



ABSTRACT

Established in 1985, CV "X" is a Surabaya based company that mainly deals in genset rental and production. As a long established company, "X" is finding itself in a need for growing and adapting to the changes of time. For that purpose, the "X" Directors feels that Employee Empowerment is a necessity if "X" to be ahead of ever growing competition in the industry.

This research is aimed to analyze "X"'s conditions in 'Employee Empowerment' and 'Readiness To Change' term. The complete Employee Empowerment is an empowerment that brings forth desired positives outcome for the organization. In order to accomplish this, a working system is needed, not only to empower, but also to create employee perception that they are indeed empowered. These two aspects will be the pillar of this research.

Researches and observations will show that "X" is not showing itself as a empowered organization, let alone creating employee perception of empowerment. By understanding these current conditions, the research will then formulate a series of strategic steps, specific to "X", to lead the organization to a complete Employee Empowerment. The steps consist three phases, Preparation Phase which includes formulation of Organization Vision, Mission, and values, and identification of key personels as change agents. The second phase is Foundation Phase which focuses on efforts for advancing employees skillsets, organization performance information disclosure, and compensation restructuring to be performance based. The third phase Perception Phase which focuses on restructuring the organization to be based on self managing teams.

Keywords: *Employee Empowerment, Change Management, Perception of Empowerment*