Empowerment should begin with job content and proceed to job context. Because the workforce is so diverse, managers should recognize that some employees are more ready for empowerment than others. Managers must diagnose situations and determine the degree of empowerment to extend to employees. Recently, the management of change in organizations was identified as another area wherein empowerment can have a strong effect. Empowered employees are more likely to participate in and facilitate change processes in organizations as they feel more committed to the organizations' success.[80] Empowered individuals are also more motivated, satisfied, and creative.[81,82]

The empowerment process also carries with it a risk of failure. When you delegate responsibility and authority, you must be prepared to allow employees to fail; and failure is not something most managers tolerate well. At Merck, some say the CEO Ray Gilmartin empowered scientists too much and that their failures cost Merck its profitability and reputation as one of *Fortune*'s Most Admired Companies. One example of this empowerment involved a diabetes drug that early research showed caused tumors in mice. Scientists argued that despite early studies showing the drug was not viable, research should continue, and it did—until the drug was finally axed, costing the company considerable time and money.[83]

Managerial Implications: Using Power Effectively

There are research studies on competencies which help managers to succeed, such as emotional intelligence. There are also studies focusing on why managers fail. Interestingly, most of these failures involve the misuse of power and organizational politics. Here are five reasons why executives fail:

1. *They see themselves and their companies as dominating their environments.* Though confidence is helpful, the perception that a company is without peer is a recipe for failure. On a more personal level, CEOs who see themselves as uniquely gifted in comparison to their competitors and coworkers are generally ripe for a fall.
2. *They think they have all the answers.* Even though decisive leadership and vision often lead to the executive suite, an unwillingness to admit ignorance or seek others' input may trigger disaster. A reluctance to empower others leads to failure.
3. *They ruthlessly eliminate anyone who isn't 100 percent behind them.* Business history is replete with leaders who culled the ranks of those who were willing to voice different opinions, only to find themselves blundering down the road to catastrophe without anyone to yell "Stop."
4. *They stubbornly rely on what worked for them in the past.* Like most of us, business leaders tend to fall back on what has worked before. Unfortunately, yesterday's solution is rarely an ideal fit for today's challenge, and successes of the past may well inhibit success in the future.
5. *They have no clear boundaries between their personal interests and corporate interests.* As top leaders invest more time and effort in a firm, it's easy for them to become convinced that the firm is simply a reflection of their own enormous ego. Ironically, leaders who fail to make this distinction tend to be far less careful about spending corporate resources, leading to often embarrassing revelations of executive excess at employee and stockholder expense.[84]