THEORETICAL SUBSTANTIATION OF EMPOWERING ENVIRONMENT AS A CONDITION FOR SUCCESSFUL COMPETENCE DEVELOPMENT

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ABSTRACT

The analysis of the empowering environment as a condition for successful employee's competence development is highlighted in the article. The article consists of three main parts. In the first part the concept of competence is described and the model of competence development consisting of five stages is presented. Special emphasis on non-formal and informal competence development is done. In the second part of the article the notion of empowering environment is analyzed. Following characteristics of empowering environment are distinguished in this part: autonomy, responsibility, acceptance of failure, involvement and participation, access to resources, empowering leader, and appropriate rewarding system. The third part is aimed to relate two theoretical concepts – competence development and empowering environment and on the basis of the latter to substantiate the importance of empowering environment for successful competence development.

Key words: *competence development, empowerment, empowering environment*

JEL Classificiation: *D23 (organizational behavior), J24 (human capital, skills), M12 (personnel management), M53 (training), M54 (worker empowerment, job design)*

1. INTRODUCTION

In contemporary knowledge and information society knowledge rapidly gets out-of-date and the requirements for employee's competence constantly change and increase. For successful performance organizations need to have highly motivated competent employees. Moreover, employees have to realize the importance of continuous learning and have to be responsible for their competence development. Therefore, organizations are prompted to create the conditions not only for continuous competence development of their employees but for their intrinsic motivation to involve into the lifelong learning process.

The research literature has dealt with a great number of issues concerning the employee's learning and increasing competence in organization. The scholars in human resource management especially discuss the topics related to employee's competence development: Bjurklo, Kardemark, 1999; Bowden, 1997; Usher, Bryant, Johnston, 1997, Noon, Blynton, 1997; Thomasson, 1999 and others. Nevertheless, there is insufficient attention to such management solutions that help to facilitate competence development. One of such solutions can be establishment of empowering environment in organization the model of which I validated in my doctoral theses in 2002. Therefore, the original ideas of empowering environment were developed in higher education context. It was proved that empowering environment in higher school fosters deep approach to learning and enhances students' motivation (Lipinskiene,2004).

Question is if empowering environment (the model of which was validated in doctoral theses) has positive effect in the context of human resources management? "Organizations must be successful at what they do, and they must learn lessons from their actions in order to stay successful. In other words, organizations must become learning organizations as well as empowering organizations" (Carr,1994:43).

From this point of view, empowerment and establishment of empowering environment in organization become crucial when coping with changes in their environment that leads to necessity acquire new knowledge, new skills, ability to react and adapt, new approaches and values. In one word, it leads to the necessity to acquire new competence. Does empowering environment facilitate acquiring new competence?

So, my *aim* is to answer to the question "Does empowering environment facilitate the development of competence?" In this paper, the theoretical framework of my future research will be presented.

In order to answer to this question it is necessary to *highlight the interplay of two concepts: employee's competence development and empowering environment.*

In order to accomplish the aim of the paper literature study as one of the qualitative methods was used. The usage of this method allowed bringing into light causal, functional and structural relationship between concepts of competence development and empowering environment.

2. THE NOTION OF COMPETENCE DEVELOPMENT

The result of competence development is competence change. As literature study (Bjurklo, Kardemark, 1999; Bowden, 1997; Usher, Bryant, Johnston, 1997, Noon, Blynton, 1997 and others) shows, there is a common agreement that competence is all the forms of knowledge possessed by the staff, their skills and ability to put skills and knowledge into action. If competence is all forms of knowledge and skills that lead to person's ability to do something, so competence development should be aimed to increasing of this ability to do things *better*. According to Bjurklo, Kardemark (1999), Slenning (1999), Pipan (1998) and others, new competence is not only the managing of certain factual components or new information, but also an ability to adapt to changing values, changing circumstances, and the ability to learn and re-learn.

All understandings of concept of competence development can be viewed from to perspectives. On one hand, competence development can be perceived as giving staff the opportunity and motivation to acquire, retain and develop the skills required to meet varying situations and solve their tasks in the best possible way. Changing the competence occurs through staff training (Bjurklo, Kardemark, 1999:69). Thus, competence development can be achieved through employee's learning. In this case competence development *can be related to non-formal competence development*, which is systematic in nature, managed by training (teaching) staff.

From another point of view, competence development can be perceived as exchange of personal knowing, activity experience and understandings while reflecting on them and discussing them. In this case

it can be related to *informal (self-directed) competence development*. Here course of competence development depends on worker's initiative and learning motivation, his skills of reflection and inquiry. Aiming to develop hi competence employee should reflect on the following questions: *"Why do I perform my work actively? What my personal knowledge, skills, personal traits let me to effectively perform my work? What should I improve? What competence do I lack? How should I perform my work more effectively? How should I achieve this?"*, etc.

So, competence development can be achieved through employee's learning and reflection.

Thomasson (1999) created model for competence development in the frame of organization, which consists of several phases.

Phase 1 - the needs analysis - begins with a survey of the overall competence requirements of the unit both at present and in a longer perspective. After that, the needs of the teams are considered.

What are the competencies managers hope to see fostered? According to Thomasson (1999) competence involves these components:

1. Basic competence, is the general competence that everybody in the organization should possess irrespective of profession, position or duties? This may relate to the history of the organization, its business concept and goals, and knowledge of its role in the community in general. Basic competence also includes knowledge of the control mechanism and where decisions are taken and responsibility lies, the quality assurance system, customer groups and the culture and reputation of the organization. Everybody should have a basic awareness of the importance for the organization of quality in the work, of having an understanding of the customers and their needs and of being able to see the situation from the standpoint of the customer.

2. Professional competence, it comprises various areas of knowledge, some specific to the profession, other shared with other groups. It includes being able to think in new paths and implement change, the ability to describe, explain, present and inform others, i.e. having pedagogical ability when working in social insurance office.

3. Creative competence, it entails being flexible and being able to adapt to the current situation and find solution to the problems that have arisen, showing initiative and being able to promote new ideas and accept change. It is also the ability to deal with critical incidents.

A critical incident is a special, problematic, sensitive or unpleasant incident that places special demands on both staff and the organization as a whole.

4. Result competence, it is a matter of being aware of and understanding the objectives of the business and the expected results. This involves being able to evaluate one's work and understanding the importance of one's works for the organization as a whole, both economically and in terms of results. It is also a matter of having insight into the organization's economic situation and of understanding of the work of certain organization in national economic terms.

5. Social competence. It is required in all situations where individuals interact. It entails being able to co-operate and collaborate with other people and to operate in and take responsibility for the social environment in which the work is to be carried out. Social competence also involves the ability to listen, to tolerate and accept opposition, to yield and to resist. Knowledge and understanding of how people function individually and in groups is also essential. All this valid for external as well as internal relations (Thomasson,1999:96-97)

Phase 2 - inventory of existing competence - is to provide a picture of the existing and potential competence (basic, professional, creative, etc.) in the unit, in all teams and of each individual. An inventory is drawn up to provide a picture of the present level of competence in respect of individual, team and unit levels.

In *phase 3* the competence need and goals are compared with the actual capabilities of the staff. A comparison between the outcome of the need analysis (phase 1) and the inventory of existing and potential competence (phase 2) can reveal a gap and a need to raise the level of competence within the unit, team or individual.

The *career development discussion* in all phases of the model except for phase 1 has the fundamental role in this process. Engquist (1994) used the term career development discussion and defines it as 'a prepared, regularly occurring discussion between a manager and a member of their staff with the purpose of developing the individual and the business, which takes place in an atmosphere of reciprocity' (Thomasson,1999:97).

One of the objectives of a career development discussion is to determine the individual's view of his own competence but this should

be complemented with the experiences and observations of the unit manager. On the basis of the career development discussions, the unit manager can consider possible changes in the composition of the teams together with his staff.

Therefore, during the course of discussion the two parties should examine current situations and try to reach a joint assessment of the capacity of the worker to handle them.

In *phase 4* development plans that express what needs to be altered can be designed. Here the career development discussions are of particular significance.

Phase 5 involves determining when and how the development plans will be concretized and implemented.

According to this model, both the manager and the worker should carefully study the descriptions of the competence goals and attempt to assess the capacity of the worker to cope with these situations in relation to his or her particular duties in the work team. During the course of the discussion, the two parties should examine current situations and try to reach a joint assessment of the capacity of worker to handle them. The worker should first estimate their own capability for dealing with these situations and then the manager will give his view of how the worker functions in them. If they do not agree, then it is necessary to find out why and to determine what is the true state of affairs. If the conclusion is that the worker does not have sufficient competence to deal with a certain situation, it must then be decided *what* is needed to raise the employee's level of competence. The next steps are to determine *how* this is to be achieved and *when.*

Assuming all this it is obvious that the individual's ability to handle the demands is dependent on his competence (skills, values, knowledge, engagement willingness to reflect, etc.). On other hand, it is important to mention that the possibility for employee to use his competence depends on the organizational structure he is in, the tools that are at his disposition, the people he works with and the networks he is a part of. Consequently, it means that competence and its development is not just within the employee. It is also built in the conditions of the situation. *The question is - if these conditions foster or give power for competence development or not?* What conditions foster competence development? One of such conditions, as I mentioned, can be empowering environment created within organization.

3. THE NOTION OF EMPOWERING ENVIRONMENT

Kottler (1995) claims that the benefits that can be derived from empowerment include worker commitment, quality products and services, efficiency, responsiveness, synergy (Lashley,1995). Empowerment is meant as creation of proper environment, which increases individual's confidence and encourages him to develop his knowledge and competence. Empowering environment gives a learner learning power. In such environment learner's autonomy and responsibility for the results of his activity allows to control his learning process; the toleration of failure, emphasizing of reflection, self-control and self-evaluation gives a possibility to learn from mistakes, fosters the belief in his power and keeps up the motivation of qualitative learning. Thus, empowering environment has influence on success of every learner's competence development (Lipinskiene, 2004, 2005). Three groups of conditions must be created in such environment:

1) *competence* (include not only employee's competence to fulfill the task but also leader's competence to ensure adequate workload, assessment, formulate tasks clearly, give feedback, his decision making skills, etc.),

2) *material* (according to validated model workplace must be comfortable and satisfy needs, ensure accessibility of resources necessary for effective work, etc.)

3) *psychological* (include positive climate based on parity of leader-employee relationship, collaboration, etc.).

When these conditions are established, the environment, which can be characterized by characteristics of empowering environment, can be created. The analysis of scientific literature (Cornwall, Perlman, 1990; Glinskiene, Lipinskiene, 2004; Hiemstra,1996; Usher, Bryant, Johnston, 1997; Fielding, 1997 and others) allows concluding that empowerment is accomplished by attempting to structure organizations so that workers have following:

1. *Mastery* and *autonomy* over their realms, their ideas, and their products.

2. *Responsibility* for decisions associated with education, life or job is emphasized.

3. Opportunity to take control over their work and to be involved. The magic of worker *involvement* is that it allows individuals to

discover their own potential – and to put that potential to work in ways that are more creative.

4. Easy *access to information and other resources* needed. Here material conditions play important role: they require creating environment that will be at least comfort and satisfy needs, ensure the accessibility of resources needed for fulfilling the task, the modernity of working means.

5. *Acceptance of failure* is emphasized. Workers have no fear to be punished for failure. This means that failure itself is not punished. 'Mistakes teach us lessons; we learn from failure' (Cornwall, Perlman,1990:92).

6. *Empowering leaders.* Contemporary approach to learning argues that mistakes are the learning possibilities. Learning from mistakes helps to take responsibility and never repeat them in future. Consequently, leaders should encourage the employees to openly discuss their failures and, in turn, should not blame and punish them for mistakes. Moreover, striving to motivate employee to learn and empower him to act it is important to ensure that he gets clearly formulated and presented goals as well as adequate workload and qualitative feedback. Leader has to be competent in choosing job evaluation methods, creating positive climate, parity of relationship. Also he has to be able ensure organization in which there are clearly articulated and well understood culture, mission, structure, boundaries, and ground rules that give empowered workers the framework within which to act productively. This characteristic of empowering environment also includes given autonomy and responsibility as well as employee's involvement.

7. *Appropriate reward system* that has to be clear, simple, specific, fear and valuable by the worker.

Assuming all this we can state that if conditions mentioned above are created in organization, the empowering environment is supposed to be established.

What is the role and importance of empowerment in competence development? How these two concepts interplay? This will be analyzed and discussed in the next part of this article.

4. THEORETICAL SUBSTANTIATION OF INTERPLAY OF EMPOWERING ENVIRONMENT AND COMPETENCE DEVELOPMENT: DISCUSSION

On one hand, as it was mentioned above, *competence development* occurs through staff training and that competence development means giving staff the opportunity and motivation to acquire, retain and develop the skills required to meet varying situations and solve their tasks in the best possible way. On another hand, *empowering environment* gives the opportunity to learn, particularly to learn from experience and failures. Thus, the importance of empowering environment and its effect on competence development becomes obvious.

The best way to show the role of empowering environment in competence development might be breaking it down into characteristics and putting them into matrix where these characteristics are possessed in the horizontal axis and phases of competence development - in vertical axis (Click here to see Table 1). Here phases of competence development are unified into two groups – the first one stresses on process of establishing the gaps and development plans, in other words, it includes first four phases of the model presented above. The second one deals with process itself - the stages of implementation and competence development as learning process (5 and 6 stages). The results of interplay of competence development and empowering environment are possessed in cells of matrix.

A2 cell. Autonomy as characteristic of empowering environment is very important in competence development. *Freedom to choose goals, means, and methods of competence development leads to the finding of the best way to learn and act.* Autonomy means the matter of removing distractions from a learning process whose goal is the acquisition by the learner of new knowledge and skills. As Ramsden (1996) states, perceptions of choice over how to learn and of control over which aspects worker may focus on are associated with high quality learning. This is very important in the stage of development plans implementation. From this point of view, in the next stage (competence development as a learning process), learners appear to have control of the learning process – the goal is clear, measurable and relevant, the learning process straightforward and flexible; they can work at their own pace and according to their particular circumstances.

B1 cell. Responsibility is important when development plans are created. From this point of view, individuals have primary responsibility for planning, implementing, and even evaluating the effort. Individual

learners can become empowered to take increasingly more responsibility for various decisions associated with the learning endeavor (Hiemstra,1996). *Determining what and how they want to learn,* workers develop some of the confidence and skills needed for collective action taking. They acquire additional capabilities by participating in activities that strive for integration of reflection and action and from methods, which promote self-reliance. *Thus, the transfer of responsibility from manager to worker leads to increasing of confidence and decision-making skills.*

All described above set the process of empowering into motion, sustain its momentum, and can be possessed in the *cell B2* as well.

B2 cell. Workers must be given responsibility over their decisions and subsequent actions, and made similarly accountable (Fielding,1997). Increased responsibility leads to experience in new domains of action and speech. This, in turn, causes new work competencies to develop and eventually to change the way people view themselves. Workers learn that they are more capable than the organization or their background had led them to believe. They learn there is a great deal they can do well, and this process raises their level of confidence. *Thus, the transfer of responsibility from manager to worker leads to increasing of confidence.*

D1 cell. *Because people do not fear to show mistakes, the determining of gaps between needs and real situation* (defining gaps of existing and required competence) *becomes easier.*

D2 cell. Better learning (and competence development) can be enabled and fostered if focus on future success and strengths rather than on past errors and weaknesses is emphasized. Moreover, as Ramsden (1996) states, genuine learning requires an atmosphere of trust and an absence of fear. It means that in the process of learning, which leads to competence development, it is very important to see mistakes as learning opportunities. There cannot be the room for fair. It is also important that creativity is encouraged by rewarding receptiveness to new ideas rather than discouraged by punishing incorrect procedures (Fielding,1997). Consequently, workers must have the freedom to exercise creativity, to explore new approaches, and to display entrepreneurial skills without fear to fail. Acceptance of failure as one of the characteristics of empowering environment meets those requirements by creating *conditions for experiments and learning from experience* and *learning from each other is facilitated and fostered.*

E1 cell. According to Ramsden (1996), in the empowering and working environment leaders invite comment and consult on goals and plans rather than not sharing goals and plans - only solutions and requirements, which leads to non-working environment. Participation in creation of competence development plan provides with opportunity to discuss the needs, expectations, goals of both parts – individual's as well as organization's. This can lead to *creation of the most suitable competence development plan.*

E2 cell. Literature analysis allows stating that employee's involvement and participation as characteristics of empowering environment embody important role in competence development. According to Kornbluh, Greene (1989:260), 'the longer participants extend *involvement*, the more they come to understand. The more they understand, the more motivated they are to continue to act. The more they continue to act, the more proactive they are able to be. The more proactive they are able to be, the more they further their skill and effect. The more they sense their skill and effect, the more likely they are to continue'. This means that competence development is supposed to be continued.

Participation is powerful elixir. It not only makes people feel better, but also improves individual and organizational performance. French, Bell (1990:93) say, that strategy of empowerment is 'getting everybody into act'. Participation is not restricted to 'elites' or 'the top people' only. It is extended broadly and deeply into organization. Involvement and participation in affairs provide worker with an opportunity to energize greater performance, release latent knowledge and skills, produce better solutions to problems, enhance acceptance of decisions. Fieldman (1997) argues that participation means that an organizational climate which encourages workers to become actively and willingly engaged in their jobs, must be fostered and to care about improving their daily work processes and relationships. Here the importance of empowering leader emerges (possessed in 'H' column).

Moreover, when people are involved and have opportunity to participate in organization's activities and affairs, they develop in themselves pride in workmanship, self-respect, self-reliance, and a heightened sense of responsibility (Cornwall, Perlman,1990). All this lead to *facilitating learning from each other* and *better solutions to the problems, which can emerge in the process of competence development.*

F2 cell. *Relevant data, access to demanded resources makes the process of learning easier* As Ramsden (1996) points out, attempts to minimize distance between rhetoric and behavior rather than people

manipulated and made to feel incompetent by hidden deals and secret messages, are important in working, or empowering environment. Access to information – in a devolved decision-making environment, means that there must be open and speedy access to relevant data (Fielding,1997).

H1 cell. One of the objectives of a career development discussion (which is the part of competence development model) is to determine the individual's view of his own competence. During the course of discussion, a joint assessment of the capacity of the worker has to be reached. Here the importance of empowering leader becomes obvious. The role of an empowering leader or 'enabler' emerges as one critical element. He helps people overcome inhibitions, myths, and feelings of inadequacy. He creates ambience of trust, helps to make apparent what the participant already knows and can do, and what else needs to be discovered.

H2 cell. In adult learning a 'teacher' with a content plan for learning gives way to an enabler or facilitator of learning – one who plays 'the role of designer and manager of processes and procedures that will facilitate the acquisition of content by the learners. Knowles (1984) says, that the enabler establishes a climate of mutual respect, collaboration, mutual trust, supportiveness, openness and authenticity, and involves the participants in processes of mutual planning, diagnosing their own needs, formulating their objectives, designing learning plans and evaluating their learning (Kornbluh, Greene,1989:265). Thus, the role of empowering leader in competence development is *facilitating gaining of new knowledge and skills.*

Furthermore, leader has to be competent to give feedback. As literature study showed, feedback, which tells about progress and regress, is integral to effective learning, consequently to competence development. Feedback is needed for identifying gaps, making competence development plans as well as in the process of competence development. Assessment without feedback is of limited value. Feedback should be including bad news as well as good. According to Ramsden (1996), high quality feedback encourages persistence and reflection on how to improve. Excellent feedback is critical to successful learning. Thus, this feature of empowerment - feedback (from enablers and peers), encouragement from early small successes, and learning from failures – all are important ingredients in continued involvement and in sustaining development. In one word, *feedback provides with*

information, which is important for persistence and reflection on how to improve.

I2 cell. *Appropriate and adequate reward system motivates better performance and willing to act in different ways, seek for better solutions.* Recognizing the opinion of worker and rewarding the achievement, motivates rather than de-motivates for better performance, learning and competence development.

Basically, the role of empowerment can be revealed in a number of stages through which this process occurs. First, people develop an initial awareness that they can take action to improve their lives and acquire some skills to enable them to do so. Then through taking action, they experience a loss of impotence and increase their confidence. Finally, as their skills and confidence continue growing, people work together to exercise greater influence over decisions and resources with affect their welfare (Kornbluh, Greene, 1989). It means that the development of competence continues and changes in competence occur.

Moreover, the process of competence development is never completed. Therefore, the model of competence development must be changed over time and adapted to changes in the outside world. The process is continually disrupted by changes in conditions and new demands. However, it must not be halted although it may be changed and delayed. Thus*, empowerment never stops.*

5. CONCLUSION

Literature study and discussion presented above shows that empowering environment offers more opportunities to learn and reflect, which means to develop competence, because an empowering leader fosters acceptance of failures, supports active involvement and participation, gives more autonomy and responsibility, ensures easy access to resources necessary for successful competence development.

Moreover, literature study shows that 'empowerment' in workplace is both a crucial and sensitive issue. It is difficult to be critical about empowerment. Even if we are skeptical about the role and importance of empowerment, nevertheless, it is difficult to deny that to become competent or more adaptable is to become more empowered.

In the article theoretical reasoning of effect of empowering environment on competence development was presented. Further research will be aimed on gathering empirical data in order to substantiate the positive effect of this particular environment on competence development in the context of human resources management.

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Table. Interplay of competence development and empowering environment

	Autonomy	Responsibility	Acceptance of failure	Involvement and participation	Access to information, resources	Empowering leader	Reward system
	A	**B**	**D**	**E**	**F**	**H**	**I**
group 1 phases 1,2,3,4	,	Increasing confidence and decision making skills	The determining gaps becomes easier	The design of the most suitable competence development plan for employee		Helps to clarify what employee knows and what is needed to be discovered	
group 2 phases 5 and 6	Opportunity to find the best way to learn and act	Increasing confidence Experience in new domains of action	Mistakes are seen as learning opportunities Facilitating learning from each other Conditions for experiments and learning from experience	Better solutions to the problems Employees develop pride, self-respect, self-reliance Possibilities to learn from each other	The process of learning becomes easier	Facilitates gaining new knowledge and skills Provides information for persistence and reflection on how to improve	Motivates learning, better performance and willingness to act in different ways and to seek for better solutions