EMPOWERMENT AND CORPORATE ENTREPRENEURSHIP: APPLICABLE COMPETITIVE STRATEGIES?

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Abstract: The ways of managing people have changed since Taylor’s scientific management and Fayol’s studies, with personnel development being one of the main concerns of the HR sectors today, as well as the need for innovation, agility and obtaining competitive advantage are the main objectives of contemporary organizations. As a result, methodologies such as empowerment and corporate entrepreneurship have been referenced again in recent years. While the corporate entrepreneur is the professional who works in an existing company but who possesses entrepreneurial skills (such as observing opportunities and ideas collected for innovation) and applies them in ways that benefit the organization, the empowered worker assumes functions and decisions that would previously be responsibility of higher hierarchical positions, aiming precisely at agility and innovation. When verifying the characteristics of each methodology, it is understood that its implementation depends on a profound business restructuring, involving from the strategic planning of the organization to even the design of positions and salaries, in order to obtain an environment conducive to innovation and with appreciation of the worker. But there is also a need for investments, especially financial ones, for its correct adoption, and knowing that the biggest barrier to innovation in companies involves economic and financial issues, this can and has been an obstacle to actions of empowerment and corporate entrepreneurship.

Keywords: Empowerment and Job Enrichment. Corporate Entrepreneurship. Work relationships. Personnel Development. Competitive advantage.

INTRODUCTION

Since Taylor’s scientific management and the studies of Henri Fayol, followed by the important contribution of Peter Drucker for personnel management in organizations, which was the first author to use the term human resources in the mid-1950s, the ways of managing people have changed.

With the modernization of economic, industrial, communicational and work relationships, which are accelerating with the increasing speed of communication and the emergence of new digital technologies, organizations need to constantly readjust their internal processes in order to raise their standard of competitiveness, and with such a need, they began to see the real importance of the employee, who from a mere resource becomes a source of obtaining competitive advantage, when well managed.

It is assumed that employees, when spare parts are not reduced, will work better and with higher quality. Valuing the organization’s human capital will positively impact the performance of employees and the results of the organization as a whole, as well as impacting the company’s image in the consumer market.

In this sense, several management tools
and methodologies have emerged that aim to obtain this valuation, seeking ways to demand and stimulate results, productivity, use of innovation, creative initiatives and the improvement of skills on the part of workers7. The methodologies of empowerment and corporate entrepreneurship, also called intrapreneurship, are some of the most discussed in recent decades, being considered ways of developing people within organizations — in which the development of people is one of the main concerns of the HR sectors today8.

This time, the intention here is to deal with the methodologies of empowerment and corporate entrepreneurship, verifying what theories of people management have been producing on the subject and analyzing their implications as competitive strategies, as well as their implications for the worker.

**METHODOLOGY**

According to Gil9, research is a process that aims to respond to problems that are proposed, carried out through rational and systemic procedures of investigation and analysis.

A qualitative approach was chosen here, where the objective is to understand the characteristics of the subjects addressed and the meanings presented by the sources10.

Because it is a less rigidly structured proposal compared to the quantitative research method, the qualitative approach allows researchers to explore different approaches, thus directing the research results to different paths11 and enable the exploration of contradictions that may arise during the research12.

It is an exploratory research regarding the objectives, which allows the exploration of the area of knowledge. This method proves to be the most appropriate as it enables the improvement and development of hypotheses and concepts, thus making it possible to better understand the proposed topic13.

For data collection, bibliographical research was the chosen technique, characterized by the survey and analysis of texts analyzed and published by other authors, such as books, scientific articles or journalistic articles, for example14, whose purpose is to improve and update knowledge.

**CONCEPTS**

It is not possible to bring up the topic addressed for discussion without it being necessary to analyze the concepts of empowerment and corporate entrepreneurship, as well as their contributions to business results.

Despite not being recent methodologies, being much discussed in Brazil between the years 2000 and 2010 — even if its basic proposal compared to the quantitative research method, the qualitative approach allows researchers to explore different approaches, thus directing the research results to different paths11 and enable the exploration of contradictions that may arise during the research12.

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precepts (motivation and inventiveness to innovation, respectively) have already been applied previously in the national and global context, from the moment that personnel development takes on relative importance in people management, such matters are again referenced.

CORPORATE ENTREPRENEURSHIP

For Valenciano Sentanin and Barboza, Entrepreneurship is the involvement of people and processes that, applied together, can transform ideas into opportunities, leading to the creation of successful businesses, with this concept closely linked to the creation of new businesses.

Entrepreneurs are those capable of detecting opportunities and, assuming calculated risks, identifying market needs, creating ways to capitalize on these opportunities, developing a profitable business. This still has the capacity for initiative, and its actions are aimed at obtaining maximum quality and efficiency in the processes. Commitment, persistence, search for information and the establishment of challenging, clear, specific and measurable goals, as well as having self-confidence and independence.

The entrepreneur is, in the view developed by Shumpeter, the central element in the development of capitalist economies and responsible for economic progress, characterizing himself as an active agent in the capital development cycle through the promotion of innovation, showing a great need for achievement compared to the general population and acting with an emphasis on generating results.

Careli et al argue that “[...] every entrepreneur has an obligation to be a good administrator, but not every administrator is a good entrepreneur, so the entrepreneur has something more, characteristics and attitudes that differentiate him from the traditional administrator.”

Considering the need for companies to constantly adapt to remain competitive in the consumer market, in general through the rearrangement of internal processes, constant...
innovation and the effective and efficient use of its human capital, the idea arises to develop the characteristics and skills of the entrepreneur for people within organizations, regardless of what the position is.

This was given the name of corporate entrepreneurship, or intrapreneurship, and is based on the assumption that any and all employees of a company can become entrepreneurs in the activities they perform, and the central idea is that the individual has the ability to detect opportunities and innovate.

Corporate entrepreneurship can be understood as the process by which an individual, or a group of individuals, associated with an existing organization, create an organization or instigate renewal or innovation within an existing organization.

Unlike what entrepreneurs normally do, the corporate entrepreneur does not leave the company where he works, being able to experience risks and the emotions that the realization of his ideas will give him while still within the organization, as their actions will be focused on the company’s internal processes and will stimulate the development of innovative projects aimed exclusively at the organizational environment, using their skills and talents.

It is expected, when adopting strategies that allow the development of corporate entrepreneurship in organizations, that the worker develops not only the ability or work orientation towards innovation, as well as the ability to detect opportunities and take advantage of them, but also initiative and systemic thinking within the organization.

[Intrapreneurs] are all “dreamers who achieve”; those who take responsibility for creating innovations of any kind within an organization. The intrapreneur can be the creator or the inventor, but it is always the dreamer who conceives how to turn an idea into a profitable reality.


23 Ibidem.


which allow the emergence of new and differentiated ideas, and making assertive decisions.

**CORPORATE ENTREPRENEURSHIP AS A COMPETITIVE ADVANTAGE**

The corporate entrepreneur may be involved in:

- a) creation of new businesses linked to an existing organization; and b) entrepreneurial action aimed at consolidating and developing the organization, in this case, involving innovations predominantly focused on the organization's internal environment. […] just as important as creating new businesses is developing actions that enable their success, which also requires entrepreneurial and internal actions.

It is then established that intrapreneurship is closely linked to the development of innovative projects within the corporate environment, based on taking advantage of opportunities and carried out from the use of employees’ skills.

The bibliographical study carried out by Vilas Boas e Santos point out that the adoption of practices that encourage the development of corporate entrepreneurship in organizations resulted in the improvement of several performance indicators, such as profitability, average ticket per sale, increase in revenue and assets, among others.

It is only through the development of an environment conducive to the emergence of entrepreneurial attitudes among employees that it will be possible to achieve innovation in products, services, processes, management and business concepts, and thus improve the company's competitive power.

It is therefore understood that it would not be enough for the company to demand certain skills related to entrepreneurship in recruitment and selection actions, thus hiring only people who have such characteristics, but rather to create an environment conducive to innovation and the development of the employees it already has, adopting practices internal actions to promote, encourage and support corporate entrepreneurship.

For Kuratko, Montagno and Hornsby (1990), the practices necessary to foster intrapreneurship effectively are the support of the board, the rewards offered, the resources available for projects, adoption of a flexible organizational structure with few hierarchical levels, autonomy for the individual to assume risks and autonomy to allocate time to others.

entrepreneurial projects, adopting such practices from the strategic planning of the
EMPOWERMENT

Empowerment, or empowerment in the literal translation into Portuguese, is a people management methodology that is based on motivation through job enrichment, giving the employee the opportunity to assume greater responsibilities in the work he performs and allowing him autonomy of planning and control of the work itself, decentralizing some functions and, mainly, with regard to decision-making.

Unlike what is called job enlargement, which consists of a greater accumulation of tasks for the same position, Slack et al. states that job enrichment brings together decision-making and control tasks of one’s own work, assuming tasks and responsibilities that would be performed by positions of higher hierarchical level.

Empowerment is defined as a process that increases feelings of trust and control through workers’ participation in decision-making. This leads to better self-efficacy and performance outcomes. [...] At the same time, empowerment is a set of activities aimed at strengthening confidence in workers’ capabilities. The objective is to generate a positive change in organizations, encouraging the active participation of workers in the decision-making process.

The participation of workers in decisions stimulates their skills, grants autonomy and authority, thus generating innovation and adding value to the organization.

With the empowerment of employees in the execution of their tasks, which brings with it a high degree of participation of these employees in decision-making, a favorable scenario is created to encourage and increase innovation in the organization, and its adaptation to competitive environments and dynamic, and must be a methodology applied to all hierarchical levels, in managerial or fully operational positions.

Empowerment presupposes:

- Power – empowering people by delegating authority and responsibility to all levels of the organization. This means giving importance and trust to people, giving them freedom and autonomy of action.
- Motivation – provide people with motivation to continually encourage them. This means recognizing good performance, rewarding results, allowing people to share in the results of their work, and celebrating achievement of goals.
- Development – providing resources to people in terms of training and personal development and continuously new techniques, creating and developing talent in the organization.
- Leadership – providing leadership in the organization. This means guiding people, defining objectives and goals, opening new horizons, evaluating

43 Ibidem, p. 185.
performance and providing feedback. Therefore, the employee starts to feel an integral and relevant part of the organization, with authority and decision-making power, as it is a set of processes that generate the intrinsic involvement of the individual, impelling them to take initiatives and stimulating their internal motivation.

**EMPOWERMENT AS A COMPETITIVE ADVANTAGE**

The implementation of the empowerment methodology in organizations consists of reducing bureaucracy in processes. By giving employees the ability and possibility to decide on issues related to their own work, it is possible to reduce the time spent on tasks that would require authorization in a traditional organizational structure.

It is necessary to encourage the development of skills so that the employee can assertively exercise these new decision-making attributions, and when well implemented, it will directly impact on increasing the effectiveness of organizational processes, on gaining balance, agility and reducing bureaucracy, freeing up top management of routine decisions and consequently impacting their efficiencies and profitability.

It can then be seen that, for the implementation of empowerment to be effective, there must be a hierarchical decentralization in the organization, enabling, decentralized and flexible environment.

**CRITIQUE TO METHODOLOGIES**

To Careli et al., “[...] what leads the entrepreneur to have/maintain corporate entrepreneurship actions is the commitment he has with his ideas, assuming risks or responsibilities and continuously innovating, seeking the resources to transform them into profitable businesses” within the organization.

To keep an employee who has an entrepreneurial profile, that is, keeping him interested in applying his entrepreneurial skills in the organization where he works instead of leaving his job to open his own business, requires that the organization adopt policies that allow the recognition and real appreciation of this employee and their contributions.

Without a real valuation of the entrepreneurial collaborator, which may involve programs of stimuli, incentives and rewards, participation in the results arising from their projects, facilitating access to the resources necessary for the search, preparation and implementation of their ideas, concepts and proposals, the possibility that he feels that his efforts are being overlooked and looks for another position or decides to go, in fact,
undertake by himself.

Vilas Boas and Santos point out, at the end of their study, that the public recognition of the actions and results obtained by the corporate entrepreneur make a difference, either through highlights in internal communication material or even in internal and external events.

The main issue is that the entrepreneur, as a person with a different vision, focused on detecting and taking advantage of opportunities, in general, his contributions to the organization will involve risks, whether of a greater or lesser degree, and the company will need to be tolerant of these risks, errors and the possibility of failure of these projects, because in addition to investing material, personnel and financial resources, the mere possibility of punishment for failure can discourage new corporate entrepreneurship actions in the future or the evasion of these talents.

With regard to the adoption of the empowerment methodology, Araújo points to the issue of how to implement it, because simply handing over command, forcing unprepared or untrained people to assume some kind of power or to make decisions, or even if such a methodology is implemented without clarity, can bring more harm in terms of professional motivation and the agility of internal processes.

There is still, in Araújo’s view about the

posture of leadership and management, the need to change habits and adopt managerial work modalities that fit the new scenario, eliminating possible resistance and personal interference in the division of power and in the flexibility of management, as well as these must be prepared to share information, because without this sharing, any type of decision to be taken within the organization will be hampered.

It is therefore noticeable that, for the correct implementation of both methodologies, so that both employees and the company benefit, it is necessary, in traditional and bureaucratic organizations, a radical change in processes and in the relationship between leaders and followers, also involving the redesign of positions and remuneration, involving an organizational restructuring, as well as training, development and continuous improvement actions.

And here, the key issue is the objective of implementing a personnel empowerment policy. Regarding this, Rodrigues and Santos say:

Empowerment was developed from the employee's need for interfunctionality due to the horizontalization process of companies or downsizing that reduces the company's hierarchical levels and brings employees closer to the company's decision-making process, encouraging their participation through training and development

53 Ibidem.
54 Ibidem.
55 CARELI, Sandra Luiza O.; ALMEIDA, Deise da Motta; CARVALHO, Claudeir Nogueira de; MORCERF, Sonia de Oliveira; BOAS, José Aurélio Vilas. O Empreendedorismo Corporativo como Estratégia Competitiva numa Organização. In: SEGET - Simpósio De Excelência Em Gestão E Tecnologia, 10., 2013, Resende. Anais [...].
58 Ibidem.
programs\textsuperscript{60}.

This is then a tool that arises from downsizing processes, that is, from restructuring the organization through cost reduction, elimination of inefficient processes, reduction of hierarchical levels and, consequently, reduction of personnel\textsuperscript{61}, to achieve greater speed and organizational agility\textsuperscript{62}.

**CONCLUSION**

With the bibliographical study carried out here, in the field of corporate entrepreneurship, it is known that the implementation of innovative ideas and projects developed by corporate entrepreneurs will require investment by the organization, whether in time, materials, personnel and finances.

When the issue of financial investment is evaluated in particular, this can and has been an obstacle to the adoption of actions by corporate entrepreneurs in the Brazilian scenario, as, according to Kühl and Cunha,\textsuperscript{63}, the biggest barrier to innovation in the country’s industrial or service companies involves economic and financial issues.

With regard to empowerment, the key points to be considered are the challenges of its implementation mentioned above the management attitude, information traffic and lack of preparation of employees, as well as the need for a very deep organizational restructuring and, as already mentioned cited, the lack of investment in innovation in national companies for financial and economic reasons\textsuperscript{64}.

With this, seeing empowerment in practice as a methodology to be adopted as the beneficial to the worker, without prejudice to work relationships and without becoming just ways to increase the employee’s workload for the same salary, is something quite challenging, especially when checking, according to the origins of empowerment\textsuperscript{65}.

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\textsuperscript{60} \cite{ibidem, p. 247.}

\textsuperscript{61} \cite{SILVA, Aline Gama da; GUIMARÃES, Joseane de Abreu; LOPES, Paloma De Lavor. Downsizing como gerador de conflitos nas organizações. In: SEGET - Simpósio De Excelência Em Gestão E Tecnologia, 13., 2016, Resende. Publicação no Site da SEGeT. Rio de Janeiro. Anais [...].}

\textsuperscript{62} \cite{RODRIGUES, Claudia Heloisa Ribeiro; SANTOS, Fernando César Almada. EMPOWERMENT: ciclo de implementação, dimensões e tipologia. Gestão & Produção, [s. l], v. 8, n. 3, p. 237-249, dez. 2001.}


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