

How a Western Management Concept is Transferred to Korea: The Case of Empowerment

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By focusing on empowerment, this paper tried to find out how a Western management concept is transferred to Korea. Like other countries throughout the world, empowerment is getting more popularity in Korea. However, it is understood and implemented differently by different organizations, and even treated as a one-time fad already. Thus this paper tried to find out how popular it is, how and when it was introduced, how it is understood and practiced, and its effects in Korea. A questionnaire was sent twice (in 1995 and in 1998) to 170 Korean and foreign organizations in Korea to find out the changes that occurred during the three-year period. Despite its popularity in Korea, empowerment is not applied much in Korea yet. However, the number of the organizations applying it is expected to increase sharply within few years. Results showed that academics and foreign organizations had a strong influence on the diffusion and application of empowerment in Korea. It was found that there are three distinctive approaches to understanding and implementing empowerment in Korea: authority delegation, power and performance increase, and self-development approaches. Authority delegation approach is still the most popular one, but its popularity is decreasing. On the contrary, the popularity of power and performance increase approach has increased much within the three-year period studied. Although the proportion is still small, self-development approach is expected to gain much popularity soon.

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Introduction

A long debate on the issue of cross-cultural transfer of management concept has been going on since the 1960s. Most of the foregoing research on the issue can be classified into two types of study: the transferability of American management concept to other (mainly the developing) countries

since the 1960s (Gonzalez and McMillan, 1961; Cranch, 1974; Jaeger, 1990; Fan, 1998) and the transferability of Japanese management concept to both the developed and the developing countries since the 1980s (Schonberger, 1982; Fukuda, 1983; Ishida, 1986; Ho, 1993; Autenrieth and Pfeiffer, 1995). The problem of cultural restraint was indicated in almost all of the foregoing studies. Furthermore, with the

economic success of Asian countries in the 1980s, some researchers have paid interest to the management styles (or concepts) practiced in the Asian countries (Yoo and Lee, 1987; Hofstede and Bond, 1988; Lie, 1990; Putti, 1991; Chang and Chang, 1994). Therefore, the issue of universality versus indigenoussness has evolved (Kanungo and Jaeger, 1990; Gopinath, 1998; Warner and Ying, 1998).

However, with the booming of American economy in the 1990s and the eruption of the financial crisis in the East-Asian countries in the late 1990s, the universality of the American management concept suddenly became pervasive and once-emphasized Asian values (Chiang, 1998; Fukuyama, 1998; Wong, 1999) subsided in most part of the Asian countries. Nobody knows for sure whether this is a temporary or a permanent phenomenon. More study is needed for the issue of universality versus indigenoussness to be concluded. The conclusion, however, is not important. In fact, the conclusion would never be reached. What is important is to find out how a helpful management concept can be transferred successfully from the originating country to other parts of the world. There is a dearth of study on how the transfer actually occurs. Therefore, by focusing on the concept of empowerment, this study tries to find out in detail how a Western

management concept is transferred to Korea.

Literature Review on Empowerment

Empowerment has become a popular buzzword since its introduction to the field of business in the 1980s. Thus the 1990s have even been called the "empowerment era" (Hardy and Leiba-O'Sullivan, 1998). "Business gurus and CEOs alike have taken the term to heart as being the new saviour of organizations experiencing problems or wanting to achieve success" (Sinclair and Collins, 1992, p. 18).

Webster's Ninth, which defines it as "to give official authority or legal power to," places its origin in 1648. So empowerment is not a new concept. What is new is the widespread desire to apply it in the modern corporate world--the idea of pushing a considerable amount of decision-making authority down the management hierarchy to the workers who physically make and deliver the organization's product and services (Holpp, 1994). Like this, although the concept of empowerment encompasses both relational and motivational constructs, most management researchers preferred to use empowerment in the sense of delegation rather than in the sense of enabling

(Conger and Kanungo, 1988).

However, when looking into the details of the foregoing research works of empowerment, the construct of empowerment has been used in a variety of ways for a variety of purposes with little consistency (Spreitzer, 1997). For this reason, Zimmerman (1990) calls empowerment an enigma.

A basic level of consistency in defining a popular construct is necessary for the construct to be meaningful and useful for both academic and practitioner purposes. The lack of a common understanding exacerbates potential for confusion and conflict as people behave according to different meanings of the construct. For example, if the concept of empowerment held by the management (or CEO) of a company is different from that held by the employees (e.g., 'employee downsizing' in contrast to 'more decision making latitude and input into organizational decision making'), then the top management's approach to empowerment would actually be experienced as disempowering by the employees. (Spreitzer, 1997, pp. 32- 33)

In practice, confusion and conflict actually occur a lot due to the lack of consistency in how the term is being used. Therefore, Holpp (1994) argues that "it would be hard to find a business buzzword that has come on the scene so fast, held such promise, and gotten a bad name as

quickly as the concept of empowerment" (p. 40).

Many writers argued that the concept of empowerment should not be limited to the delegation of authority to the lower layers of the organization. Ford and Fottler (1995) indicate as follows:

The concept of empowerment is something broader than the traditional concept of delegation. The purpose of employee empowerment is not only to ensure that effective decisions are made by the right employees but to provide a mechanism by which responsibility for those decisions is vested in individuals and teams. (p. 22)

Although Ford and Fottler (1995) define the concept of empowerment broadly, their definition is still limited to the perspective of a transitive verb. On the contrary, there are many people who emphasize the perspective of intransitive verb of empowerment. Staples (1990), for example, emphasizes as follows:

Clearly, definitions (of the word empowerment in dictionaries) all refer to a process whereby power is given, granted, or permitted. Yet, power is not likely to be handed to "have-not" groups in our society. Power must be developed or taken by the powerless themselves, as well as being granted. It is possible for individuals or groups to empower themselves rather than merely being the recipients of power bes-

towed by others. (p. 29)

Therefore, Staples (1990) defines the noun "empowerment" as the process by which power is gained, developed, seized, facilitated, or given.

As indicated before, the construct of empowerment has been used in a variety of ways. It ranges from an intrinsic task motivation (Thomas and Velthouse, 1990) to a transition of an organization structure from hierarchy to something else (Mills, 1992). In general, different meanings of empowerment could be classified into two approaches: relational perspective and psychological (or motivational) perspective (Conger and Kanungo, 1988; Spreitzer, 1997). Relational perspective and psychological perspective of empowerment are related to the sense of delegation and the sense of enabling, respectively. Therefore, the often-used sense of delegation is a relational perspective of empowerment. However, unlike practitioners who focus more on the relational perspective of empowerment, academics focus more on the psychological perspective. Similar to what Thomas and Velthouse (1990) did, Spreitzer (1997), after an extensive interdisciplinary review of the empowerment literature, reclassified psychological perspective into four minor types: sense of meaning, competence, self-determination, and impact. A summary of Spreitzer's four types of psychological

empowerment is as follows.

A sense of meaning involves a fit regarding the relationship between a given activity and one's beliefs, attitudes, values, and behaviors. Thus empowered individuals feel a sense of personal significance from their involvement. They believe in and care about what they do since their activity is aligned with their value system.

Competence or self-efficacy refers to a belief in one's capability to perform a task. Empowered individuals have a sense of self-effectiveness or personal competence. Not only do they believe that they have requisite skills and abilities, but they also have the confidence that they can perform adequately. Empowered individuals believe in their capacity to learn and grow to meet new challenges.

Compared to competence, which reflects a mastery of behavior, self-determination means to experience a sense of choice in initiating and regulating one's own action. Self-determination is represented by intentional behaviors that are initiated and regulated through choices as an expression of oneself, rather than behaviors that are pressured and coerced by environmental forces. Empowered individuals have a sense of responsibility for and ownership of their activity. They see themselves as proactive self-starters rather than as passive followers. They have a propensity to act under their

Table 1. Comparison of Three Approaches to Empowerment

Approach	Level of focus	Perspective of power
Authority delegation	Group	<ul style="list-style-type: none"> · Zero-sum approach: Power division or distribution · Focus only on authority (legitimate power)
Power and performance increase		
of group and/or organization	Group and/or organization	<ul style="list-style-type: none"> · Positive-sum approach: Power enlargement or multiplication · Focus on all aspects of power
of an individual (self-development)	Individual	<ul style="list-style-type: none"> · Positive-sum approach · Focus mostly on referent and expert power

own volition, taking initiative at their own accord, making independent decisions, and trying out new ideas.

Impact refers to an individual's belief that he or she can effect or influence organizational outcomes. It concerns the degree to which an individual believes he or she has input into or influence over strategic, administrative, and operating decisions in the organization or large environment. Empowered individuals see themselves as making a difference. That is, producing the intended effect in one's task environment. They do not believe that barriers in the external environment control the outcomes of their action; they believe they can effect desired change, manipulate, and have some control in the large environment.

Based on the literature review of foregoing studies, and a long conversation with the practitioners and consultants around the world on how they understand the meaning of empowerment, the author came up with

two (three in detail) distinctive approaches to understanding and implementing empowerment. As shown in Table 1, the three approaches are different in terms of their level of focus and their perspective of power.

Authority delegation approach focuses on the group since it assumes the existence of multiple persons—one who delegates authority and the other who receives the authority. Power and performance increase approach focuses on all levels of an organization—individual, group, and organization. It emphasizes the increase of an individual's power to do or change something and the increase of performance as its result. Once an individual's power is increased, it purports to increase the power and performance of the group and/or organization through a synergy effect of empowered individuals. A subset of power and performance increase approach that focuses only on an individual can be renamed as a self-development approach.

No matter what approach one takes,

people always use the word power in pursuing empowerment. However, the three approaches differ in their concept of power. Authority delegation approach focuses only on the authority (i.e., legitimate power). Therefore, it tends to be a top-down approach. Further, it is a zero-sum approach to power since it considers moving power (or authority) from one party to another. Power and performance increase approach focuses on increasing all aspects of power (i.e., legitimate, reward, expert, referent, and/or coercive power) to increase the performance. It focuses not on moving power from one party to another but on increasing the net size of the power itself. That is, it is a positive-sum approach to power. Self-development approach is also a positive-sum approach. However, it tends to focus on certain aspects of power. That is, while power and performance increase approach of group and/or organization focuses on all aspects of power, self-development approach focuses mostly on increasing expert and referent power of an individual.

When compared to the conceptual classification of empowerment done by Spreitzer (1997), authority delegation and power and performance increase of group and/or organization are more of a relational perspective, while self-development is more of a psychological perspective of empowerment. Relational perspective means that the two

approaches (i.e., authority delegation and power and performance increase of group and/or organization) can be achieved only when there exist interaction between multiple person and synergy effect from them. However, power and performance increase approach is an outcome-oriented perspective, where the increase of power is a procedural outcome while the increase of performance is a final outcome. Readers should be aware that the three approaches described are not absolutely independent of each other. Although they are often treated differently in practice, authority delegation and self development could in theory be considered as subsets of power and performance increase approach.

Research Questions

Though one step behind American and European organizations, organizations in Korea also show great interest in the concept of empowerment nowadays. Despite its popularity, however, there is an ambiguity in the meaning of empowerment. Organizations have different definitions of it. Furthermore, organizations with different understandings of empowerment use different methods to implement it. Thus, not only its meaning but also its effects are very confusing. What is

more, there is confusion between foreign and indigenous meanings and methods of empowerment.

Some criticize Koreans by comparing them to a cooking pot. It is easily boiled and easily cooled. That was true in the case of popular concepts such as reengineering and learning organizations. They easily became a fad and then somehow disappeared all of a sudden. Therefore, many people worry that empowerment might also become a fad and then disappear right away. It is a strong belief of the author that empowerment should not be a one-time fad. It must be understood and implemented properly. Before criticizing or in order to criticize the wrong doings of people as to how they misunderstand or misuse empowerment, we have to know precisely how they understand and implement empowerment. The purpose of this paper is to find answers to the following questions.

- Q1: How popular is empowerment in Korea?
- Q2: How and when was empowerment introduced to organizations in Korea?
- Q3: How is empowerment understood in Korea?
- Q4: How is empowerment practiced in Korea, and what are the effects?

This is an exploratory study. Thus, no hypothesis was made in advance. A survey

of organizations in a developing economy such as Korea could provide some implications as to how a Western management concept (i.e., empowerment) is introduced and understood in an Eastern country. It could also be a good resource for a comparative study.

Method

Organizations Surveyed

A questionnaire was sent out twice (once in September 1995 and the other in September 1998) to the same organizations to see the difference, change, or advancement that occurred during the three-year period. In 1995, the questionnaire was mailed to 170 organizations in Korea, of which 120 were Korean organizations and 50 were foreign organizations. In 1998, however, the questionnaire was mailed only to the organizations that responded in 1995. The response rate in the 1995 survey was 85.8% and 62.0% for Korean and foreign organizations, respectively. The details of the organizations surveyed are shown as a part of Table 2.

The sampling procedure was neither random nor systematic. The only rule based on which the sampling was done was to

have 75% from for-profit and 60% from manufacturing organizations. This rule was kept for both Korean and foreign organizations when the questionnaire was sent out. Therefore, this nonprobabilistic sampling procedure could cause a limitation to the generalization of the result of this study.

The size of the organization in terms of the number of employees was very different. Regarding Korean organizations, the number of organizations with employees ranging in number from 101 to 500, 501 to 1000, 1001 to 3000, and those with more than 3000 was 15, 14, 48, and 26, respectively. In the case of foreign organizations, however, the number of employees was a bit smaller. That is, the number of organizations with less than 100 employees, those that range in number from 101 to 500, from 501 to 1000 was 8, 17, and 6, respectively.

Organizations surveyed were dichotomized into Korean and foreign organizations since significant differences in relation to empowerment were expected between them. Not-for-profit foreign organizations were either foreign embassies or foreign trade representatives in Korea. For-profit foreign organizations were foreign MNCs in Korea. Among the 31 foreign organizations that responded, 25 were from the USA and the rest were from Europe. The questionnaire was not sent out to the organizations from

Africa, South America, or other Asian countries. Seventeen not-for-profit Korean organizations were hospitals (although most hospitals seek profit, they were classified here as not-for-profit organizations since they were hospitals run either by a national university or by a municipal city), universities, government offices, and military organizations. Both in the cases of Korean and foreign organizations, most for-profit organizations were manufacturing firms.

Among the organizations that responded, no data were discarded since the researcher made visits or telephone calls to fill in the missing data. In 1998 survey, however, responses from four for-profit Korean organizations could not be acquired since they went out of business before September 1998.

Questionnaire

The questionnaire, whether it was for Korean or for foreign organizations, was written in Korean. The questionnaire consisted of items asking respondents the four questions mentioned before. In general, respondents were asked to check one of the alternatives (given in a nominal scale) which best represent their organization's empowerment situation. An open-ended question at the end of the questionnaire asked the respondents to answer freely

how the empowerment in their organization is practiced, and what the effects are. The questionnaire consisted of two parts with different instructions. In the first part, questions were asked with no translation or definition of the word empowerment. That is, the word empowerment was not translated into Korean but was written in Korean as it is pronounced in English. In the second part, Questions 1 and 2 were asked again with the definition¹⁾ of the word empowerment. Question 3—a question asking the respondent how the word empowerment is understood in his/her organization—was deleted in the second part, while Question 4 was not included in the first part but was asked in the second part. Of course, it was emphasized at the front page of the questionnaire that the respondent should not look through or read the entire questionnaire beforehand but should answer the questionnaire in sequence.

Last part of the questionnaire consisted of three-page structured open-ended questions. This three-page questionnaire purported to figure out the purpose, nature, acceptability, and effectiveness of the empowerment approach each organization use. One page was allocated for each of the

three empowerment approach, i.e., authority delegation, power and performance increase of group and/or organization, and self-development. Each page was subdivided into three categories—the content of, the acceptability of (or response to), and the effectiveness of the approach. Respondents were asked to fill more than one page if their approach is a mixture of the three approaches. Two research assistants and the author content analyzed this structured open-ended questionnaire separately, and had a long discussion if some part of their analysis turned out to be different from each other.

Respondent

The questionnaire was mailed to the head of the organization. However, it was asked in the cover letter that a person who knows and can represent the organization well should be chosen to answer the questionnaire. Further, it was emphasized in the instruction that the respondent should not reflect his/her personal experience but should reflect the situation of his/her organization as a whole. It was also suggested in the instruction that the respondent should have discussions with others

1) The definitions provided (in Korean) were quoted from Dong-A's Prime English-Korean Dictionary (3rd ed., 1992), which were exactly the same as the ones provided in Webster's New World Dictionary (2nd College ed., 1976). That is, empowerment was defined as "giving power or authority to: authorization" and "giving ability to: enabling; permission".

in the organization before answering the questionnaire. That is, the level of analysis in this study was the organization. It turned out that the respondent who actually answered the questionnaire was usually the people in the areas of planning, HRM, training, or public relations. In the case of 1995 survey, the respondent's age ranged from 37 through 54 with the mean of 41. Only four out of 134 respondents (2.98%) were women, and 13 (41.9%) of the 31 respondents of foreign organizations were Korean. In the 1998 survey, however, their age ranged from 35 through 56 with the mean of 39. Seven (5.38%) of 130 respondents were women, and 16 respondents (51.6%) of foreign organizations were Korean. It was asked in the cover letter of 1998 survey that the questionnaire should not be answered by the same person who answered in 1995 survey. This was done to prevent the test effect that could occur from answering the questionnaire twice.

Results

How Popular is Empowerment in Korea?

Respondents were asked to indicate how acquainted their organization is with empowerment. Respondents had to choose one

from the following four alternatives: never heard of it, have heard of it, plan to apply it, and had applied or has been applying it. As mentioned before, the same question was asked again in the second part of the questionnaire with the definition of empowerment.

Results show that there was a big increase in the popularity of empowerment in Korea. Even when the English word empowerment was used without translation or definition, the proportion of people (or organization) who either have heard of it, plan to apply it, or has been applying it has increased from 52.2% in 1995 to 90% in 1998. Since all the foreign organization in Korea responded as having been acquainted with it even in 1995, the sharp increase in popularity came from Korean organizations—from 37.9% in 1995 to 86.9% in 1998. That is, the organizations that responded as having never heard of the word empowerment dropped from 62.1% in 1995 to 13.1% in 1998.

Despite a sharp increase in its popularity in three years, however, empowerment is not applied much in Korea yet. Only 23.8% of the total (i.e., 31 of 130) organizations surveyed in 1998 responded to 'had applied or has been applying it.' Furthermore, 67% of those 23.8% (i.e., 21 of 31 Korean or foreign organizations applying empowerment) were foreign organizations in Korea.

Table 2. Proportion of Organizations Perceiving and Applying Empowerment in Korea

Classification	N	When the meaning of empowerment was not provided				When the meaning of empowerment was provided			
		A	B	C	D	A	B	C	D
September 1995:									
Total(Korean + foreign)	134	47.8	23.9	15.7	12.6	-	7.5	60.4	32.1
Korean:									
Total	103	62.1	26.2	8.7	2.9	-	7.8	71.8	20.4
For-profit	86	69.8	20.9	5.8	3.5	-	4.7	79.1	16.2
Not-for-profit	17	23.5	52.9	23.5	-	-	23.5	35.3	41.2
Manufacturing	63	66.6	23.8	4.8	4.8	-	4.8	76.2	19.0
Non-manufacturing	40	55.0	30.0	15.0	-	-	12.5	65.0	22.5
Foreign:									
Total	31	-	16.1	38.7	45.2	-	-	45.2	54.8
For-profit	23	-	13.0	52.2	34.8	-	-	56.5	43.5
Not-for-profit	8	-	25.0	-	75.0	-	-	12.5	87.5
Manufacturing	18	-	11.1	55.5	33.3	-	-	50.0	50.0
Non-manufacturing	13	-	23.1	15.4	61.5	-	-	38.5	61.5
September 1998:									
Total(Korean + foreign)	130	10.0	26.2	40.0	23.8	-	14.6	44.6	40.8
Korean:									
Total	99	13.1	34.3	42.4	10.1	-	19.2	50.5	30.3
For-profit	82	13.4	32.9	43.9	9.8	-	20.7	51.2	28.1
Not-for-profit	17	11.8	41.2	35.3	11.8	-	11.8	47.1	41.1
Manufacturing	61	13.1	39.3	39.3	8.2	-	19.7	50.8	29.5
Non-manufacturing	38	13.2	26.3	47.4	13.1	-	18.4	50.0	31.6
Foreign:									
Total	31	-	-	32.3	67.7	-	-	25.8	74.2
For-profit	23	-	-	39.2	60.9	-	-	30.4	69.6
Not-for-profit	8	-	-	12.5	87.5	-	-	12.5	87.5
Manufacturing	18	-	-	44.4	55.5	-	-	33.3	66.6
Non-manufacturing	13	-	-	15.4	84.6	-	-	15.4	84.6

Note. A: Never heard of it B: Have heard of it
 C: Plan to apply it D: Had applied or has been applying it

In the case of 99 Korean organizations surveyed, only 10 organizations (10.1%) were actually applying it. However, the organizations applying empowerment are also expected to increase sharply within a

few years since 40% of the total organizations surveyed responded as having plans for applying it.

Both in 1995 and in 1998 survey, the proportion among four alternatives changed

very much once the translation of the word empowerment was made and the definition was provided. In 1995, those who responded as having never heard of the word empowerment changed from 47.8% to zero when provided with its translation and definition. Similarly, organizations that apply empowerment changed from 12.6% to 32.1%. This phenomenon occurred again in the 1998 survey. The proportion of organizations applying empowerment changed from 23.8% to 40.8%. Although similar phenomenon did exist in the case of foreign organizations in Korea, the change was not that significant. This means that the change in proportion before and after the translation and the description of the meaning of empowerment were provided occurred dramatically in the case of Korean organizations. Two plausible explanations for this phenomenon would be difficulty or unfamiliarity with the foreign word and a misunderstanding of the concept of empowerment. More about the possibility of misunderstanding (or of the different understanding of) empowerment will be discussed later.

Comparing the results of 1995 and 1998 survey, there are some significant trends in how empowerment was introduced in Korea. When focusing only on the organizations that actually applied empowerment, appli-

cation of empowerment in Korean organizations began with large manufacturing for-profit firms. However, as the years passed by, there was a greater increase in non-manufacturing than in manufacturing industries. Thereby in 1998, the number of non-manufacturing firms applying empowerment (5: 13.1% of 38) was the same as that in manufacturing industry (5: 8.2% of 61). Further, the proportion of organizations planning to apply it in non-manufacturing industry (47.4%) was greater than that in manufacturing industry (39.3%). It implies that the application of empowerment in non-manufacturing industry will be greater than that in manufacturing industry in the future. This phenomenon between manufacturing and non-manufacturing industry already turned out to be true in the case of foreign organizations in Korea. Both in 1995 and in 1998, the application of empowerment was far more popular in non-manufacturing firms than in manufacturing firms. And it also occurred in the case of for-profit and not-for-profit distinction. That is, the application of empowerment was more popular in not-for-profit organizations²⁾. Even in the case of Korean organizations, there was a noticeable interest among some not-for-profit organizations (e.g., hospitals, government

2) This phenomenon may be due to the fact that most not-for-profit organizations surveyed were non-manufacturing firms. In the case of foreign organizations, all eight not-for-profit organizations were non-manufacturing organizations.

offices, and military organizations) on the concept and the application of empowerment.

How and When was Empowerment Introduced to Organizations in Korea?

Organizations that chose alternatives other than 'never heard of it' in Question 1 were asked to do Question 2. That is, only the organizations that already had acquaintance with empowerment proceeded

to Question 2. Therefore, the numbers of organizations that answered Question 2 were 70 (i.e., 134-64) and 117 (i.e., 130-13) for 1995 and 1998 survey, respectively. Question 2 asked respondents how empowerment was introduced into their organization. Respondents had to choose one from the seven alternatives that best represented their situation. Since the author had much interest and experience in the diffusion of empowerment in Korea, it was possible to figure out in advance the six paths through

Table 3. Path and Time of the Introduction of Empowerment in Korea

Classification	Path	1995 survey							1998 survey								
		F	C	A	B	I	M	O	Total	F	C	A	B	I	M	O	Total
Overall (%)		19 (27.1)	9 (12.9)	24 (34.3)	13 (18.6)	5 (7.1)	-	-	70	38 (32.5)	21 (17.9)	38 (32.5)	16 (13.7)	4 (3.4)	-	-	117
Have heard of it		7	5	10	7	4	-	-	32	7	11	10	6	-	-	-	34
Plan to apply it		5	2	9	4	1	-	-	21	19	6	18	7	2	-	-	52
Had applied or has been applying it		7	2	5	2	1	-	-	17	12	4	10	3	2	-	-	31
Korean organization		1	4	16	13	5	-	-	39	18	16	32	16	4	-	-	86
Foreign organization		18	5	8	-	-	-	-	31	20	5	6	-	-	-	-	31
For-profit organization		11	7	18	9	4	-	-	49	30	19	31	11	3	-	-	94
Not-for-profit organization		8	2	6	4	1	-	-	21	8	2	7	5	1	-	-	23
Year first applied		'86	'94	'92	'94	'79	-	-		'86	'94	'92	'94	'79	-	-	

Note. Numbers in the table, unless the meaning is/are indicated otherwise, are the numbers of organizations.

- F stands for 'direct influence from foreign organizations'.
- C stands for 'via consulting firms'.
- A stands for 'via academics'.
- B stands for 'benchmarking foreign organizations'.
- I stands for 'indigeneous'.
- M stands for 'via mass media'.
- O stands for 'others'.

which organizations get acquainted with empowerment. As shown in Table 3, an alternative called 'others' was added just in case the respondent came up with a path other than the six provided.

The proportions shown in Table 3 are the responses from organizations regarding the second part of the questionnaire. That is, the responses after the provision of the description of the meaning of empowerment. Organizations that either had applied or were applying empowerment were asked to indicate the year that they first applied empowerment.

The proportions in the 'overall' category show that there were not much difference between the 1995 and the 1998 survey. However, the influence of external forces (foreign organizations and consulting firms) had increased, while the influence of internal forces (benchmarking and indigenous) had decreased. On the whole, results showed a strong influence of academics and foreign organizations in the diffusion and the application of empowerment in Korea.

How is Empowerment Understood in Korea?

Those who did not respond as 'never heard of the word empowerment' to Question 1 in the first part of the questionnaire were asked to indicate their understanding of the word empowerment. Respondents were asked to check any number of alternatives (i.e., more than one if they wished) which correctly represented their notion of empowerment. Alternatives given as the definition of empowerment are as follows:

- *Authority delegation*: Delegation of authority to the lower levels of the hierarchy and to the people close to the customers.
- *Power and performance increase of group and/or organization*: Increase of group and/or organizational performance through the increase of people's power (or competence) and the positive synergy effect among them.
- *Self-development*: Increase of the internal spiritual power and the competence of an individual.

Results of the survey on the meaning of

Table 4. Proportion of Alternatives Chosen as the Meaning of Empowerment

Alternatives(Meaning)	1995	1998
Authority delegation	91.4	63.2
Power and performance increase		
of group and /or organization	42.8	78.6
of an individual(self-development)	11.4	26.4

N: 70 for 1995 and 117 for 1998 survey.

empowerment are shown in Table 4. Each number in Table 4 indicates the percentage of the organization that checked each alternative as the definition of empowerment. Since respondents were allowed to choose more than one alternative, the sum of the three proportions for each year turned out to be greater than 100%. Although there were no significant differences between the responses of Korean and foreign organizations, significant difference existed between the results of the 1995 and the 1998 survey.

In 1995, empowerment was known by most (91.4%) organizations in Korea as authority delegation, by some (42.8%) as power and performance increase of group and/or organization, and by few (11.4%) as self-development. The proportions, however, changed significantly in the 1998 survey. People who think of empowerment as authority delegation have decreased very much. Although more than half (63.2%) of the organiza-

tions surveyed still hold the same meaning, the decreasing rate is significant. On the contrary, the proportion of those who understand empowerment as power and performance increase of group and/or organization has increased very much--almost doubled. Thus, though many people accept the fact that empowerment has the meaning of authority delegation, more people think of empowerment as power and performance increase of group and/or organization than as authority delegation. Further, though the proportion of self-development was still the lowest in 1998 survey among the three alternatives, it has more than doubled. And it is expected that the importance of self-development in empowerment will be further increased.

Results of Questions 2 and 3 were combined to find out whether there is any difference regarding how organizations understand the meaning of empowerment depending on the introduction paths. It was

Table 5. Difference in Proportion of the Meaning of Empowerment in Relation to Its Introducing Path

Path	N	Authority delegation	Power and performance increase: of group and/or organization	of self-development
Direct influence from foreign organizations	38	92.1	34.2	5.3
Via consulting firms	21	42.9	71.4	23.8
Via academics	38	44.7	100.0	47.4
Benchmarking foreign organizations	16	75.0	37.5	18.8
Indigenous	4	25.0	50.0	75.0
Total	117	63.2	78.6	26.4

assumed that there would be some difference among the paths. Results are shown in Table 5.

Table 5 is the result of 1998 survey. As expected, there were significant differences in how people understood empowerment depending on how empowerment was introduced into their organization. Organizations with direct influence from foreign organizations and those that benchmarked the foreign organizations had very similar results. Most of the organizations with these paths responded that empowerment is authority delegation, while only about one-third thought of it as power and performance increase of group and/or organization and a few as self-development.

The responses from the organization that had help from either consulting firms or academics were very similar to each other. While accepting the fact that empowerment has the meaning of authority delegation, these organizations focused very much on increasing the power and performance of group and/or organization. Furthermore, these organizations also took self-development as an important part of empowerment. It was found, however, that organizations with the influence of academics tended to have more interest in self-development than those with the influence of consulting firms.

Organizations with indigenous intro-

duction path revealed a unique pattern. Two out of four chose power and performance increase of group and/or organization, and three out of four chose self-development as their understanding of empowerment. Only one checked authority delegation. It turned out that organizations with indigenous path were very much different (opposite, to be precise) from the organizations with foreign influence.

How is Empowerment Practiced in Korea, and What are the Effects?

Since empowerment in Korea is only at the initial or at the early part of a growing stage, it is too early to make any conclusion on the effects or performance of empowerment in Korea. However, since the popularity of different approaches to or perspectives of empowerment change significantly within a few years, it would be worthwhile to compare and discuss how they are practiced and their effects.

Although 32% (in 1995) and 46% (in 1998) of the organizations surveyed used multiple (either two or three) approaches, there was no significant difference in performance between the organizations that used single and those that used multiple approaches. However, there were meaningful differences among different single approaches. Since respondents of the organi-

zations that used multiple approaches were asked to fill out separately the content, the acceptability, and the effectiveness/performance of each approach they used, it was possible to differentiate the phenomena between the three approaches no matter whether they were used as a single or as multiple approaches. Following are the practice and the effects of different approaches to empowerment in Korea.

Authority delegation approach.

As shown in Table 4, authority delegation approach was and is still very popular in Korea. Organizations taking this approach were doing one combination of the following practices: delegation of authority to the lower layers of the organizational hierarchy, increase of contact person's authority or decision-making power, and more participative decision making.

Although this approach is seemingly being welcomed by employees at the lower levels of the hierarchy or by the young generations, it has not been practiced well in a real situation. Problems occurred with both the people and the organization. Superiors were reluctant to delegate authority to their subordinates, and subordinates were hesitant to use the authority given to them. Further, there were many subordinates who even resisted receiving the

authority and wanted to remain in a subordinate position. That is, they preferred to stay the person receiving orders than to become a decision-maker. In sum, organizational culture in Korea is not mature enough for empowerment (authority delegation) to bloom in it. Lack of people's willingness to empower (i.e., to delegate authority) could be solved if empowerment-related rules and regulations of the organization are properly formulated and implemented. The problem so far is that most organizations in Korea relied not on the organizational factors (or the system) but on the human factor (such as personal interest and endeavor) to practice empowerment.

Power and performance increase approach of group and/or organization.

A popular and growing approach to empowerment in Korea is the approach to increase power and performance of the group and/or the organization. This approach is very similar to human resources development and organizational development. It is also in line with the concept of learning organization. Organizations taking this approach focus on implementing the following practices: training and development, team building, confrontation meeting, competence-based or skill-based pay system, and in-

creasing motivation and the ability to change.

An empowerment approach such as this was easily accepted by many organizations and this trend is still growing. However, though many people have accepted its need, this approach was sometimes treated as "nothing new" or "something that we have been doing before." Therefore, this approach did not appeal to those who sought something new or fancy.

With the eruption of foreign currency crisis in November 1997, economic situation changed very much in Korea. And this change in economy has had a great impact on the sociocultural aspect of Korea. Massive layoffs and cut in pay and benefits have changed people's attitude towards their organization. Fewer people believe in life-time employment. People focus not on increasing loyalty towards their organization but on increasing their own market value. For a power and performance increase approach that focus on increasing the power of the group and/or the organization by increasing motivation and ability of its employees, a sudden change in the whole society such as this was like pouring gasoline on fire. That is, in addition to the logical clarity of the approach itself, a change in the society itself had a great impact so that this approach drew more popularity.

In reality, however, there is a great problem with this approach in Korea. Although the concept is appealing, organizations in Korea are not implementing this approach properly. When we differentiate seniority-oriented, ability-oriented, and development-oriented human resource management, power and performance increase approach to empowerment is related most with the development-orientation. Koreans have been accustomed to the seniority-orientation for a long time. However, with the change in political situation (from autocracy to democracy) in the late 1980s, a change from seniority-orientation to ability-orientation began. And the introduction of empowerment (and the power and performance increase as its approach) also started in the early 1990s. That is, Korean organizations underwent rapid changes from seniority-orientation to ability-orientation, and further towards development-orientation. A decade was too short a time for most Korean organizations to move through these processes. Further, implementing development-orientation not only required time but also a great amount of money. Therefore, most organizations in Korea are still somewhere between seniority-orientation and ability-orientation but are trying to get close to ability-orientation. That is, most Korean organizations focus on appraising or differentiating their staff with

ability (power) from those without ability (power) rather than increasing their power.

Self-development approach.

Self-development approach is a small but rapidly growing perspective of empowerment in Korea. It tends to focus on internal spiritual development of an individual. It is an empowerment phenomenon that occurs within one's cognitive process. Thus, it is more of a psychological empowerment as Spreitzer (1995) has named rather than the work empowerment. Organizations taking this approach were interested in one or more of the following practices: increase of self-esteem, self-efficacy, self-respect, self-confidence, or self-trust; establishing positive self-image; and increase of self-determination.

Basically, this approach tries to increase employee's self-esteem with the assumption that an individual with high self-esteem performs well in an organization (Branden, 1994). A rapid and successful growth of this approach can be interpreted in three ways: people's natural inclination toward self-development, an approach in line with oriental perspective of self-reflection or introspection, and an approach in line with situational needs.

People, irrespective of race, nationality, religion, sex, or age, naturally are very

much interested in self-development. According to Maslow (1943), self-esteem and self-actualization are the highest needs individuals have. And these are the important sources of our motivation. Thus, organization's effort to help employee's need for self-development was readily accepted. Unlike authority delegation approach, which was resisted by some passive employees or those with external locus of control, self-development approach was not resisted by the employees except by those who were cost-concerned.

Many Korean organizations were running employee development classes (e.g., calligraphy, climbing, meditation) as a part of their employee wellness program. Most of these organizations emphasize the importance of employee's introspection. Self-development approach to empowerment was readily accepted by these organizations as a concept that supports what they were doing for a long time. Quite a number of these organizations are running so-called "kee exercise class." *Kee* is a Korean term for an energy that flows within a person. *Kee* exercise is a kind of meditation through which one controls both mind and body and the energy flow within oneself. By doing so, people try to increase health, vitality, and psychological stability. Of the many organizations that emphasize *kee* exercise, SK Group is the most well-known

for it. The late CEO (Jonghyun Choe) was himself a highly skilled teacher of *kee* exercise, who wrote a book on it and had the employees of his conglomerate do the exercise as a part of every training programs. In fact, the highest value of SK Group is called "*paekke*" (sometimes written in English as "*paegi*") which means vitality, energy, or confidence. Therefore, many people of SK Group believe that empowerment is an English version of *paekke* that they have been emphasizing since 1979.

As mentioned before, current economic crisis of Korea has had a deep impact on the people's attitude. Due to the unprecedented economic growth of the 1970s and the 1980s, successful holding of the 1988 Olympic Games, and the democratization that followed, people of Korea were full of confidence. However, this collapsed in a very short period of time and Koreans were suddenly left to feel powerless. Korean organizations had to look for ways to recover people's confidence and courage. And the introduction of empowerment emphasizing self-confidence and self-trust was readily accepted by these organizations. It was like a seasonal rain after a long drought.

Considering these three reasons for the rapid growth of the popularity of self-development approach to empowerment in

Korea, it is self-evident that self-development approach will be more popular in the near future.

Discussion

It was revealed from this study that there was a strong influence of academics and foreign organizations in the transfer of empowerment to Korea. The fact that foreign MNCs played an important role in transferring Western management concept to Korea is very similar to the case of China (Fan, 1998). However, the significant influence of academics in the transfer is quite peculiar. In no prior research in any other country has such a phenomenon been indicated.

This may be due to the fact that academics in the USA took interest in empowerment around the mid-1980s, and that is the time when the largest number (in history) of Koreans began their doctoral study in American business schools. Early 1990s, the time that the influence of academics began in Korea in relation to empowerment (see Table 2), coincides with the time that these students with American doctorates began their career in Korea.

Results indicate that the popularity of authority delegation approach has de-

creased between 1995 and 1998. Since the popularity of authority delegation approach decreased for both Korean and foreign organizations, the phenomenon is not something idiosyncratic only to Korean organizations. In fact, many researchers and practitioners proclaimed against the use of authority delegation approach around the mid-1990s (Boren, 1994; Harari, 1994; Kinlaw, 1995; Rothstein, 1995).

However, in addition to this international trend, there is something else that describes the decrease in popularity of the authority delegation approach in Korea. The main reason for the decrease of the popularity of authority delegation approach in Korea would be that it is a mismatch for the culture of Korean organizations. According to Hofstede's study (1980, 1985), Korean culture is collectivistic, feminine, large in power distance, and strong in uncertainty avoidance. This is the type of culture exactly the opposite to that of the USA in all four dimensions. Therefore, it is easy to understand that empowerment flourishing in the USA could face some difficulty when applied to Korea. That is, since Korea is still a vertical society that attaches importance to the order of rank and respects superior's decision, delegating authority (or power) to the lower layers of the hierarchy is often faced with psychological uneasiness or cultural resistance.

This result is in line with the previous research works (e.g., Gonzalez and McMillan, 1961; Oberg, 1963; Jaeger, 1990) which emphasized the cultural restriction in the transfer of Western management concept to other (especially to Eastern) countries.

However, Korea is changing rapidly. Many Koreans believe that they have to think and act differently and must make themselves fit with the global standard in order to have international competitiveness and live as a global citizen. Therefore, even though some traditional ways of life may still persist, at least how people act in their offices is changing rapidly. And present economic crisis is expediting Koreans to change their value system. That is, authoritarian culture slowly evaporates and the criticism toward the centralized decision making system is increasing. In sum, although the traditional culture of Korea restrains the application of the authority delegation aspect of empowerment, global competition of information age that emphasize the importance of market and customer requires an active application of it, and the present economic crisis accelerates it. Therefore, authority delegation approach will regain its popularity as Korean organizations emerge from the authoritarian culture and emphasize the effectiveness of the authority delegation aspect of empowerment.

Limitations

This study tried to look into the history as well as the present situation of empowerment in Korea. Although it was done with much effort, this study is not without limitations. First, the unit of analysis was an organization. Though it was emphasized in the instruction of the questionnaire that a respondent should not respond based on personal viewpoint but, after having discussions with others in the organization, respond as how the employees of the whole organization would respond, it is impossible to know whether the respondents actually did so or not. Further, even if the respondents tried their best to follow the instruction, much information is already lost since respondents would have considered only the central point of the distribution. That is, variability within each organization could never have been considered in this study. Second, as mentioned before in the method section, nonprobabilistic sampling procedure limits the generalizability of this study. Third, this study focused only on empowerment. Thus, the extrapolation to the transfer of whole management concepts is not warranted. Fourth limitation of this study is that only the organizations in Korea were used for the analysis. This might limit the external validity of the results.

However, since quite a large number of (both Korean and foreign) organizations were included, results of this study help us to understand empowerment better. Furthermore, the results of this study give us clues on how a Western management concept is transferred to other areas of the world and how indigenous management concept evolves.

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한국내 임파워먼트의 사례를 통해본 서구 경영개념의 도입과 확산과정

박 원 우*

Abstract

본 논문은 임파워먼트 개념의 전파, 적용, 성과를 살펴봄으로써 서양 경영개념의 한국에서의 전파과정과 그 효과를 보려고 한다. 세계 많은 국가의 경우와 같이 한국에서도 임파워먼트의 개념이 빠르게 확산되고 있다. 하지만 사용조직에 따라 그 의미나 적용방법이 다를 뿐 아니라, 이미 어떤 경우엔 일시적인 유행으로 취급되기도 한다. 따라서 본 논문은 임파워먼트의 활용정도, 도입경로와 시기, 이해 및 실행방법, 그리고 그 성과를 알아보려고 한다.

설문지를 한국에 있는 170여개의 국내의 기업에 배포·회수하였는데, 두 번(1995년과 1998년)에 걸쳐 조사를 실시하여 기간경과에 따른 변화도 살펴보았다. 조사결과, 한국에서의 인기에 비해 실제로 임파워먼트가 적용된 기업은 많지 않았다. 그러나 적용하고자 하는 기업의 수는 수년사이에 크게 증대될 것으로 파악되었다. 학계와 외국기업으로부터의 영향이 임파워먼트의 확산과 적용에 크게 영향을 미친 것으로 나타났다. 실제 활용의 내용을 보면 임파워먼트는 세 가지 관점에서 적용되고 있었다: 권한위임, 집단과 조직의 파워와 성과증진, 그리고 자기개발. 권한위임 측면이 아직은 가장 일반적인 접근법이지만 그러한 관점의 적용은 점차 줄고 있으며, 그에 반해 파워와 성과증진 관점이 3년 사이에 크게 증대되었다. 자기개발 접근법은 아직 많이 적용되고 있지는 않으나, 향후 그 활용성이 늘어날 것으로 판단되었다.

핵심단어: 임파워먼트, 권한위임, 파워와 성과, 자기개발

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