

## EMPOWERMENT LEADERSHIP AND PERFORMANCE: ANTECEDENTS

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### ABSTRACT

The development of research on empowerment leadership has continued to increase over the last few decades. However, an in-depth discussion of the antecedents of empowerment leadership is still limited. This study explores several antecedents of empowerment leadership, including collectivism and narcissism orientation. In addition, the inconsistency of the influence of empowerment leadership on the performance of subordinates was still found in several studies. The results of this study indicate that collectivism and narcissism orientation have an influence on leadership empowerment. The results of this study support the influence of empowerment leadership on the performance of subordinates.

**Keywords:** empowerment leadership, antecedents, collectivism orientation, narcissism, positive work stress, subordinate performance.

### I. INTRODUCTION

Today's organizations are more open with new ideas and prioritize cost-efficiency (Biemann, Kearney, & Marggraf, 2015), but as a consequence, the organization will form a flatter hierarchy and subordinates will have broader responsibilities (Biemann et al., 2015); Forrester, 2000). Changes that occur have led to research interest in the leadership literature to find out what kind of leadership approach is suitable to be applied in these conditions (Lee, Willis, & Tian, 2017). Leadership is important in organizations because it is closely related to the abilities and skills that leaders must possess. With the right leadership, the organization will be better able to cope with constant change. In general, leadership is defined as individual expertise to influence, motivate, inspire, and direct other individuals to achieve organizational goals. Pearce and Sims (2002) suggest that five types of leadership are often adapted by leaders, namely aversive leadership, directive leadership, transactional leadership, transformational leadership, and empowerment leadership. However, among the five types of leadership, empowerment leadership is considered "Super Leadership" (Manz & Sims, 2001) because it directs individuals to lead themselves.

Empowerment leadership is defined as the behavior of leaders who delegate power, provide work autonomy, training, and information to their subordinates which will increase subordinates' motivation (Srivastava, Bartol, & Locke, 2006; Zhang & Bartol, 2010; Sharma & Kirkman, 2015; Kim, Beehr, & Prewett; 2018). The motivation of subordinates will increase due to the work autonomy provided by the leader, on the other hand, the empowerment of subordinates is one of the ways that leaders use to achieve goals and increase organizational effectiveness (Conger & Kanungo, 1988 in Wu & Chen, 2015). In addition, Ahearne, Mathieu, and Rapp (2005) describe empowerment leadership which emphasizes participation in decision making, encourages the confidence of subordinates to perform

high, and removes bureaucratic barriers. Seibert, Wang, and Courtright (2011) explain that the concept of empowerment leadership has been introduced for more than 30 years by Kanter (1977), but there are still some important questions that have not been answered. These questions include the antecedents of empowerment leadership (Lee et al., 2017; Sharma & Kirkman, 2015), as well as empowerment leadership outcomes related to subordinates (Kim et al., 2018; Lee et al., 2017; Seibert et al., 2011). Antecedents of empowerment leadership need to be tested further in order to reduce ambiguity about why, how, and when empowerment leadership is most effectively applied (Sharma & Kirkman, 2015), besides this testing allows organizations to better understand how to utilize empowerment leadership (Lee et al., 2017). Sharma and Kirkman (2015) put forward several propositions regarding the antecedents of empowerment leadership based on one approach, namely the individual-situation interaction put forward by Mischel (1977). This approach emphasizes that individual and situation differences are important predictors of individual behavior (Sharma & Kirkman, 2015). The predictors that emerge from this approach are individual differences, consisting of the leader's cultural value orientation and narcissistic personality, as well as the organizational context inherent in the individual, namely the leader's work stress.

Sharma and Kirkman's (2015) research, individual differences are divided into two aspects, namely cultural value orientation, one of which is collectivism orientation and narcissism personality. The leader's cultural value orientation acts as a filter that will guide and show the preferences of the leader so that it is an important predictor of how leaders behave in the organization (Sharma & Kirkman, 2015; Gelfand, Erez, & Aycan, 2007). Cultural value orientation has an important role in how individuals react to aspects of their work, besides that cultural value orientation can shape beliefs about what behaviors, types, skills, and personalities can characterize effective leadership (Kirkman et al., 2009). Leaders need to understand how cultural value

orientation affects reactions to leadership, as well as how leadership behavior interacts with subordinates' cultural value orientation to influence the affective, cognitive, and behavioral outcomes of subordinates (Kirkman et al., 2009).

In addition to the limited research on the antecedents of empowerment leadership (Kim et al., 2018; Lee et al., 2017; Sharma & Kirkman, 2015; Seibert et al., 2011), research on empowerment leadership results on subordinate performance has not found a clear direction. Several studies have shown that empowerment leadership has a positive effect on subordinates' performance (eg Ahearne et al., 2005; Zhang & Bartol, 2010; Zhang & Zhou, 2014), but other studies have shown conflicting results (Cheong et al., 2016; Humborstad, Nerstad, & Dysvik, 2014). Lee et al. (2017) also stated that subordinates' performance has the lowest results when compared to other empowerment leadership results, namely civic behavior and creativity.

This study focuses on antecedent and consequent factors. The reason why this study focuses on antecedents and consequences, first, is to find out the reasons why empowerment leadership is effective in organizations (Sharma & Kirkman, 2015). Second, so that organizations better understand the benefits that will be obtained when they implement empowerment leadership (Lee et al., 2017). The results of this study are expected to provide a deeper understanding of the antecedents of empowerment leadership by the proposition proposed by Sharma and Kirkman (2015). Testing the antecedents of empowerment leadership can reduce ambiguity in the utilization of empowerment leadership. In addition, this study is expected to provide an explanation of contextual factors such as individual traits, namely subordinate learning orientation, thus further strengthening the positive results between empowerment leadership and subordinate performance.

### Theory and Hypothesis Development

Ahearne et al. (2005) describe four tentative dimensions of leader behavior to empower their subordinates, the first is by increasing the meaning of work. Increasing the meaningfulness of work includes the actions of leaders who help employees to understand the goals of their work so that leaders and subordinates have the same perception of job goals. The second way is by encouraging the participation of subordinates and holding discussions in decision making. The three leaders show confidence in high performance by providing a sense of confidence that their subordinates can handle tough work. The fourth way is to provide autonomy from bureaucratic obstacles so that subordinates can complete work in their way. The application of empowerment leadership in organizations can be effective leaders for the organization and subordinates (Kim et al., 2018). This is because empowerment leadership is able to direct subordinates to behave and perform positively.

Empowerment leadership that provides delegation of power, work autonomy, training, and information to subordinates can make subordinates increase subordinate motivation. With increased motivation, subordinates can show because empowerment leadership directs subordinates to perform well. The collectivism orientation and empowerment leadership have the same focus on subordinates, namely sharing. Both collectivism orientation and empowerment leadership emphasize collaboration and sharing knowledge among organizational members, sharing power and responsibility to subordinates. In addition, the leader's attitude, such as caring for subordinates and prioritizing mutual welfare, can create a sense of empowerment in subordinates.

Social Learning Theory can strengthen the influence of collectivism orientation on empowerment leadership. Leaders with a collectivism orientation believe that collaboration with subordinates is a characteristic of effective leadership, so that they have self-regulation to commit to their groups, prioritize a harmonious work environment, and care about the welfare of their subordinates. Based on this description, the following hypotheses can be concluded:

**H1: collectivism orientation has a positive effect on empowerment leadership.**

Narcissism should be considered as an antecedent of empowerment leadership because leaders with narcissism can empower their subordinates to look like effective leaders in the organization and fulfill their personal views as successful leaders (Sharma & Kirkman, 2015). This study tries to see the influence between narcissism and empowerment leadership. Narcissist leaders often need achievement, but they are more concerned with appearance, not on the achievement itself (Soyer et al., 2001). Kernberg (1975), in Soyer et al. (2001), explained that narcissism leaders feel they have more value than other individuals. In addition, they are in a bad emotional state due to a lack of empathy for others, always feeling tired and bored with what they already have, and feel they have nothing else to make them proud.

Social Learning Theory can strengthen the influence of narcissism on empowerment leadership because when modeling involves self-regulation and self-efficacy of leaders, empowerment leadership also encourages the emergence of self-regulation and self-efficacy. A leader with narcissism has self-efficacy that he is a successful leader figure, so he needs special treatment from his subordinates. Leaders with narcissism often exploit others, one of which is by blaming others for the mistakes they have made. In accordance with this description, the following hypotheses can be concluded:

**H2: Narcissism has a negative effect on empowerment leadership.**

Bandura (1986) in Cheong et al. (2016) stated that empowerment leadership affects the performance of subordinates by increasing the self-efficacy of

subordinates so that subordinates believe in their ability to organize and carry out their work as well as possible. Empowerment leadership is often referred to as " Super Leadership " or leading others to lead themselves (Pearce & Sims, 2002). Empowerment leadership emphasizes developing the ability of subordinates to be able to lead themselves in order to increase subordinates' participation in work (Drucker, 1954 in Pearce & Sims, 2002). Ahearne et al. (2005) revealed that empowerment leadership also increases the meaning of work, encourages the participation of subordinates in decision making, provides job autonomy, and frees bureaucratic barriers. This encourages subordinates to be motivated to perform optimally.

An explanation of the mechanism of the influence of empowerment leadership on the performance of subordinates can be assisted by the theory of Participation Goal Setting (Locke & Latham, 1990). The theory explains when participatory set goals lead to high performance and satisfaction. Empowerment leadership in this context emphasizes the development of self-leadership in subordinates by inviting subordinates to participate in decision making. The existence of the participation of subordinates in goal setting will lead to high subordinate performance, the leader shows confidence in his subordinates that they can be high performers encouraging subordinates to use their ideas in completing tasks that have been set together, to create an ideal work environment in the organization. The description of the explanation above can form the following hypothesis:

**H3: leadership empowerment has a positive effect on subordinates' performance.**

**Research methods**

This research is quantitative explanatory with individual analysis units (leaders and subordinates) at a study center at one of the state universities in Indonesia in 2019. The data in this study were taken using structured statements in two types of questionnaires distributed to respondents. Population selection is based on research To, Fisher, and Ashkanasy (2015) and Huang and Luthans (2015). This study used the Partial Least Square-Structural Equation Modeling (PLS-SEM) method with the analysis tools of WarpPLS 5.0. To test the validity of the study, convergent validity and discriminant validity were used. Convergent validity is said to be accepted when the AVE value is > 0.5 (Hair et al., 2014), while discriminant validity is said to be accepted when the root of AVE square value > 0.5. The reliability test in this study refers to the Cronbach's Alpha value and the Composite Reliability value. Research is said to be reliable when the Cronbach's Alpha value is > 0.6 and the Composite Reliability value is > 0.7 (Hair et al., 2014). After being said to be valid and reliable, the study was continued by analyzing the pathway to obtain an explanation of the effects of hypothesis 1 to hypothesis 3. Path analysis can recognize positive or

negative relationships and is supported if the p-value is <0.1 (Hair et al., 2014).

**II. DISCUSSION**

Based on the results of the tests conducted, this study has the results of the convergent validity test described in Table 1.

**Table 1. AVE Value After Item Deletion**

Variable	AVE value
OK-1	0.723
OK-2	0.632
OK-3	0.525
OK-4	0.686
OK-5	0.630
NAR	0.508
KP-1	0.724
KP-2	0.544
KP-3	0.693
KP-4	0.642
KB	0.527

Source: data processed with WarpPLS 5.0, 2019

Table 1 presents data for all variables that meet the requirements for the AVE value stated by Hair et al. (2014), so it can be concluded that these variables have met the convergent validity test. After passing the convergent validity test, the discredit validity test was carried out with the results in Table 2 as follows:

**Table 2. Value of the Square Root AVE**

V	Correlation Coefficient			
	OK	NAR	KP	KB
OK	<b>0.515</b>	-0.416	0.340	0.330
NAR	-0.416	<b>0.713</b>	-0.460	-0.477
KP	0.340	-0.460	<b>0.573</b>	0.371
KB	0.524	-0.477	0.371	<b>0.726</b>

Source: data processed with WarpPLS 5.0, 2019.

Table 2 shows the data that the AVE square value of each variable is greater when compared to the correlation value between each variable, so it can be concluded that the measuring instrument used is in accordance with the variables that must be measured in the study. Furthermore, hypothesis testing is carried out by examining the path effect of each hypothesis.

To test the hypothesis is done by analyzing the path of influence on empowerment leadership and empowerment leadership on performance. In testing hypothesis 1, the results of data processing show that collectivism orientation has a positive and significant effect on leadership empowerment ( $\beta = 0.24, p = 0.01$ ). These results can be said that hypothesis 1 is supported. Leaders with a collectivism orientation have several aspects (Jackson et al., 2006), the first is preference. Leaders with a collectivism orientation prefer to work collectively because they believe they

will have superior performance. Second is the priority of goals, leaders with a collectivism orientation will emphasize the common goals of individual goals. This gives understanding to all members of the organization that they have to make certain sacrifices. In line with collectivism orientation, empowerment leadership also has the same sharing characteristics. In the context of empowerment leadership, leaders often delegate power and encourage the participation of subordinates in decision making and solving problems in the organization (Ahearne et al., 2005).

Hypothesis testing 2 analyzes the path of influence of narcissism on empowerment leadership. The data processing conducted gave the result that narcissism had a negative and significant effect on leadership empowerment ( $\beta = -0.30, p = 0.01$ ), so that hypothesis 2 was supported. Kernberg (1979), in Sharma and Kirkman (2015), revealed that leaders with narcissism lack integrity and make them less effective leaders. Lack of integrity in leading will lead to behavior that refuses to admit mistakes made money, pass the blame on subordinates, and declare that the success achieved by the organization is one's success. The characteristics displayed by leaders with narcissism are inversely related to the characteristics of empowerment leadership. Arnold et al. (2000) revealed that empowerment leadership shows a commitment to its work as well as to the group. Commitment is represented by performing optimally in both the main job and in the group. The next characteristic is to encourage subordinates to perform optimally (Arnold et al., 2000). This characteristic is indicated by the behavior of recognizing or knowing the performance of subordinates and encouraging subordinates to jointly solve problems in the organization.

To test hypothesis 3, the path analyzed is the influence of empowerment leadership on subordinates' performance. In this study, empowerment leadership was proven to have a positive effect on subordinates' performance ( $\beta = 0.45, p < 0.01$ ). Based on these results, hypothesis 3 is supported. Leadership is seen as "Super Leadership" because it is believed to be able to influence the performance of subordinates by increasing self-efficacy which can help subordinates believe in their ability to organize and carry out work as well as possible (Bandura, 1986 in Cheong et al. al., 2016; Pearce & Sims, 2002). Increased self-efficacy will lead to the ability to lead oneself (Pearce & Sims, 2002). Previous research agrees that empowerment leadership can encourage subordinates to participate in decision making and problem-solving, provide work autonomy, remove bureaucratic obstacles, increase the meaning of work (Arnold et al., 2000; Ahearne et al., 2005). It has been previously explained that empowerment leadership can facilitate subordinates' self-leadership, so that subordinates believe in their expertise and ability to make their own decisions which will have an impact on maximum performance (Ahearne et al., 2005; Vecchio et al., 2010; Humbostad et al. ., 2014).

### III. CONCLUSION

This study has several conclusions, first is that two individual differences in this study affect empowerment leadership. The individual differences consist of collectivism and narcissism orientations. The results showed that these two variables had an influence on empowerment leadership. In accordance with the previously established hypothesis, collectivism orientation has a positive effect on empowerment leadership, while narcissism has a negative effect on empowerment leadership. Furthermore, empowerment leadership has a positive and significant effect on subordinates' performance. Empowerment leadership with various characteristics can increase self-efficacy, and self-regulation of subordinates so that these two things can improve the performance of subordinates.

#### Suggestion

Suggestions for further research are to add other antecedent factors from Sharma and Kirkman's (2015) proposition such as other individual differences and work stress contextual factors. Samples in future studies are expected to be more numerous and varied in order to obtain generalizable results.

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