Empowering leadership: An examination of mediating mechanisms within a hierarchical structure

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ABSTRACT

Drawing from recent theory and research on empowerment and resistance, data on leader behaviors and follower responses were collected from superior–subordinate dyads in 179 public high schools. Structural equation modeling revealed that empowering leadership was associated with higher employee performance and satisfaction, as well as reduced dysfunctional resistance. Also, employee dysfunctional resistance partially mediated the relationship of empowering leadership with (a) employee performance and (b) employee satisfaction. These results are interpreted as supportive of a perspective that endorses the utility of empowering leadership at the dyadic level within a hierarchical power structure.

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Recent decades have witnessed the rise of employee empowerment (Lawler, Mohrman, & Benson, 2001; Spreitzer, in press). This movement is based on the notion that employees who are given greater opportunities for self-direction will manifest superior outcomes, such as higher levels of job performance and job satisfaction. Along with efforts to infuse empowerment through the fundamental redesign of job attributes (i.e., by altering contextual features so as to provide for more self-pacing and independent decision making, Conger & Kanungo, 1988; Kirkman & Rosen, 1997; Spreitzer, 1996, in press; Stewart, 2006; Thomas & Velthouse, 1990), it has been argued that the redesign of leader–subordinate power-relations can also achieve workplace gains (Arnold, Arad, Rhoades, & Drasgow, 2000; Bennis & Townsend, 1997; Kozlowski & Bell, 2003; Marks, Mathieu, & Zaccaro, 2001).

Within the field of leadership, this movement is also partially manifested in such notions as "SuperLeadership" where superiors are encouraged to "lead others to lead themselves" (Manz & Sims, 1990, 1995, 2001), and "shared leadership" where superiors are encouraged to deliberately share or distribute responsibility among members of a workgroup (Pearce & Conger, 2003; Carson, Tesluk, & Marrone, 2007; Kozlowski & Bell, 2003). Pearce and Conger (2003, p. 1) define shared leadership as an interactive influence process among a set of individuals that reflects a broad distribution of influence among the group members. As such, shared leadership is arguably a matter of degree and can also be manifest in settings that are inherently hierarchical in nature. Whether shared leadership is demonstrably related to superior workplace outcomes is, however, still very much open to question, as (e.g.) there may be settings wherein shared leadership is not the optimal approach (Locke, 2003). As observed by Locke (p. 273–276), successful organizational entities typically retain some elements of hierarchical control. Related research on "empowering leadership" (Arnold et al., 2000; Ensley, Hmieleski, & Pearce, 2006; Pearce et al., 2003; Srivastava, Bartol, & Locke, 2006) has deliberately focused on teams and team environments. Yet, the content of scale items developed explicitly to measure empowering leadership and shared leadership are also relevant to leader–subordinate relations in more traditional hierarchical work settings (Arnold et al., 2000, pp. 268–269). And, as observed by Arnold et al. (2000, p. 351), considerable conceptual overlap exists among various scales that have been developed to assess aspects of leader behavior that relate to aspects of empowerment.

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1. Empowering leadership and employee outcomes

As stated by Liu, Lepak, Takeuchi, and Sims (2003), empowering leadership is a style of leadership that targets employees to develop self-control and to act on their own. Empowering leadership can be viewed, therefore, as essentially an approach that offers prescriptions to leaders for arranging the distribution and exercise of power. The historical and theoretical underpinnings of this approach are manifold. For example, one can identify notions of power sharing in behavioral self-management theory (Thorenson & Mahoney, 1974; Mahoney & Arnkoff, 1978), social cognitive theory (Bandura, 1986, 1989), situational leadership theory (Hersey & Blanchard, 1969), distributed versus focused leadership (Gibb, 1954), leader–member exchange theory (Graen, 1976; Graen & Graen, 2006), the normative participation models of Vroom–Yetton–Jago (Vroom & Yetton, 1973; Vroom & Jago, 1995), Likert's systems of participative management (Likert, 1961, 1967), and cognitive behavior modification research (Meichenbaum, 1977). A further theoretical vein that relates to empowering employees can be identified in the "substitutes for leadership" notions of Kerr and Jermier (1978), who argued that employees who subscribe to professional standards and values should have a reduced need for a supervisory figure (as such employees are essentially self-managed). More recent statements of "shared leadership" (cf. Avolio, Jung, Murry, & Sivasubramaniam, 1996; Carson et al., 2007; Pearce & Conger, 2003; Pearce & Sims, 2000; Pearce & Sims, 2002; Pearce, Yoo, & Alavi, 2004) and "empowering leadership" (Arnold et al., 2000; Ahearne, Mathieu, & Rapp, 2005; Srivastava et al., 2006) posit the value of fostering employee self-directedness. As noted by Spreitzer and Doneson (2008), these two research streams essentially complement one another. In accord with the definitions offered by Carson et al. (2007, p. 1218) and Srivastava et al. (2006, p. 1240), we presently define empowering leadership as behaviors that share power with subordinates. The sharing of power such that self-directedness is enhanced should reasonably be expected to generate a higher level of subordinate performance. Also, greater self-directness resulting from empowerment should be associated with superior subordinate attitudinal response (i.e., higher job satisfaction).

While there has been substantial prior research on various aspects of power sharing (Cotton, Vollrath, Froggatt, Lengnick-Hall, & Jennings, 1988; Ledford & Lawler, 1994; Spreitzer, 1995, 1996; Vandenberg, Richardson, & Eastman, 1999), empirical demonstrations of the unique value of utilizing leader behaviors to foster empowerment within traditional work settings has been largely the focus of more contemporary research. Often, studies of workgroups or student groups (e.g., Avolio et al., 1996; Pearce & Sims, 2002; Srivastava et al., 2006) have reported the superiority of empowerment (either as a direct or indirect effect). However, short of creating genuine team structures (where positive process gains can be shown, Kauffeld, 2006), the notion that superiors can work toward sharing power through the encouragement of self-direction with specific employees has not been as often the focus of more recent empirical research. In a pioneering study in this area, Manz and Sims (1987) provided some of the first evidence on specific leader behaviors that were empowering in nature. However, the items in their measure of leader behavior (p. 127) asked respondents to describe the behavior of their leader toward their entire group (i.e., in accordance with an average-leadership-style approach, cf. Dansereau, Graen, & Haga, 1975; Dienesch & Liden, 1986) rather than toward each individual. Further important early research on work teams by Susan Cohen and her associates (Cohen & Ledford, 1994; Cohen, Ledford, & Spreitzer, 1996; Cohen & Bailey, 1997) has laid the foundation for examining empowering leadership within self-managed teams, as well as within more traditional workgroups. Also, good conceptual arguments for an individual-level dynamic have been offered (Conger & Kanungo, 1988; Kanter, 1989; Kirkman & Rosen, 1997, 1999; Spreitzer, 1995, 1996). The presently suggested alternative approach, that focuses on the impact of developing leader–subordinate relations at the dyadic level (rather than on the impact of introducing a team structure) is of some practical importance as many work settings continue the tradition of relying on a hierarchical power structure and are not likely to move in the relatively radical direction of creating a genuine self-managed team structure (i.e., where team leadership is rotated or elected, and job cross-training is encouraged). For example, it is important to recall that (a) most private-sector employees in North America and Great Britain work in small-business settings (Headd, 2000; National Federation of Independent Business, 2007; Royal Bank of Canada, 2005; Federation of Small Businesses, 2006) where the owner/operators are likely to be reluctant to adopt more radical forms of power sharing, and (b) employees in governmental positions are not likely to be offered opportunities to be a part of a team culture because of inherent bureaucratic controls. Therefore, the study of power sharing within leader–subordinate dyads located within a traditional hierarchical structure is of considerable practical interest and importance. More specifically, the present study sought to examine empirically whether leader efforts directed toward employee empowerment within a traditional hierarchical structure are linked with individual employee performance and satisfaction.

Hypothesis 1. Empowering leadership will exhibit a positive relationship with employee (a) performance and (b) job satisfaction.

The present study also examined the role of employee resistance to a leader in conjunction with empowering leadership. The impact of empowerment on forms of employee resistance, be they dysfunctional or constructive in nature, represents a gap in the domain of leadership research. Employee resistance may be defined as a set of responses to a supervisor's influence attempts that includes degrees of both cooperativeness, i.e., constructive resistance, and opposition, i.e., dysfunctional resistance (cf. Tepper, Duffy, & Shaw, 2001, p. 975). While it is initially anticipated that empowering leadership would facilitate performance and satisfaction, as well as impact both forms of employee resistance, it is not altogether a certainty that empowering leadership will have uniformly positive effects across a range of outcomes. Also, it is important to note that prior studies of employee resistance have generally focused on negative features of leaders, where resistance is viewed as a likely response to aversive action by the leader (Ashforth, 1994; Pearce & Giacalone, 2003). While the study of employee resistance to aversive leadership is of importance, it does not in itself provide especially useful insights on how to manage employee resistance in a pro-active manner (beyond merely suggesting that a leader should be less oppressive). An empowering style of leadership, where the leader seeks to develop the employee, has not been studied in connection with employee resistance. As a result, it is also one of our intended contributions to determine whether an empowering style of