired by top senior management are held to review innovations’. The scale’s reliability was assessed through Cronbach’s coefficients alpha. The reliability of study variable is 0.98, which is acceptable (Hair et al., 1998).

2. Empowerment-Readiness Survey (ERS) (Henkel et al., 1993)

The original questionnaire contains 17 items and has six dimensions. The scale is meant to discover an organization’s propensity towards empowerment principles and the degree to which a foundation for empowerment exists. The scale has been standardized for the present study.

Initially the instrument has 17 items grouped into six dimensions. Construct validity has been conducted in the original 17-item scale by factor analysis method. For better interpretation, and to obtain clear loading, the items were rotated using varimax rotation. Items having a loading of 0.5 or more were retained. Thus, 1 item which had loadings less than 0.5 was dropped. The items which had a loading of 0.5 or above on more than one factor, were included in the factor on which they had the highest loading. The final scale has 16 items grouped under three factors: valuing people, information sharing, and decision-making. It has a seven-point scale ranging from ‘strongly disagree’ to ‘strongly agree’. Some items of the scale are ‘Decision-making authority in an organization can be spread effectively to all levels’ and ‘People are an organization’s most valuable resource’. The scale’s reliability was assessed through Cronbach’s coefficients alpha. Reliability of the variable varies from 0.67 to 0.88, which is acceptable (Hair et al., 1998).

Analysis

The data collected through questionnaire was analyzed using the Statistical Package for Social Sciences (SPSS), version 14.0.

For qualitative analysis, the research approach adopted in this study is based on the ‘grounded theory’ methodology (Strauss & Corbin, 1990). This methodology allows researchers to develop a theoretical interpretation of an organizational phenomenon. As defined by Strauss and Corbin (1990), “the grounded theory approach is a qualitative research method that uses a systematic set of procedures to develop an inductively derived grounded theory about a phenomenon”. Through this methodology, the concepts and relationships among them are not only generated but they are also provisionally tested. In the current study, data was analyzed by the open coding method. Open coding is the process of breaking down, examining, comparing, conceptualizing, and categorizing data. It pertains to the naming and categorizing of the phenomena through close examination of data.

The basic analytical procedures by which the data is analyzed are by asking questions about the data and making comparisons to bring out similarities and differences between each incident, event, and other instances of phenomena. Similar events and incidents are labeled and grouped to form categories.
Results

The findings of the study are presented in two parts. The first part describes results of quantitative survey and the second part presents results of the qualitative study.

In order to test Hypothesis 1, correlational analysis was carried out. The result is depicted in Table 2.

<table>
<thead>
<tr>
<th>Study variable</th>
<th>Mean</th>
<th>Standard Deviation (SD)</th>
<th>Organizational Learning (OL)</th>
<th>Empowerment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Learning</td>
<td>47.30</td>
<td>15.97</td>
<td>1.00</td>
<td>0.230</td>
</tr>
<tr>
<td>Empowerment</td>
<td>75.44</td>
<td>10.91</td>
<td>0.230</td>
<td>1.00</td>
</tr>
</tbody>
</table>

N=213

As it is evident from Table 1, there is no significant relationship between organizational learning and empowerment. Hypothesis 1 does not find support and hence is not proved.

To test H2a, H2b, and H2c, Organizational learning was regressed on dimensions of empowerment (Decision Making, Information Sharing, and Valuing People) using stepwise regression method. It is evident from Table 3 that the decision making dimension of empowerment model was significant 0.000 level ($R^2=0.044$). β coefficient for decision making was 0.209 ($t=3.11$, $p >0.000$). However, the other dimensions of empowerment (namely, valuing people and information sharing) did not match the regression equation and were not significant.

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Predictors</th>
<th>Unstandardized Beta</th>
<th>Standardized Beta</th>
<th>$R^2$</th>
<th>F</th>
<th>df</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Learning</td>
<td>Decision making</td>
<td>0.597</td>
<td>0.209</td>
<td>0.044</td>
<td>9.67</td>
<td>212</td>
<td>0.002</td>
</tr>
</tbody>
</table>

From Table 3, it can be found that, of the three dimensions of empowerment, only decision-making emerged as a significant predictor of organizational learning. The other dimensions of empowerment did not enter the regression equation.

This result finds support in the literature (Burnes et al., 2003). They emphasized that empowerment in the form of higher role clarity and higher responsibility for decision-making has helped the sample organization to become a learning organization. Thus, the more the employees are empowered to make decisions, the better the organizational learning.

To test Hypothesis 3, whether high and low learning organizations differ significantly in their empowerment pattern, students’ “t” test was conducted. The results are presented in Table 4.
TABLE 4. Comparison of empowerment between high and low learning organizations

<table>
<thead>
<tr>
<th>Dimensions of empowerment</th>
<th>High LO (N=114)</th>
<th>Low LO (N=99)</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>S.D.</td>
<td>Mean</td>
</tr>
<tr>
<td>Information sharing</td>
<td>41.28</td>
<td>8.66</td>
<td>40.28</td>
</tr>
<tr>
<td>Valuing people</td>
<td>13.64</td>
<td>13.59</td>
<td>2.17</td>
</tr>
<tr>
<td>Decision making</td>
<td>20.78</td>
<td>21.25</td>
<td>5.88</td>
</tr>
</tbody>
</table>

It can be seen from Table 4 that there is no significant difference between high and low learning organization on their empowerment attribute. Hypothesis 3 does not find support from the results. Thus it could be inferred that empowerment has no significant contribution on increasing learning capability of an organization.

This may be attributed to the Indian cultural context, where subordinates tend to feel comfortable in being guided and directed by their superiors. In this regard, Sinha’s (1973) study is noteworthy. His studies have shown that one of the major features of the Indian personality is dependence proneness. Such people were found to be very receptive to the expectation of others, particularly those who served as their role models. So, there is no significant difference as such in empowerment pattern of high and low learning organizations.

Qualitative results

This part of the paper discusses the results obtained from two in-depth case studies. As mentioned earlier, one high and one low learning organization were chosen for case studies. Various data collection methods like interviews, observation, and documentation reviews were used. The interviews focused on understanding how empowerment as an attribute of learning organization affects organizational learning. Non-participant observations technique was employed by being a passive on-looker in various meetings, day-to-day conversations, and in discussions/deliberations. After analyzing data through open coding, all concepts identified were organized in possible categories or main headlines with meaningful labels. New themes were added as the analysis progressed and sometimes categories were reconstituted under different labels. This approach helped to classify different meanings of the phenomenon “organizational learning” and thereby helped to identify the importance of various dimensions of empowerment in defining the extent of organizational learning in a particular organizational context. Table 5 provides an illustration of examples of sub categories that emerged from the data.

The following sections discuss how the empowerment practices are carried out in high & low learning organizations.

TABLE 5. Sub categories of empowerment

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empowerment</td>
<td>Power sharing</td>
</tr>
<tr>
<td></td>
<td>Decision making</td>
</tr>
<tr>
<td></td>
<td>Role-organization fit</td>
</tr>
</tbody>
</table>
The high learning organization (Net Center):
Net centre, a privately held software and services company headquartered in Sunnyvale, California and with operations in US, Europe, and India. Founded in 1998, with venture funding from Goldman Sachs and Walden international, Net centre specializes in providing end-to-end systems integration and consulting services in focused vertical segments, including Securities and Investment Banking, Airlines and Transportation and Technology. It has a base of over 60 clients, and the company employs a team of 800 people.

Power sharing

The points that emerged under this can be labeled as patterns of delegation of authority and nature of authority and/or responsibility.

In this organization, as reported, the extent of delegation of authority depends on competency or on the designation of the employee. If any decision is valuable, it is incorporated even if it comes from the junior level employee. Hence, it is not level dependent, rather different committees are involved in the decision-making. People can go directly and raise issues at any time in the committee. Horizontal sharing takes place. The decision-making stems from the opportunities available to one in the organization, which in turn depends on the type of work one does. The authority and responsibility is commensurate with one’s own initiative and the role one performs as well on the organizational structure, as the organization is an open system. In the sense, the extent of authority or responsibility one takes can be termed here as assumed authority.

Decision-making

The second characteristic pertaining to empowerment is the nature of decision-making. In Net Centre, in order to ensure that learning cuts across everybody and everything, everyone is involved in decision sharing. The interview respondents said decision-making is collaborative and democratic, as “best solution is based on common feeling”. The culture of openness helps, as everyone has the right to voice his/her own opinion. For example, one can walk up to any one and speak one’s mind. Even the decisions taken at higher levels are always made known to all employees.

Organization takes the responsibility to convey a particular piece of information as and when it is modified. Before arriving at a decision, a task force is constituted. Mail communiqué is sent out to all staff. People nominate themselves to be a part of any task force. Then task force members go out and take feedback from other employees and the findings are presented before the senior management. In order to have a representation of all members, a sampling method is adopted. As per the respondent, “communication is more important in decision making”. So, people attend annual planning meets and quarterly meetings. But participation is restricted in the general body meeting. If it is a policy decision, then only the policy committee takes the decision. Even for a small thing like closing the office, discussion with the management team has to be held and
based on this, a decision is taken. If people do not like any policy decision, then suggestions are sought from them and necessary modifications are made.

To a query relating to tackling of disagreement in decision-making, the responses go on as in a team, input is taken from team members and the project manager. Every policy formulated by them is transparent and reason is attached to them. But if any disagreement occurs, then, for technical part in a project, solution is arrived amicably. In the case of issues concerning the organization as a whole, one can go directly to top management (through proper hierarchical channels), and one can disagree.

**Role-organization fit**

Another sub-theme that has emerged from the case study pertaining to empowerment is alignment between one’s role and organizational goal. Most of the time, there is an alignment between one’s job role and the goal of the organization.

But sometimes, one adjusts. As stated by another person, though this organization provides opportunities for alignment, at times, it does not happen, because of which people remain unsatisfied. This may lead to attrition and decline in performance. But generally that does not happen. One respondent said “there is matching of expectations with opportunities”.

It can be distilled from the findings that there is horizontal authority sharing. The extent of delegation of authority is contingent on one’s role and one’s own initiative, which could be termed as “assumed authority”. Open culture has made the decision making more of a participative type. People vent their feelings and simultaneously receive information from the top. This not only helps them in dissolving disagreement or discontentment, but also motivates the employees to learn and relearn. Alignment of one’s role and organizational interest emerged as a new sub category under empowerment. In Net centre, people perceive it in a mixed way. The nature of work, which is not so challenging and quite monotonous, does not become a part of this alignment. Though employees have some negative notions regarding this, they still want to stick to this company because of its culture, which they feel is something unique to this organization.

**The low learning organization (Web Centre):**

Web Centre is one of India’s leading global IT services and product engineering companies, providing value-added, software-led IT solutions and services to large-and medium-scale organizations. Their clientele includes over 489 prestigious organizations in the world, including 56 Fortune 500 companies.

This organization has its presence in 15 countries. Together with their formidable team of high-caliber software professionals, Web Centre has successfully positioned itself at the vanguard of the global IT services revolution. This organization is into technology development services, application services, designing technology, solutions and services that are closely aligned with the needs of the industry, and business process outsourcing. The employee count of this particular unit where an in-depth study was carried out is 1200.
**Power sharing**

The sample respondents feel management is quite open and the roles are very specific. Mostly roles are defined as per authority. People are vested with authority and consequent responsibility to carry out the roles. This authority is a function of capability, maturity, and experience of the person. Thus, power sharing exists. As quoted by one respondent “my role here is to carry out project work and support other consultants and here we delegate, and each one of us knows one’s responsibility very well”. So sharing of power is not only a function of position, but also the job one is into. Participation in meetings is very active and there is collective decision sharing. In case of crucial decisions, a lot of consultation takes place at the committee level. Before taking any final decision at the plant level, prior information sharing takes place and then the final decision is arrived at.

The nature of boss subordinate relationship holds the “key to power sharing”. If the boss is aware of the subordinate’s work, then sanctioning of resources is easy. But this is not consistent throughout the organization.

**Decision-making**

In Web Centre, the decision-making processes are of two types, i.e. one is group decision making and another is at the strategic level. For each group, the senior level manager takes a decision. But enough space has been provided to the junior level employees to take their own decisions in their respective groups. Though at every level, a lot of decision-making is involved, there is checking done by the boss. So employees have quoted it that decision-making is “level specific”, as each level has its own strategy for decision making. While making group decisions, the larger vision of the organization is kept in mind.

In strategic decisions, which affect the whole organization, inputs from lower level are much less. Lots of inputs are taken from the middle management onwards. The organization believes that “they are the key stakeholders within practice”. Generally, corporate decisions taken at the higher level go down to the junior level for implementation. Then they report this back to higher level for final decisions. Thus, as per the respondents, in a project, decision-making is consensus bound and in the case of organizational decisions, it is level bound and always taken by the higher-level people. Team or project decisions are carried out in an informal way, but organization wide decisions involve formalization.

One more aspect of decision-making is final consensus building. Some of the views in this regard are: this organization is like a family. People directly talk to each other. Issues are kept open and are raised by every employee, depending on its fitting into the particular approach and resolution. Employee’s feelings are respected. So, if there is some disagreement, then it is amicably settled by the parties involved.

**Role-organization fit**

This is regarding employees’ perceptions of alignment and contribution of their job to the organizational goal. The employees felt someone who stays for more than two years
would fit into the organization and no conscious effort is needed. The organization provides ample opportunities to improve, to learn, and to enhance personality and growth. If a person still lags behind, mentoring is done in the initial period for six months after joining. This also helps in alignment of the new employee with the organization.

In low learning organization sharing of power, as perceived by employees, is dependent upon capability, maturity, and experience of a person. In this organization, giving inputs and freedom to say one’s opinion make sharing of power quite fruitful. The new sub-theme that emerged is that of boss-subordinate relationship, which is of utmost importance for sharing of power effectively. Decision-making seems to be quite effective within the group, but in the case of corporate decision-making, it is level specific.

Providing enough opportunities and mentorship helps in aligning one’s role with that of organizational goals. At times, this alignment might be restricted to an individual group or team.

**Empowerment pattern in Net Centre vis-à-vis Web Centre**

Eisenhardt (1989) has elaborated methods of doing cross case analysis. According to her, “one tactic is to select categories or dimensions, and then to look for within group similarities coupled with inter-group differences”. According to Bourgeois and Eisenhardt (1988), the categories may be for example: founder run vs. professional management, high vs. low performance, first vs. second generation product, and large vs. small size.

Using this procedure, if we compare the two learning organisations on their empowerment pattern, the following trends emerge as mentioned in the table below:

**TABLE 6. Comparison of two low and high learning organizations on the Empowerment attributes**

<table>
<thead>
<tr>
<th></th>
<th>Net Centre</th>
<th>Web centre</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power sharing</strong></td>
<td>Competency and role rather hierarchy based.</td>
<td>Capability and role – based rather level specific</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Depends on nature of boss ~ subordinate relationship.</td>
</tr>
<tr>
<td><strong>Decision making</strong></td>
<td>Collaborative and democratic decision making at group as well as at organizational level</td>
<td>In the case of group decision making it is consensus bound but at corporate level, decision making is hierarchical as very little input is taken from the junior levels. Disagreement is amicably settled by the parties involved.</td>
</tr>
<tr>
<td></td>
<td>In case of disagreement, solution is arrived amicably. One can go to the top management directly.</td>
<td></td>
</tr>
<tr>
<td><strong>Role - Organization fit</strong></td>
<td>In most cases, alignment between one's job and organizational goal is noticed though some exceptions are there. In such circumstances, one makes adjustments.</td>
<td>The organization provides ample opportunities to improve, to learn, and to enhance personality and growth. If a person still lags behind, mentoring is done in the initial period for six months after joining.</td>
</tr>
</tbody>
</table>
The study tries to compare and contrast empowerment pattern of one high and one low LO thereby outlining the ‘enablers’ and ‘inhibitors’ as follows:

<table>
<thead>
<tr>
<th>Enabler</th>
<th>Inhibitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic decision-making</td>
<td>Team/Group bound decision-making</td>
</tr>
</tbody>
</table>

**Discussion**

According to Strauss and Corbin (1990), “one might use qualitative data to illustrate or clarify quantitatively derived finding” (p. 19). Further, the importance of combining qualitative and quantitative data has been described by Jick (1984) as follows:

“The process of compiling research material based on multi-methods is useful whether there is convergence or not. Where there is convergence, confidence in research grows considerably. However, where divergent results emerge, alternative, and likely more complex, explanations are generated”.

Therefore, an attempt has been made to highlight the relationship between the empowerment and organizational learning by integrating both the quantitative and qualitative findings.

The findings of quantitative analysis throw some light on the importance of empowerment for organizational learning. Decision-making was found to be a predictor of organizational learning. However, a comparison of high and low learning organizations shows there is no difference in empowerment between these organizations. Results of qualitative analysis also show more or less similar trend in the sense that high and low learning organizations differ only in their decision making pattern. In Net Centre (high learning organization), there is people involvement across all levels in decision-making, whereas in Web center (low learning organization), decision-making is restricted to only work groups/teams.

The findings of the study can be summarized as follows:

- Although one factor of empowerment (decision making) can be considered to be a necessary attribute of learning organization, its presence may not guarantee increase in learning ability.
- Empowerment can have some contribution to learning capability provided decision making is not restricted to any particular group and employees at all levels are involved.
- Boss-subordinate relationship emerged as the “key to power sharing”.

**Interpretation of key results**

The findings of this study are somewhat similar to the existing literature. Some literature (Burdett, 1991; Hill, 1996; Goh, 1998; Jamali et al., 2006, etc.) support the fact that empowerment is an important attribute of a learning organization. The current research established similar support from one angle, in the sense that empowerment in the form
of decision making does act as an attribute of a learning organization. Two important sub-themes that emerged from the qualitative study are role-organization fit and boss-subordinate relationship. Regarding role-organization fit, similar results are reported by Dymock (2003). For a learning culture, empowerment in the form of role clarity mixed with responsibility is necessary in an organization. The key to power sharing is the boss-subordinate relationship. If the boss involves himself in daily activities of the subordinate, i.e. becomes a co-learner, power sharing will be smooth in a learning organization. Similar notion has been cited by Schein in an interview with Coutu in 2002 issue of Harvard Business Review, which is “when leaders become genuine learners, they set a good example and help to create a psychologically safe environment for others.”

In answer to previously sought research question ‘what is the role of empowerment in an organization’s learning capability’, the result barely found any positive association between empowerment and organizational learning capability as has been discussed earlier that no such difference exists between high and low learning organizations.

The findings of the study can be reinforced by some existing literature like:

- Current HRD practices in the form of excessive individualization and empowerment lead to ineffective organizational learning (Gvaramadze, 2008).
- Dymock and McCarthy’s (2006) in their study observed that the “empowerment” dimension had not yet been fully realized. This was indicated by the fact that this aspect received the lowest rating of the seven dimensions in the DLOQ by Marsick and Watkins (2003). There was also ambiguity in the operation of project teams, suggesting that there may be a fine line between employees being able to exercise initiative and feeling supported by the organization to perform their roles effectively.
- If we look at the nature of work the Indian IT sector employees do, it is project based work which has been outsourced by other organizations. In a project, the project leader or team leader is the person who takes charge of the project. Other persons are dependent upon him/her. So, the leader may personify authority, since as reported earlier, boss-subordinate relationship is considered to be important characteristic of decision making. It may be that in the presence of the manager or leader, employees tend to hold back and expect managers to take charge. When they are absent, employees experience an authority vacuum which no-one feels empowered to fill (Field, 1997).

The same has been cited earlier that Indian culture is dependence-prone (Sunhat, 1973).

So the role of culture needs special attention in this regard.

**Limitations of the research**

Despite various efforts by the researcher, the study is not devoid of limitations; the sample of the study is restricted only to the National Capital Region of India. Some regional and cultural biases might exist; therefore, the sample may not be a true representation
of Indian IT organizations. Because of the nature of industry, many other IT organizations could not be accessed. The IT industry is vulnerable to employee poaching, that is why probably there is lack of sufficient trust on any outsider coming to the organization for research. The sample was restricted only to IT industry. A comparative study with other sector(s) might have refined the findings. The study confined itself to examining specific factors of empowerment. Other factors of empowerment, which may influence organizational learning, could not be included in the study. The new attributes emerged in qualitative findings need to be tested empirically so that a comprehensive understanding of role of empowerment in learning organization may be possible.

Future research should consider the dynamic interplay of success factors over time. It is important to replicate this study in other types of organizations and industries, so that industry specific practices may be identified.

**Conclusion and implications of the study**

The study has offered support for the notion that though empowerment can sometimes act as an attribute of a learning organization, its mere presence may not necessarily boost learning capability of an organization. The existing literature to some extent holds good in the Indian context. The result of the study enhanced our understanding of empowerment’s role towards creation of a learning organization.

IT sector which is emerging as a major driver of the Indian economy thrives on skilled manpower. But, it seems all is not well from the skilled manpower front. In this context, National Association of Software and Service Companies (NASSCOM, 2006) reports that although India contributes a significant 28 percent to the total talent pool of knowledge workers globally, it will be besieged with a severe skill shortage of 5,000,000 knowledge workers by 2010. One of the major issues faced by these companies relates to the people issue as this industry is run by the mind rather than the hand. Though there is no doubt about the individual skills, it is the “project management skills” that deserves special attention. As reported by Tschang (2001), many firms are weak in project management skills because such professionals are hard to retain. High attrition rate is reported at middle management level, where people leave their parent organizations to learn and accumulate knowledge from other firms. Hence, the need of the hour is to understand and develop people to maintain an organization’s Human Resource (HR) in the augmentation mode. Promoting learning culture which is quite open and transparent, as reiterated in the study, could help achieve its objective. This will boost employee morale and motivate them for future growth.

IT organizations generally operate in a volatile environment where change is quite rampant. So, the onus of successful coping lies on the leaders, in the sense how they guide and direct their subordinates in this regard. Therefore, coaching and mentoring carry a lot of value for motivating juniors to overcome their everyday stress and anxiety. For the leaders, it is essential to maintain a high level of team spirit and simultaneously encourage intra and inter team/group interaction and learning. In order to help the
team to perform well, the superiors need to act as co-learners, which is a finding in the current study.

The study provides useful insight regarding the relationship between empowerment and organizational learning in the Indian context. In this regard, HR professionals have a critical role to play in identifying and developing knowledge workers. Ellinger et al. (1999) have stressed upon the fact that human resource developers could become a part of the learning organization infrastructure. The strategic intent of HR management should be to ensure that organizations always have the core human competence required to execute their core competencies. So, in the present context, where the IT industry is facing stiff competition, with high rate of turnover, burgeoning of multinationals, there is an urgent need to develop human resources.

Management can use some of the findings of this research to diagnose current strengths and weaknesses of organizations and develop strategic actions in making an organization a learning organization.

From future research point of view, the current findings pose some questions which need to be explored or addressed.

- This study reveals that there is hardly any relationship between empowerment and organizational learning capability. The presence of empowerment attributes does not guarantee increase in learning capability. So this research comes close to suggesting an alternative understanding of the internal conditions, i.e. organizational culture of the learning organization.

- There might be differences in research findings carried out in Western and Asian countries. This fact needs to be explored in future studies.

The study has quantitatively and qualitatively extended the existing research on organizational learning by studying empowerment and organization learning as well as comparing high and low learning organizations.

This research has contributed to the normative perspective of learning organization and provides some empirical evidence to support the existence of a potential archetype that has managerial implications. Studies like this make an effort to demonstrate the value of regular evaluation of learning organization concept in terms of recognizing strengths and weaknesses within the learning system to defy the thought that learning organization is a myth.

References


NASSCOM report (2006), www.nasscom.in


