

# **Empowering Leadership and Innovative Work Behavior: Mediating Effect of Psychological Empowerment**

Ritu Yadav (Corresponding author)  
Gurugram University, Gurugram, India  
Email: rituyadav49@gmail.com

Chand Prakash  
School of Commerce & Management, Manav Rachna University, Faridabad, India  
Email: chandsaini03@gmail.com

Asha Dalal  
Independent Author, IMSAR, MDU Rohtak, India  
Email: aashu.dalal@gmail.com

## **Article History**

Received: 18 Nov 2022    Revised: 21 Mar 2023    Accepted: 27 Mar 2023    Published: 31 Mar 2023

## **Abstract**

This empirical investigation primarily aims to measure empowering leadership's impact on innovative work behavior. The study also analyzed the mediating role of psychological empowerment between empowering leadership and innovative work behavior. The structural equation modeling (SEM) technique through AMOS 21 was applied to test the hypothesized relationship between the studied variables over a sample of 438 university employees collected through the snowball sampling technique. The study found that empowering leadership significantly and positively impacted innovative behavior. The mediating effect of psychological empowerment between empowering leadership and innovative work behavior was also significant and positive. The study's findings provide useful directions to stakeholders in framing policies to strengthen their employees' innovative work behavior for the institution's success.

**Keywords:** Empowering leadership, innovative work behavior, psychological empowerment, academic environment, India.

## **1. Introduction**

In the globalized era, gaining competitive strength becomes essential for the survival of an organization. In this context providing innovative services and product strategy takes the organization ahead, and a need arises for an effective, innovative process. Employees' innovative behavior strengthens the organization regarding productivity, competitiveness,

satisfaction and performance. Not innovating pushes the organization towards destruction and disappearance (Schumpeter, 1986), and innovative work behavior becomes fundamental to transferring the organization towards sustainable development (AlMulhim, 2017). Innovative behavior deals with the creative ideas generated in the mind of individual employees who research, produce, support and implement those ideas (Scott and Bruce, 1994).

Innovative work behavior is widely recognized as the key contributor to an organisation's survival (Pieterse et al., 2010) and provides it with competitive strength (Shanker et al., 2017). Developments of new products and services, firms' effectiveness and the satisfaction of employees were the outcomes of innovative work behavior (Janssen et al., 2004). Employees' innovative work behavior is the outcome of various antecedents: reward from the employer (Janssen, 2000); human resource practices adopted within the organization (Bücker and van der Horst, 2017); job involvement (Peng, 2020); affective commitment (Xerri and Brunetto, 2013); organizational justice (Akram et al., 2020); psychological empowerment (AlMulhim, 2020).

Previous research identified leadership's role in innovative work behavior (Scott and Bruce, 1994; Forrester, 2000; Zhu, 2019; Dugar, 2021; Hassi et al., 2021). Different leadership styles like transformational leadership style (Choi et al., 2016), entrepreneurial or risk-taking leadership style (Bagheri, 2017), autocratic, democratic/ participative and laissez-faire leadership (Lin and Wu, 2018) were studied in the context of innovative behavior. Much research focused mainly on empowered leadership for innovative work behavior (Forrester, 2000; Zhu, 2019; Dugar, 2021; Hassi et al., 2021), as this leadership style provides the employees great authority and responsibility for their work.

Although, empowering leadership provides a supportive environment within the organization where superior's trust in employees' capability; delegate powers and autonomy of decision-making; and recognition of employees' work (Ahearne et al. 2005; Amundsen and Martinsen 2014) leads to innovative behaviour (Zhu, 2019; Dugar, 2021) but still an issue arises how empowered leadership through supportive environment influences the employees' innovative work behavior. Research by Joo et al. (2022) highlighted that empowering leadership develops employees' creativity only through mediating effect, and no significant direct relation exists between them. So the mediating role of different variables is gaining importance in this context. Psychological empowerment inspires employees to take responsibility for their work and make decisions related to their work (Erstad, 1997). Few researchers discussed psychological empowerment's role in empowering leadership and innovative work behavior (Duger et al., 2021; AlMulhim, 2020). Thus, this study attempts to strengthen the understanding of the role of empowering leadership in innovative work behavior, and to examine the mediating role of psychological empowerment between empowered leadership and innovative work behavior.

## **2. Conceptual Framework and Hypotheses Development**

### *2.1 Empowering Leadership*

Empowering leadership gained enormous importance in recent decades (Lawler et al., 2001; Forrester, 2000; Zhu, 2019). In this leadership, employees gain more opportunities for self-direction, resulting in superior outcomes in job satisfaction and high performance (Spreitzer, 1996). In the study of Liu et al. (2003), empowering leadership was explained as that type of leadership style where target employees benefit through self-control and act independently. It is based on giving employees more freedom and authority to decide the tasks linked to their jobs. Vecchio et al. (2010) defined empowering leadership "as behaviors that share power with subordinates". Tung and Chang (2011) focused on two perspectives of empowering leadership: the first deals with the leader's behavior and the other with the employee's attitude. Leaders' behavior concerns autonomy, power sharing and allocating responsibilities among employees.

Conversely, empowering leadership develops positive employee behavior through motivation and job satisfaction. Wong and Kuvaas (2018) highlighted the importance of empowering leadership to increase employees' potential and organizational effectiveness. Li et al. (2023) highlighted empowering leadership as a double-edged sword that positively impacts the employee's innovative behavior through employees' job engagement and adversely through emotional exhaustion.

### *2.2 Psychological Empowerment*

Psychological empowerment is a technique for increasing the efficiency of individuals by developing a sense of responsibility for performing a job (Spreitzer, 1995; Gautam and Ghimire, 2017). It is expressed as where employees take responsibility for their work (Erstad, 1997). Ahearne et al. (2005) discuss two different approaches to psychological empowerment. Authorization is the first approach, and the second is targeted towards the psychological dimensions. The authorization approach states that employees should get autonomy and decision-making authority to accomplish the job (Leach et al., 2003). While the second approach depends on psychological dimensions that deals with the power of employees' emotional control for the work and workplace.

Ramamoorthy et al. (2005) define psychological empowerment as "autonomy and perception of power that can make unique and positive employees' innovative behaviors of tick". Spreitzer (1995) discussed psychological empowerment through four different dimensions: meaning, self-determination, competence, and impact. Where, meaning represents the importance of work for employees. Competence represents the individual's ability and skills required to execute the job. Self-determination represents the perception of autonomy in performing work-related duties and decision-making. Impact denotes the individuals' belief in the results' influence at the workplace. These four cognitive elements always appear in the same sequence to empower employees psychologically.

### *2.3 Innovative Work Behavior*

Innovative work behavior represents the development and realization of new ideas by employees. Carmeli et al. (2006) defined innovative work behavior as " the multi-stage process of developing new ideas to solve organizational problems or improve products, services, or processes". Zehra and Waheed (2017) discussed the innovative work behavior scope that is not only restricted to the development of new ideas but beyond the development of the new ideas; it covers the process of encouraging employees to new ideas and their application. Scott and Bruce (1994) explained innovative work behavior through its process, which covers creating, developing, and realizing ideas. Janssen (2000) and Zhu et al. (2019) explained innovative work behavior through four components: idea generation, idea promotion, and idea implementation. Yidong and Xinxin (2013) discussed that innovative behavior motivates employees to think over an existing problem and provide innovative solutions. Dugar (2000) strongly favored the employees' role as initiators and sustainers of innovation, further providing competitive strength to the organization.

### *2.4 Empowering Leadership and Innovative Work Behavior*

Empowerment proved a key contributor to the innovative behavior of individuals within an organization. Empowerment provides power to workers through delegating authority, accessing lower-level resources, and sharing required information (Ripley and Ripley, 1992). Excessive and limited empowerment shows a negative impact on individual behavior. Over-empowered employees by their leaders create difficulty in meeting performance expectations and limit innovative work behavior (Fernandez and Moldogaziev, 2012), while under-empowerment also creates difficulty in attaining individuals' goals and restricts innovative work behavior (Humborstad et al., 2014). Research by Forrester, 2000; Zhu, 2019; Dugar, 2021; Hassi et al. 2021 identified the positive role of empowered leadership in developing employees' innovative work behavior. Through empowered leadership, employees can perform their duties and responsibilities with increased independence (Paré and Tremblay, 2007). The positive relationship between innovative work behavior and empowered leadership was identified in the research of Hebenstreit (2012). From the above discussion, it can be hypothesized that

- H<sub>1</sub>: Empowering leadership has a significant direct positive effect on innovative work behavior.

### *2.5 Empower Leadership and Psychological Empowerment*

Research by Seibert et al. (2011) supported that leading style within organization played a significant role in empowering employees psychologically compared to other factors. A study by Maynard et al. (2012) highlighted that work design, organization support, structural empowerment, work design and leadership were the antecedents of psychological empowerment. Empowering leadership provides a supportive environment along with autonomy and power that increases the self-confidence of employees to perform

their duties and responsibilities, and employees feel psychologically empowered. Research by Zhang and Bartol (2010) highlighted that an empowered leadership style increases the psychological empowerment of employees by providing meaning to work, strengthening their competence, increasing their self-determination to perform the job, and positively impacting the desired result of the action. Thus, it can be hypothesized that

- H<sub>2</sub>: Empowering leadership has a significant direct positive effect on the psychological empowerment of employees.

#### *2.6 Psychological Empowerment and Innovative Work Behavior*

Psychological empowerment generates ideas by encouraging workers (Marane, 2012; Singh and Sarkar, 2012). The individual's mental position with the wisdom of authority strongly motivates an individual to innovative behavior to attain organizational goals (Spreitzer, 1995). Many kinds of research support that psychologically empowered employees show more innovative behavior than others (Amabile and Gryskiewicz, 1989; Afsar et al., 2018). Employees who are more empowered psychologically tend to be more energetic in knowledge sharing and indulge deeply in efficiently performing the work (Kang et al., 2017). Also, psychologically empowered employees enjoy autonomy in decision-making and learning new things through trial-and-error methods (Ramamoorthy et al., 2005). Thus, it can be hypothesized that

- H<sub>3</sub>: Psychological empowerment has a significant positive direct effect on innovative work behavior.

#### *2.7 The Mediating Effect of Psychological Empowerment Between Empowering Leadership and Innovative Work Behavior*

Some researchers showed concern about empowering leadership's direct effect on innovative work behavior (Dugar et al., 2021; AlMulhim, 2020). In the study of Dugar et al. (2021), a significant mediating role of psychological empowerment was identified between innovative work behavior and empowered leadership. AlMulhim (2020) also supported that psychological empowerment significantly moderated the relationship between empowered leadership and innovative work behavior. Khatoon et al. (2022) highlighted the importance of empowering leadership in modifying the knowledge-sharing behavior of an individual both directly and indirectly through psychological empowerment. Akkoç et al. (2022) researched that psychological empowerment as a mediator increased innovative work behavior and job performance more than other determiners like ethical climate and innovative culture. Research by Joo et al. (2022) denied the significant direct effect of empowering leadership on employees' creativity but accepted their relation only through knowledge sharing and work engagement mediators. It is assumed that employees' innovative behavior is not only dependent on empowering leadership; there is some mediating effect of psychological empowerment between them. Thus, it can be hypothesized that:

- H4: Psychological empowerment significantly mediates between empowering leadership and innovative work behavior.

Social cognitive theory is a significant management, education and psychology theory to explain individual behavior. This originated from the social learning theory of Albert Bandura, developed in 1986 and is based on the dynamic and reciprocal relations between individuals, surrounding, and behaviors that exist in a social framework. Cognitive, behavioral, personal and environmental factors help self-motivated individuals to perform the desired way (Crothers et al., 2008). Individuals feel motivated by task performance based on competence and the benefits of completing their actions (Bandura, 1986). This theory also shows its relevance for studying the employees' innovative work behavior through its relation to empowering leadership (AlMulhim, 2020). Self-determination theory also establishes individuals' behavior about environmental factors. This theory supports that an autonomous individual shows a more positive attitude toward innovative behavior than others (Gagne and Deci, 2005). Based on the theories mentioned above and the literature following conceptual framework has been drawn:

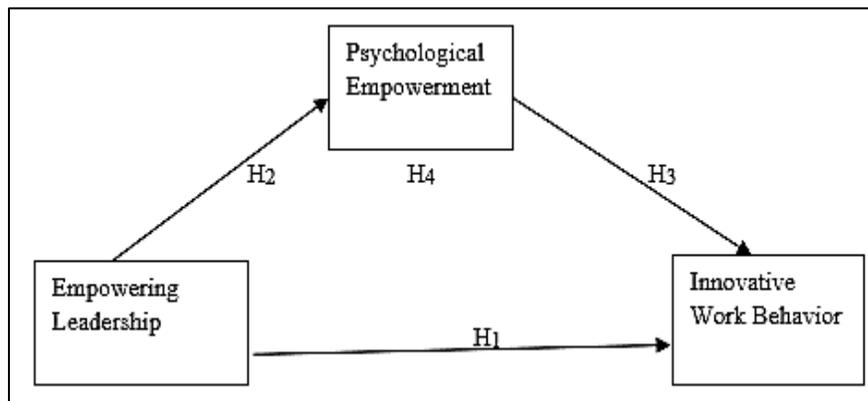


Figure 1: Conceptual Framework

Figure 1 shows the conceptual framework going to be tested under the investigation. The framework demonstrated the direct link between empowering leadership and innovative work behavior. Further linkage was established between empowering leadership and psychological empowerment, leading to innovative work behavior. The mediating role of psychological empowerment going to be studied between empowering leadership and innovative work behavior.

### 3. Research Methodology

This empirical investigation was carried out to measure the direct and indirect role of empowering leadership for innovative work behavior through psychological empowerment (Figure 1). A Google form was generated and circulated among university personnel for the study's goal using snowball sampling.

### *3.1 Measures*

#### *3.1.1 Empowering Leadership*

Empowering leadership was considered a multi-dimensional construct (Vecchio et al., 2010; Pearce and Sims, 2002; Ahearne et al., 2005). In current research empowering leadership was measured using three sub-dimensions: Independent action (4 items), opportunistic thinking (3 items) and cooperative action (3 items) (Vecchio et al., 2010; Pearce and Sims, 2002). Research by Gkorezis (2016) and Zhu et al. (2019) tested the scale in an academic environment and proved the reliability and validity of the measure.

#### *3.1.2 Psychological Empowerment*

Psychological empowerment was assessed through six items borrowed from Spreitzer's (1995) scale. Previous research by Zhu et al. (2019) and AlMulhim (2020) proved the reliability and validity of the instrument.

#### *3.1.3 Innovative Work Behavior*

Innovative work behavior was assessed through 11 items grouped under three dimensions: idea generation (4 items), idea promotion (4 items), and idea implementation (3 items). The scale of Janssen (2000) was reviewed for developing innovative work behavior. Previous research by Zhu et al. (2019) used the same dimensionality for measuring innovative work behavior in an academic environment.

A pilot study over a sample of 45 university personnel was conducted to measure the appropriateness of the survey instrument. Based on pilot study results and expert opinion, some modifications were implemented in terms of language and addition & deletion of items. Based on Cronbach's alpha ( $\alpha$ ) results, the survey instrument was found reliable and consistent: Empowering leadership ( $\alpha = 0.92$ ), Psychological empowerment ( $\alpha = 0.88$ ), and innovative work behavior ( $\alpha = 0.91$ ).

### *3.2 The Statistical Tool for Data Analysis*

The covariance-based structure equation modeling (second order) technique using AMOS 21 was applied to establish the relation between studied variables: empowering leadership, psychological empowerment and innovative work behavior. Structure equation modeling is wise for testing the statistical significance of the relation between independent and dependent variables (Hair et al., 2012). This research followed Anderson and Gerbing (1988) two-stage approach based on the measurement and structure models.

### *3.3 Participants*

Academicians, scholars and administrative staff of NAAC accredited 'A+ grade' universities from the National Capital Region (Delhi, Noida, Faridabad, Gurugram) were sampled for the research. 438 respondents reverted to the Google form, of which 12 responses were removed during the data cleaning stage. 425 collected responses were

coded and entered in SPSS 21 for further analysis. The general characteristics of respondents were analyzed using descriptive statistics (displayed in table 1).

**Table 1: General Characteristics of Participants**

Basis	Categories	Frequencies	Percentage (%)
Gender	Male	200	47.06
	Female	225	52.94
Age	Less than 30 years	105	24.71
	30-40 years	110	25.88
	40-50 years	125	29.41
	More than 50 years	85	20.00
Educational Qualification	Graduate	115	27.06
	Post Graduate	185	43.53
	Doctorate	125	29.41
Nature of Job	Scholars	135	31.77
	Academicians	163	38.35
	Administrative	127	29.88

#### 4. Data Analysis and Results

Structure equation modeling was used to test the conceptual framework (Figure 1). Firstly, to confirm the factor structure of the measuring instrument and assess its reliability and validity, the scales were subjected to confirmatory factor analysis using the maximum likelihood approach. Under this approach, the model can be assessed based on several fit indicators. It is not mandatory to consider all the model fit indicators, but the most frequently used fit indices can prove the appropriateness of the model (Holmes-Smith et al., 2006). Commonly used measures:  $\chi^2$ , CFI, GFI, NFI, RMSEA and RMR were adopted by the authors for evaluating the model fitness (Hooper et al., 2008; Hair et al., 1995; Hulland et al., 1996; Hu & Bentler 1999; Prakash et al., 2022). Table 2 displayed the fit indicator's value of empowering leadership, psychological empowerment and innovative work behavior using confirmatory factor analysis. The study's results clarified that all measures successfully passed the fitness criteria. Chi-square statistics ( $\chi^2$ ) is a traditional measure of evaluating the overall fitness of the model (Hu and Bentler, 1999). All three measures, i.e., empowering leadership, psychological empowerment and innovative work behavior, showed their overall fitness based on chi-square statistics. GFI, CFI and NFI were used as the goodness of fit index and obtained the threshold value. All the study

variables also proved their soundness based on the badness of the fit index evaluated based on RMR and RMSEA (Hooper et al., 2008).

**Table 2: Empowering Leadership, Psychological Empowerment and Innovative Work Behavior (assessment based on model fit indices)**

<b>Fitness Indicators</b>	<b>Fitness Criteria</b>	<b>Empowering Leadership</b>	<b>Psychological Empowerment</b>	<b>Innovative Work Behavior</b>
$\chi^2$		86.622	48.976	140.677
Df		32	14	40
P value		.000	.000	.000
$\chi^2/Df$	2-5 (Wheaton et al., 1977); < 5 (Schumacker and Lomax, 2004)	2.707	3.498	3.517
comparative fit index (CFI)	$\geq 0.90$ (Bentler, 1990; Byrne, 1998); $\geq 0.95$ (Hu and Bentler, 1999)	0.976	.956	0.969
Goodness of Fit Index (GFI)	$\geq 0.90$ (Tabachnick and Fidell, 2007)	.959	.901	0.947
Normed Fit Index (NFI)	$> 0.90$ (Bentler and Bonnet, 1980)	0.963	.934	0.957
Root Mean Square Error of Approximation (RMSEA)	$< 0.08$ (MacCallum et al., 1996; Byrne, 1998)	0.063	0.078	0.077
Root Mean Square Residual (RMR)	$< .05$ (Byrne, 1998; Diamantopoulos and Siguaw, 2000)	0.035	.038	0.043

Furthermore, the reliability and validity of empowering leadership, psychological empowerment and innovative work behavior were assessed (table 3). Cronbach's alpha ( $\alpha$ ) confirmed the internal consistency and reliability of scales as its value varied from 0.886 to 0.948 in the current study, which fulfilled the recommended criteria of  $>0.7$  (Nunnally, 1978). The convergent validity of three latent variables was assessed based on Average

Variance Explained (AVE) and Composite Reliability criteria. Study results proved the convergent validity of latent variables as the critical condition: AVE>0.5 (Hair et al., 2014), CR> 0.7 (Bagozzi and Yi, 1988); and CR>AVE (Malhotra and Dash, 2016) was attained successfully. Empowering leadership, psychological empowerment and innovative work behavior didn't show any discriminant validity concern that was assessed based on Fornell and Larcker's (1981) criteria. As per the required criteria, the square root of AVE of all the variables displayed at diagonal positions (in bold format) must be greater than the inter-correlation between variables. Also three-factor measurement model between empowering leadership, psychological empowerment and innovative work behavior showed its fitness based on model fitness criteria ( $\chi^2 = 997.446$ ;  $df = 312$ ;  $\chi^2/df = 3.197$ ;  $P = 0.000$ ; CFI = 0.926; RMSEA = 0.072). Thus, CFA results proved the robustness of the model based on reliability, validity and model fitness criteria.

**Table 3: Reliability and Validity Assessment**

	<b>Cronbach Alpha</b>	<b>CR</b>	<b>AVE</b>	<b>MSV</b>	<b>Max R(H)</b>	<b>EL</b>	<b>PE</b>	<b>IWB</b>
Empowering Leadership (EL)	0.886	0.818	0.600	0.579	0.824	<b>0.775</b>		
Psychological Empowerment (PE)	0.948	0.941	0.728	0.579	0.957	0.761	<b>0.853</b>	
Innovative Work Behavior (IWB)	0.905	0.759	0.515	0.500	0.782	0.638	0.707	<b>0.718</b>

Second-order structural equation modeling with path analysis was run to test the proposed relationship between empowering leadership, psychological empowerment and innovative work behavior. The desired model consisted of 27 observed variables. The structure model demonstrating the hypothesized relation between variables is shown in figure 2. The bootstrap approach using 2000 sub-samples with a 95% bias-corrected confidence interval was run to measure the mediating effect. The structure model found appropriately fitted to the data (CMIN = 997.446;  $df = 312$ ; CMIN/ $df = 3.197$ ;  $P = 0.000$ ; CFI = 0.926; RMSEA = 0.072).

Path coefficients ( $\beta$ ) and coefficient of determination ( $R^2$ ) were used to assess the strength and significance of the association between dependent and independent variables. Results of path analysis showed the significant positive effect of empowering leadership on innovative work behavior ( $\beta = 0.692$ ;  $P = 0.001$ ) and psychological empowerment ( $\beta = 0.761$ ,  $P = 0.002$ ); hence hypothesis H1 and H2 were accepted at this moment. Psychological empowerment showed a significant positive effect on innovative work behavior ( $\beta = 0.270$ ;  $P = 0.009$ ); hence hypothesis H3 was accepted (Table 4).

Bootstrap results proved a significant mediating effect of psychological empowerment between empowering leadership and innovative work behavior ( $\beta = 0.206$ ;  $P = 0.008$ ). Hence hypothesis H4 was accepted at this moment. The total significant effect of empowering leadership on innovative work behavior was 0.898, out of which 0.692 was direct, and 0.206 was indirect through psychological empowerment (Table 4). The desired model substantially explained the dependent variable through independent variables with a coefficient of determination ( $R^2 = .84$ ) (Henseler et al., 2009).

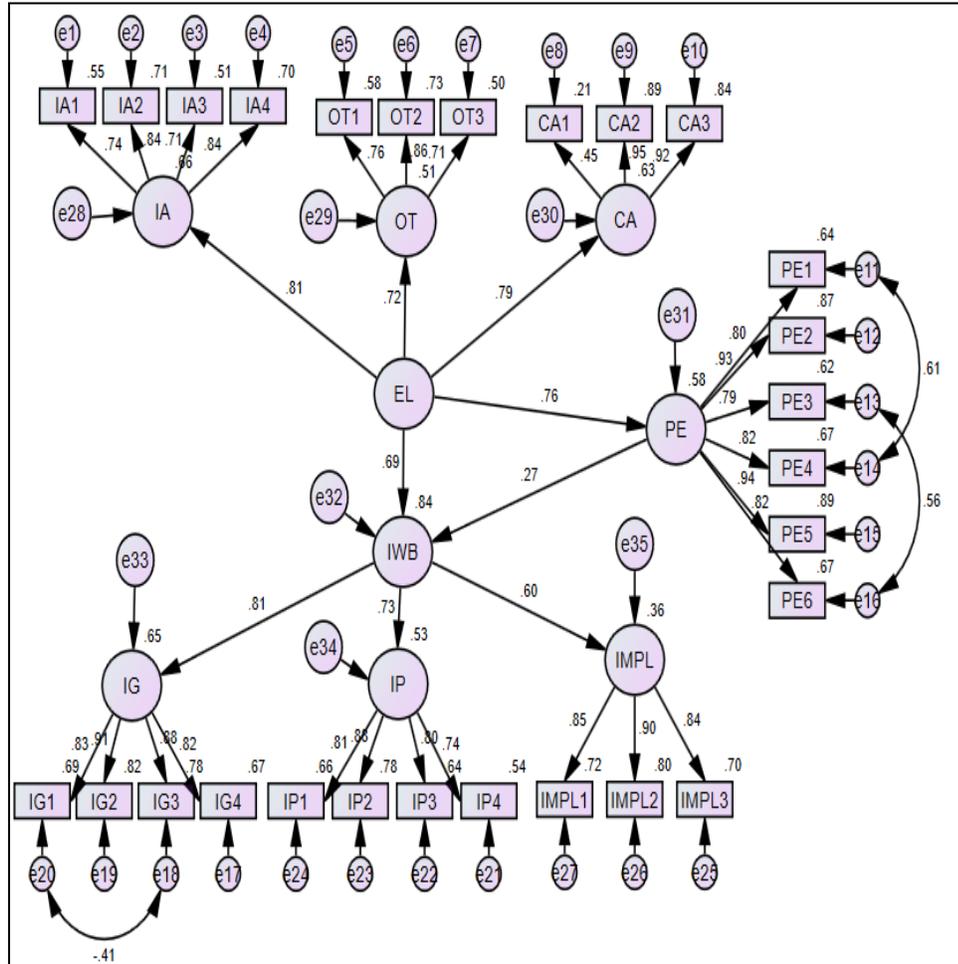


Figure 2: Structural Model

(Note: EL- Empowered leadership; PE: Psychological empowerment; IWB – Innovative work behavior; IA- Independent Action; OT- opportunistic thinking; CA- cooperative action; IG- Idea Generation; IP- Idea Promotion; IMPL- Idea Implementation)

**Table 4: Hypothesis Testing**

Hypothesis	Relation	Beta	Significance	Supported / Rejected
H1	EL → IWB	0.692	0.001	Supported
H2	EL → PE	0.761	0.002	Supported
H3	PE → IWB	0.270	0.009	Supported
H4	EL → PE → IWB (Indirect)	0.206	0.008	Supported
EL→ IWB (Total effect)		0.898	0.001	

### 5. Discussion

The study attempted to understand the linkage of concepts: empowering leadership, psychological empowerment and innovative work behavior. The study's results proved the significant positive effect of empowered leadership on innovative work behavior. Research by Joo et al. (2022) against the current results denied direct significant effect of empowering leadership on employees' creativity. But this result was in line with existing research by Forrester (2000); Zhu (2019); Dugar (2021); Hassi et al. (2021); Ripley and Ripley (1992). Under empowered leadership, employees benefit from autonomy and trust from the superior, providing a suitable environment for finding innovative solutions to problems.

Empowering leadership also positively affect psychological empowerment by providing the power of self-decision-making to individual employees related to their work. The previous research supported this result of the study by Zhang and Bartol (2010); Seibert et al. (2011); Maynard et al. (2012); Dugar et al. (2021). From the study results, psychological empowerment was positively associated with employees' innovative work behavior. Research by Afsar et al., (2018); Amabile and Gryskiewicz (1989); Kang et al. (2017) also proved a significant association between psychological empowerment with innovative work behavior as the psychologically empowered employees found more deeply involved in their duties and perform the job using innovative techniques.

Along with the direct positive relationship between empowering leadership and innovative work behavior, indirect relation through psychological empowerment was also found significant. This study result was supported by the existing literature of Duger et al. (2021); AlMulhim (2020); Akkoc et al. (2022). These researches highlighted that employees enjoy autonomy and power under empowering leadership that motivates employees to perform the job more, be more dedicated and sincere, and lead innovative ideas. The indirect

relationship of psychological empowerment between empowering leadership and innovative work behavior highlights that employees take responsibility for their work and make their own decisions to perform best.

### *5.1 Implications of the Study*

This research showed its theoretical implications by increasing understanding of empowering leadership, psychological empowerment and innovative work behavior. Although some previous research talked about empowering leadership (Zhu et al., 2019; Ahearne et al., 2019; Hassi et al., 2021), psychological empowerment (Zhu et al., 2019; Spreitzer, 1995; AlMulhim, 2020) and innovative work behavior (Kmieciak, 2020; Hassi et al., 2021; AlMulhim, 2020), but this research tied this concept into a single model and established a structural relationship among them. Thus, this research fills the existing literature gap and provides insights to scholars working in this direction.

This research also proved its practical implications for both employers and employees both. The research identified the need for empowered leadership in the organization over an autocratic leadership approach to motivate employees to involve in their work both physically and mentally and try to hunt creative ways of performing the tasks. Empowered leadership is a leadership approach where the leader assigns powers to employees to perform their jobs according to their way. As a result, employees became more empowered psychologically and developed innovative work behavior. Adopting an empowered leadership approach develops a sound employer-employee relationship that benefits the organization in terms of employee retention, improved organizational performance etc. on the other side, the employee gets benefit in terms of satisfaction, work-life balance etc. Employees can evaluate an employer based on the leadership style followed within the organization. This study helps them in their recruitment process. Furthermore, this study guides the policy framers of the country to follow an empowered leadership approach for the country's overall development.

### *5.2 Limitations and Future Directions*

This study was conducted in the academic environment over a specific region (National Capital Region) that can vary from different organizations' work environments in different regions. So, generalization of the result of the study becomes difficult. This research focused only on three variables: empowering leadership, psychological empowerment and innovative work behavior. The role of other variables like work climate, motivation, knowledge sharing etc. has been ignored. These limitations provide the future direction for research. Future research can be conducted by taking a sample from other organizations like manufacturing, the knowledge industry etc. A comparative analysis can be done by taking a sample from different industries. Future research can also be conducted by considering other variables' roles in the context of empowering leadership, psychological empowerment and innovative work behavior. More work can be done in this direction by

modifying the sampling design from snow ball sampling to random, stratified or cluster sampling. So that generalization of results may be improved.

### **Research Funding**

The authors received no research grant or funds for this research study.

### **REFERENCES**

- Afsar, B., Cheema, S., and Bin Saeed, B. (2018). Do nurses display innovative work behavior when their values match with hospitals values? *European Journal of Innovation Management*, 21(1), 157-171.
- Ahearne, M., Mathieu, J. and Rapp, A. (2005). To Empower or Not to Empower Your Sales Force? An Empirical Examination of the Influence of Leadership Empowerment Behavior on Customer Satisfaction and Performance. *Journal of Applied Psychology*, 90(5), 945–955.
- Akkoç, İ., Türe, A., Arun, K., & Okun, O. (2022). Mediator effects of Psychological Empowerment between Ethical Climate and Innovative Culture on Job Performance and Innovative Behavior in Nurses. *Journal of Nursing Management*. 30(7), 2324-2334.
- Akram, T., Lei, S., Haider, M. J. and Hussain, S. T. (2020). The Impact of Organizational Justice on Employee Innovative Work Behavior: Mediating Role of Knowledge Sharing. *Journal of Innovation & Knowledge*, 5(2), 117-129.
- AlMulhim, A. F. (2017). The effects of knowledge creation process on organizational performance: Evidence from Saudi banking sector. *International Journal of Management Sciences and Business Research*, 6(1), 11-22.
- AlMulhim, A. F. (2020). Linking Knowledge Sharing to Innovative Work Behaviour: The Role of Psychological Empowerment. *Journal of Asian Finance, Economics and Business*, 7(9), 549–560.
- Amabile, T. M. and Grysiewicz, N. D. (1989). The creative environment scales: Work environment inventory. *Creativity Research Journal*, 2(4), 231-253.
- Amundsen, S. and Martinsen, L. (2014). Empowering Leadership: Construct Clarification, Conceptualization, and Validation of a New Scale. *The Leadership Quarterly*, 25(3), 487-511.
- Anderson, J. C., and Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-423.
- Bagheri, A. (2017). The Impact of Entrepreneurial Leadership on Innovation Work Behavior and Opportunity Recognition in High-Technology SMEs. *The Journal of High Technology Management Research*, 28(2), 159- 166.

- Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), 74–94.
- Bandura, A. (1986). *Social Foundations of Thought and Action: A social Cognitive Theory*, Englewood Cliffs, NJ: Prentice-Hall.
- Bentler, P.M. and Bonnet, D.C. (1980). Significance Tests and Goodness of Fit in the Analysis of Covariance Structures. *Psychological Bulletin*, 88(3), 588-606.
- Bentler, P. M. (1990). Comparative fit indexes in structural models. *Psychological Bulletin*, 107(2), 238–246.
- Bücker, J. and Van der Horst, E. (2017). Innovative Work Behavior: To What Extent and How Can HRM Practices Contribute to Higher Levels of Innovation Within SMEs? *Issues of Human Resource Management*, (Ed: L. Mura), IntechOpen, London.
- Byrne, B. M. (1998). *Structural equation modeling with LISREL, PRELIS, and SIMPLIS: Basic concepts, applications, and programming*, NJ: Psychology Press.
- Carmeli, A., Meitar, R. and Weisberg, J. (2006). Self-leadership Skills and Innovative Behavior at Work. *International Journal of Manpower*, 27(1), 75-90.
- Choi, S.B., Kim, K., Ullah, S.E. and Kang, S.W. (2016). How Transformational Leadership Facilitates Innovative Behavior of Korean Workers: Examining Mediating and Moderating Processes. *Personnel Review*, 45(3), 459- 479.
- Crothers, L. M., Hughes, T. L., and Morine, K. A. (2008). *Theory and Causes in School-based Consultations: A Resource for School Psychologists, School Counselors, Special Educators, and Mental Health Professionals*. New York, NY: Routledge Taylor & Francis Group.
- Diamantopoulos, A., Sarstedt, M., Fuchs, C., Wilczynski, P. and Kaiser, S. (2012). Guidelines for choosing between multi-item and single-item scales for construct measurement: a predictive validity perspective. *Journal of the Academy of Marketing Science*, 40(3), 434-449.
- Dugar, Y.S. (2021). The effect of empowering leadership on employees' innovative behavior: the role of affective commitment and psychological empowerment. *Pamukkale University Journal of Social Sciences Institute*, 46, 479-496.
- Erstad, M. (1997). Empowerment and Organizational Change. *International Journal of Contemporary Hospitality Management*, 9(7), 325-333.
- Fernandez, S. and Moldogaziev, T. (2012). Using Employee Empowerment to Encourage Innovative Behavior in the Public Sector. *Journal of Public Administration Research and Theory*, 23(1), 155-187.
- Fornell, C., and Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error. *Algebra and Statistics*, 18(3), 382–388.

- Forrester, R. (2000). Empowerment: Rejuvenating a potent idea. *Academy of Management Executive*, 14(3), 67– 80.
- Gagne, M., and Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational Behavior*, 26(4), 331–362.
- Gautam, D. K. and Ghimire, S. B. (2017). Psychological empowerment of employees for competitive advantages. *International Journal of Law and Management*, 59(4), 466-488.
- Gkorezis, P. (2016). Principal empowering leadership and teacher innovative behavior: A moderated mediation model. *International Journal of Educational Management*, 30(6), 1030–1044.
- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (1995). *Multivariate data analysis* (4th ed.). Prentice-Hall.
- Hair, J. F., Sarstedt, M., Hopkins, L., and Kuppelwieser, V. G. (2014). Partial least squares structural equation modeling (PLS-SEM): An emerging tool in business research. *European Business Review*, 26( 2), 106-121.
- Hair, J. F., Sarstedt, M., Pieper, T. M., and Ringle, C. M. (2012). The use of partial least squares structural equation modeling in strategic management research: A review of past practices and recommendations for future applications. *Long Range Planning*, 45(5–6), 320–340.
- Hassi, A., Rohlfer, S., and Jebesen, S. (2021). Empowering leadership and innovative work behavior: The mediating effects of climate for initiative and job autonomy in Moroccan SMEs. *EuroMed Journal of Business*. 17(4). 503-518.
- Hebenstreit, J. J. (2012). Nurse Educator perceptions of structural empowerment and innovative behavior. *Nursing Education Perspectives*, 33(5), 297-301.
- Henseler, J., Ringle, C.M. and Sinkovics, R.R. (2009). The use of partial least squares path modeling in international marketing. *New challenges in international in international marketing* , 20, 277-320.
- Holmes-Smith, P., Coote, L., and Cunningham, E. (2006). *Structural equation modeling: From the fundamental to advanced topics*. Melbourne: School Research, Evaluation and Measurement Services (SREAMS).
- Hooper, D, Coughlan, J and Mullen, M (2008). Structural Equation Modelling: Guidelines for Determining Model Fit. *Electronic Journal of Business Research Methods*, 6(1), 53-60.
- Hulland, J., Yiu, H. C., & Shun, Y. L. (1996). Use of casual models in marketing research: A review. *International Journal of Research in Marketing*, 13(2), 181–197.
- Hu, L.T., and Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling: A multidisciplinary Journal*, 6 (1), 1–55.

- Humborstad, S. I. W., Nerstad, C. G. L. and Dysvik, A. (2014). Empowering Leadership, Employee Goal Orientations and Work Performance: A Competing Hypothesis Approach. *Personnel Review*, 43(2), 246-271.
- Janssen, O., van de Vliert, E. and West. M. (2004). The bright and dark sides of individual and group innovation: A special issue introduction. *Journal of Organizational Behavior*, 25(2), 129–145.
- Janssen, O. (2000). Job Demands, Perceptions of Effort-Reward Fairness and Innovative Work Behavior. *Journal of Occupational and Organizational Psychology*, 73(3), 287-302.
- Joo, B. K., Yim, J. H., Jin, Y. S., and Han, S. J. (2022). Empowering leadership and employee creativity: the mediating roles of work engagement and knowledge sharing. *European Journal of Training and Development*, (ahead-of-print).
- Kang, Y. J., Lee, J. Y., and Kim, H. W. (2017). A psychological empowerment approach to online knowledge sharing. *Computers in Human Behavior*. 74, 175-187.
- Khatoun, A., Rehman, S. U., Islam, T., & Ashraf, Y. (2022). Knowledge sharing through empowering leadership: the roles of psychological empowerment and learning goal orientation. *Global Knowledge, Memory and Communication*, (ahead-of-print).
- Kmieciak, R. (2020). Trust, knowledge sharing, and innovative work behavior: empirical evidence from Poland. *European Journal of Innovation Management*, 24(5), 1832-1859.
- Lawler, E. E., Mohrman, S. A. and Benson, G. (2001). Organizing for high performance: Employment involvement, TQM, reengineering, and knowledge management in the Fortune 1000, San Francisco: Jossey-Bass.
- Leach, D. J., Wall, T. D. and Jackson, P. R. (2003). The Effect of Empowerment on Job Knowledge: An Empirical Test Involving Operators of Complex Technology. *Journal of Occupational and Organizational Psychology*, 76, 27-52.
- Lin, Y. and Wu, J. (2018). A Study of the Effects of Leadership Styles on Innovation Management and Organizational Innovation in Environmental Protection Industry. *Ekoloji*, 106, 771-777.
- Liu, W., Lepak, D. P., Takeuchi, R., and Sims, H. P. (2003). Matching leadership styles with employment modes: Strategic HRM perspective. *Human Management Resource Review*, 13(1), 127–152.
- Li, Z., Qiu, C., Zeng, K., & Wang, F. (2023). Gain or loss: the double-edged effect of empowering leadership on employees' innovative behaviours. *Chinese Management Studies*, 17(2), 233-250.
- MacCallum, R.C., Browne, M.W., and Sugawara, H., M. (1996). Power Analysis and Determination of Sample Size for Covariance Structure Modeling. *Psychological Methods*, 1(2), 130-49.

- Malhotra, N.K. and Dash, S. (2016). *Marketing research: An applied orientation* (7th ed.). Pearson Education, Chennai, India.
- Marane, B. M. (2012). The mediating role of trust in organization on the influence of psychological empowerment on innovation behavior. *European Journal of Social Sciences*, 33(1), 39-51.
- Maynard, M. T., Gilson, L. L., and Mathieu, J. (2012). Empowerment—Fad or Fab? A Multilevel Review of the Past Two Decades of Research. *Journal of Management*, 38(4), 1231-1281.
- Nunnally, J.C. (1978). *Psychometric theory* (2nd Ed.), McGraw-Hill, New York.
- Paré, G., and Tremblay, M. (2007). The influence of high-involvement human resources practices, procedural justice, organisational commitment, and citizenship behaviors on information technology professionals' turnover intentions. *Group & Organization Management*, 32(3), 326-357.
- Pearce, C. L. and Sims, H. P. (2002). Vertical versus shared leadership as predictors of the effectiveness of change management teams: An examination of aversive, directive, transactional, transformational, and empowering leader behaviors. *Group Dynamics Theory Research & Practice*, 171(6), 172–197.
- Peng, Y.-P. (2020). Relationship between Job Involvement, Leader-Member Exchange, and Innovative Behavior of Public Librarians. *Journal of Librarianship and Information Science*, 52(2), 441-450.
- Pieterse, A. N., Van Knippenberg, D., Schippers, M. and Stam, D. (2010), "Transformational and transactional leadership and innovative behavior: The moderating role of psychological empowerment. *Journal of Organizational Behavior*, 31(4), 609-623.
- Prakash, C., Yadav, R., Singh, A., Aarti (2022). An empirical investigation of the higher educational institutions' attractiveness as an employer. *South Asian Journal of Human Resources Management*, 9(1), 130-148.
- Ramamoorthy, N., Flood, P.C., Slattery, T. and Sardesai, R. (2005). Determinants of Innovative Work Behaviour: Development and Test of an Integrated Model. *Creativity and Innovation Management*, 14(2), 142-150.
- Ripley, R. E., and Ripley, M. J. (1992). Empowerment, the cornerstone of quality: Empowering management in innovative organisations in the 1990s. *Management Decision*, 30(4), 20-43.
- Schumacker, R. E., and Lomax, R. G. (2004). *A beginner's guide to structural equation modeling* (2nd ed.). Lawrence Erlbaum Associates Publishers.
- Schumpeter, J. A. (1986). *History of Economic Analysis*, Oxford University Press, New York.

- Scott, S.G. and Bruce, R.A. (1994). Determinants of Innovative Behavior: A Path Model of Individual Innovation in the Workplace. *Academy of Management Journal*, 37(3), 580-607.
- Seibert, S. E., Wang, G. and Courtright, S. H. (2011). Antecedents and Consequences of Psychological and Team Empowerment in Organizations: A Meta-Analytic Review. *Journal of Applied Psychology*, 96(5), 981-1003.
- Shanker, R., Bhanugopan, R., Van der Heijden, B. I., and Farrell, M. (2017). Organisational climate for innovation and organisational performance: The mediating effect of innovative work behavior. *Journal of Vocational Behavior*, 100, 67-77.
- Singh, M., and Sarkar, A. (2012). The relationship between psychological empowerment and innovative behavior: A dimensional analysis with job involvement as mediator. *Journal of Personnel Psychology*, 11(3), 127-137.
- Spreitzer, G. M. (1995). Psychological empowerment in the workplace: Dimensions, measurement and validation. *Academy of Management Journal*, 38(5), 1442-1465.
- Spreitzer, G. (1996). Social structural characteristics of psychological empowerment. *Academy of Management Journal*, 39(2), 483-504.
- Tabachnick, B.G. and Fidell, L.S. (2007). *Using Multivariate Statistics* (5th ed.). New York: Allyn and Bacon.
- Tung, H. and Chang, Y. (2011). Effects of Empowering Leadership on Performance in Management Team: Mediating Effects of Knowledge Sharing and Team Cohesion. *Journal of Chinese Human Resource Management*, 2(1), 43-60.
- Vecchio, R. P., Justin, J. E., and Pearce, C. L. (2010). Empowering leadership: An examination of mediating mechanisms within a hierarchical structure. *Leadership Quarterly*, 21(3), 530-542.
- Wheaton, B., Muthen, B., Alwin, D., F., and Summers, G. (1977). Assessing Reliability and Stability in Panel Models. *Sociological Methodology*, 8(1), 84-136.
- Wong, S.I. and Kuvaas, B. (2018). The Empowerment Expectation-Perception Gap: An Examination of Three Alternative Models. *Human Resource Management Journal*, 28(2), 272-287.
- Xerri, M. J. and Brunetto, Y. (2013). Fostering Innovative Behaviour: The Importance of Employee Commitment and Organisational Citizenship Behaviour. *The International Journal of Human Resource Management*, 24(16), 3163-3177.
- Yidong, T. and Xinxin, L. (2013). How Ethical Leadership Influence Employees' Innovative Work Behavior: A Perspective of Intrinsic Motivation. *Journal of Business Ethics*, 116, 441-455.

Zehra, T.T. and Waheed, A. (2017). Influence of Ethical Leadership on Innovative Work Behavior: Examination of Individual-Level Psychological Mediators. *Pakistan Journal of Commerce and Social Sciences*, 11(2), 448-470.

Zhang, X. and Bartol, K. M. (2010). Linking Empowering Leadership and Employee Creativity: The Influence of Psychological Empowerment, Intrinsic Motivation, and Creative Process Engagement. *Academy of Management Journal*, 53(1), 107-128.

Zhu, J., Yao1, J., Zhang, L. (2019). Linking empowering leadership to innovative behavior in professional learning communities: the role of psychological empowerment and team psychological safety. *Asia Pacific Education Review*, 20(5), 1-15.