C E **Center for**
Effective
Organizations

**EMPOWERED TO LEAD: THE ROLE
OF PSYCHOLOGICAL
EMPOWERMENT IN LEADERSHIP**

**CEO PUBLICATION
T 97-7 (319)**

GRETCHEN M. SPREITZER
SUZANNE C. DEJANASZ
University of Southern California

ROBERT E. QUINN
University of Michigan

May, 1997

EMPOWERED TO LEAD:
THE ROLE OF PSYCHOLOGICAL EMPOWERMENT IN LEADERSHIP

GRETCHEN M. SPREITZER
SUZANNE C. DE JANASZ
The University of Southern California
School of Business Administration
Los Angeles, California 90089-1421
GSPREITZER@sba.usc.edu
(213) 740-9419

ROBERT E. QUINN
The University of Michigan
School of Business Administration
Ann Arbor, Michigan 48109

May, 1997

ABSTRACT

Empowered to Lead:
The Role of Psychological Empowerment in Leadership

This study examines the relationship between psychological empowerment and leadership. Empowered supervisors are hypothesized to be innovative, upward influencing, and inspirational and less focused on monitoring to maintain the status quo. Tested on a sample of mid-level supervisors from a <u>Fortune</u> 500 organization, the hypotheses were largely supported. Supervisors who reported higher levels of empowerment were seen by their subordinates as more innovative, upward influencing, and inspirational. No relationship was found between supervisory empowerment and monitoring behaviors. Implications for theory and practice are discussed, and future research directions are suggested.

EMPOWERED TO LEAD:
THE ROLE OF PSYCHOLOGICAL EMPOWERMENT IN LEADERSHIP

Organizational researchers (e.g., Conger & Kanungo, 1988a; Thomas & Velthouse, 1990) and business practitioners (e.g., Block, 1987) have focused increasing attention on psychological empowerment in the workplace. Nevertheless, our understanding of the consequences of employee empowerment is rather limited. While some empirical work has examined *intrapersonal* outcomes of empowerment including motivation (Koerner, 1993), job satisfaction and stress (Spreitzer, Nason, & Kizilos, forthcoming; Thomas & Tymon, 1994), almost no research has focused on more *interpersonal* outcomes of empowerment such as leadership behavior. To address this void in the literature, we examine the relationship between psychological empowerment and leadership -- more specifically change-oriented leadership . We hypothesize that empowerment will be positively related to three leadership characteristics associated with making change (i.e., being innovative, influencing bosses, and being inspirational to subordinates) and negatively related to one leadership characteristic associated with the maintenance of the status quo (i.e., monitoring to maintain compliance).

The paper is organized as follows. First, we draw on emerging theory on psychological empowerment and various leadership theories to develop a series of hypotheses regarding the relationship between psychological empowerment and change-oriented leadership. Next, the research design used to test these hypotheses is described, and results are discussed. Finally, implications of the research for theory and practice are examined, and suggestions are made regarding directions for future research.

DEFINITIONS

Psychological Empowerment

The notion of empowerment builds on a well-grounded body of research on alienation (Blauner, 1964; Seeman, 1959), participative management (Lawler, 1988), and job enrichment (Hackman & Oldham, 1980). While earlier work conceptualized empowerment as a set of management practices focused on delegating decision-making authority (Blau & Alba, 1982; Mainiero, 1986), recent research

has provided the conceptual base for a more psychological definition of empowerment in the workplace. Building on the work of Conger and Kanungo (1988a), Thomas and Velthouse (1990) defined psychological empowerment as intrinsic motivation manifested in four cognitions reflecting an individual's orientation to his or her work role: meaning, competence, self-determination, and impact. Each dimension is described below.

Meaning, a dimension of the job characteristics model (Hackman & Oldham, 1980), involves a fit between the requirements of one's work role and one's beliefs, values and behaviors (Brief & Nord, 1990). *Competence*, or self-efficacy specific to one's work, is a belief in one's capability to perform work activities with skill (Gist & Mitchell, 1992). *Self-determination* is a sense of choice in initiating and regulating one's actions (Deci & Ryan, 1985) and reflects autonomy over the initiation and continuation of work behavior and processes such as making decisions about work methods, pace, and effort (Bell & Staw, 1989; Spector, 1986). Finally, *impact*, the converse of learned helplessness (Martinko & Gardner, 1982), is the degree to which one can influence strategic, administrative, or operating outcomes at work (Ashforth, 1989). Together, the four dimensions reflect an active, rather than a passive orientation to one's work role. In other words, empowered individuals do not see their work situation as "given" but rather something able to be shaped by their actions (Spreitzer, 1992). Prior empirical research has found that the four dimensions combine into an overall construct of psychological empowerment (Spreitzer, 1995). We draw on this multidimensional conceptualization of empowerment in this paper.

Change-Oriented Leadership

Consistent with recent research on transformational leadership (Bass, 1985; Bennis & Nanus, 1985; Kotter, 1989), we focus on those elements of leadership most focused on making change. We also focus on those change-oriented elements that we think will be most relevant to empowerment. In order to make change, leaders can (1) develop innovative ideas for change, (2) influence bosses to enlist their support for those ideas, and (3) inspire subordinates to make change happen (Conger &

Kanungo, 1987). First, in order to envision change, leaders must act innovatively. They must engage in new ways of thinking and acting, experiment with new concepts, and search for creative solutions to problems (Bass, 1985; Conger & Kanungo, 1988b; Conger & Kanungo, 1988c). Second, to gain support for change, leaders must also exert upward influence in the organization to gain support from their bosses. As agents of influence, they must articulate and sell their vision in order to gain necessary resources and backing to implement that vision (Conger & Kanungo, 1987; Denison, Hooijberg, & Quinn, 1995). Third, leaders must also create enthusiasm amongst their people, inspiring and motivating subordinates to make the leader's vision a reality (Conger & Kanungo, 1987). We contrast these three change-oriented elements of leadership with one element of leadership that is focused on the maintenance of the status quo.[1] In order to preserve the status quo, managers often monitor the compliance of subordinates to the current system. Rules and procedures are often established to ensure consistency to the status quo rather than innovation or change.

In the next section of the paper, we draw on both the empowerment and leadership literatures to develop a logic for linking supervisory empowerment with these four leadership characteristics.

LINKING PSYCHOLOGICAL EMPOWERMENT AND
CHANGE-ORIENTED LEADERSHIP

Empowered individuals do not wait passively for the work environment to provide direction; instead, they take a proactive approach toward shaping and influencing their work environment. Because psychological empowerment reflects an active orientation to work, we suggest that it will be positively related to the three change-oriented elements of leadership and negatively related to leadership aimed at maintaining the status quo. Specific hypotheses relating psychological empowerment to more innovating, influencing, and inspiring leadership characteristics and less monitoring behaviors are developed below.

---

[1] This contrast parallels the work of Bass (1990a, 1990b) and others on transformational and transactional leadership.

Innovativeness

Innovation involves the creation of a new product, service, idea, procedure, or process (Woodman, Sawyer & Griffin, 1993) or the dramatic redesign of existing products or services. Prior research suggests that empowerment can facilitate innovation. Conger and Kanungo (1988a) posit that psychological empowerment is important for stimulating and managing innovativeness in organizations; empowered individuals' creative efforts persist despite pervasive organizational and environmental obstacles (Thomas & Velthouse, 1990). Moreover, in case studies of entrepreneurial organizations, Kanter (1983) found that empowerment and innovation were inextricably linked.

Furthermore, prior research suggests that each of the four dimensions of empowerment can facilitate innovativeness. Redmond, Mumford and Teach (1993) found that employees with high intrinsic task motivation (consistent with the *meaning* dimension of empowerment) were more innovative. Bass (1985) further hypothesized that clear inner meaning would stimulate innovative actions. Self-efficacy (consistent with the *competence* dimension of empowerment) is also likely to lead to more innovation due to positive expectations of success (Amabile, 1988; Bass, 1990a; Redmond et al., 1993). Moreover, Zaleznik (1977) and Hunt (1991) argued that a high level of self-confidence or self-efficacy is a prerequisite for embracing the inherent risk of challenging the status quo.

Consistent with the dimensions of *self-determination* and *impact*, Bass (1985) hypothesized that notions of personal control and influence would be positively associated with innovative behavior. Previous research has also found that leaders who believed they could "influence the direction of organizational events" were more likely to be innovative than leaders who believed that events were due to luck, fate, or chance (Howell & Avolio, 1993: 893). In addition, other research has found that having freedom to decide what to do and how to do one's work, a sense of control over one's work and ideas, and freedom from organizational constraints all enhance individuals' capacity for creative behavior (Amabile, 1988; Amabile & Gryskiewicz, 1987). Thus, there is indirect evidence that all four dimensions of empowerment are conducive to innovative leadership behavior. Thus, we hypothesize that:

6

H1. Supervisory empowerment will be positively related to innovativeness.

Upward Influence

Upward influence reflects attempts to influence someone higher in the authority hierarchy (Kipnis & Schmidt, 1988; Porter, Allen & Angle, 1981; Schilit & Locke, 1982). We expect that empowered individuals, given their proactive approach to work, will actively seek to influence their bosses in order to gain support for their ideas. Mowday (1978) and Porter et al., (1981) argue that several individual variables (beyond the need for power and political influence) are helpful in predicting a propensity to engage in upward influence. First, individuals are likely to influence their bosses when they see their work environment as responsive to their influence attempts (Porter et al., 1981) and when the probability of success is positive (Mowday, 1978). These conditions are consistent with the *impact and competence* dimensions of empowerment, respectively. Second, these researchers have argued that individuals are likely to engage in upward influence when they believe that an intrinsic need can be fulfilled, which is consistent with the *meaning* dimension of empowerment.

Third, individuals are more likely to engage in upward influencing to the extent that they feel a sense of control or power over their work environment (Mowday, 1978; Porter et al., 1981). This sense of control is synonymous with the *self-determination* dimension of empowerment. Fourth, individuals will have a greater propensity to exercise upward influence when they have a high degree of self-confidence or *competence* (Mowday, 1978; 1979). Similarly, Yukl (1989) found that expert power is critical for upward influence. In sum, prior work provides some logic for a relationship between psychological empowerment and upward influence. Thus, we hypothesize that:

> **H2. Supervisory empowerment will be positively related to the use of upward influencing behaviors.**

Inspiring Subordinates

We draw on research on charismatic leadership to develop the logic linking empowerment with inspiration. Charismatic leaders inspire followers through pride, respect, confidence, and trust (Bass,

1990a; Conger, 1989a; Conger & Kanungo, 1988a). Whereas an ability to effectively communicate with subordinates is critical for charismatic or inspirational leadership (Conger & Kanungo, 1988a), we suggest that the dimensions of empowerment may also be predictive of inspirational leadership. House (1977) suggests that three leader characteristics, consistent with the dimensions of empowerment, are conducive to charisma: moral righteousness of beliefs, self-confidence, and a desire to influence.

First, in order to inspire subordinates, leaders must have a conviction in their "moral righteousness" or a clear sense of their own value system (House, 1977: 193). Through their moral righteousness (consistent with the *meaning* dimension of empowerment), empowered leaders are likely to exude the passion or excitement which inspires followers (House, 1977).

Second, in order to inspire subordinates, leaders must exude a sense of self-confidence or *competence* (Conger & Kanungo, 1988b; House, 1977).[2] Charismatic leaders' sense of competence makes them feel that they are capable of making effective change (Bass, 1990a). In addition, subordinates are more likely to be inspired by the leader's vision if they perceive the leader to be competent in implementing the vision (Conger, 1989a).

Third, in order to be inspiring to subordinates, leaders must be interested in and willing to exert influence and personal control (Conger & Kanungo, 1988b). These characteristics are consistent with the *impact* and *self-determination* dimensions of empowerment. Subordinates see charismatic leaders as people who can make a difference and take charge of creating change. Empowered supervisors are likely to be seen by subordinates as those who make things happen. Consequently, their subordinates will want to identify with and make the leader's vision a reality.

More theoretical support for the link between empowerment and charismatic or inspirational leadership can be found in recent conceptual work by Shamir, House and Arthur (1993). While their paper does not explicitly address how a leader's empowered mindset may be an <u>antecedent</u> for

---

[1] According to House (1977), it is entirely possible that charismatic leaders present themselves as highly confident and as having a strong conviction in the moral righteousness of their beliefs but do not indeed believe in either themselves or their beliefs. In this paper, we are not interested in charismatic leaders' *ability to act* as though they are confident or have convictions but rather we are interested in their *actual cognitions* of confidence and meaning.

charismatic or inspirational behavior, the authors do make convincing connections between charismatic leadership and *subordinate* empowerment. For example, Shamir et al. (1993) note how charismatic leaders inspire followers by aligning followers' efforts with a collective identity, thereby increasing the intrinsic meaning and value of followers' work. In addition, by increasing subordinates' effort-accomplishment expectancies, charismatic leaders inspire subordinates by enhancing their personal and collective feelings of self-efficacy, which is consistent with the competence dimension of empowerment (Shamir et al., 1993). Finally, by focusing on intrinsic sources of motivation, charismatic leaders increase the likelihood that subordinates will attribute their behavior to personal choices and decisions, thereby enhancing subordinates' self-determination (Shamir et al., 1993).

In summary, there is some evidence that supervisory empowerment should be related to higher levels of inspirational behavior. Thus, we hypothesize that:

> **H3. Supervisory empowerment will be positively related to the inspiration of subordinates.**

Monitoring

Monitoring involves assessing deviations from established rules and standards in order to maintain the status quo (Quinn, 1984; 1988). Monitoring implies micro-managing and controlling others in order to preserve stability in the work system (Bass, 1985; Kotter, 1990). Thus, monitoring implies behaviors that might be experienced by subordinates as disempowering. Supervisors who maintain tight logistical control by emphasizing compliance to rules and procedures would be high in monitoring behavior.

Because monitoring is the antithesis of change-oriented behaviors, we suggest that supervisors who feel empowered are more likely to act in ways that would create a more empowering context for subordinates (Conger & Kanungo, 1994). Parallel to the work by Bass, Waldman, Avolio & Bebb (1987), which provided some initial evidence that transformational leaders facilitate transformational followers, we believe that empowered supervisors are likely to facilitate the empowerment of their subordinates, rather than micro-manage their subordinates' actions. Thus, we believe those with an

empowered mindset will not emphasize disempowering behaviors such as monitoring and compliance. Consequently, our final hypothesis is:

H4. Supervisory empowerment will be negatively related to monitoring behavior.

METHOD

Sample and Procedures

Survey data on psychological empowerment were collected from 393 mid-level supervisors from different units of a <u>Fortune 500</u> organization.[3] The supervisors were approximately 93 percent male, primarily Caucasian, and had a mean age of 46 years. Seventy percent had at least a college education. Their mean tenure in the company was approximately 13 years, and their mean position tenure was just over three years.

The respondents were assured of confidentiality. All responses were mailed directly to the researchers, and only aggregate results were reported back to the organization. Because the data were collected at the beginning of a management development program, a 100 percent response rate was obtained from the supervisors. The data for this study were collected from the supervisors who participated in the program during late 1991 and early 1992.

The leadership variables were assessed by a set of each supervisor's subordinates. Supervisors were instructed to distribute the questionnaire to a set of subordinates with whom they interacted frequently on the job and who knew them well. Completed questionnaires were returned by mail directly to the researchers for processing. Good cooperation was obtained; an average of four subordinates per supervisor responded to the questionnaire, with a range from zero to eight. Twenty-one supervisors had fewer than two subordinates respond; their data were not included in the analysis in order to protect the anonymity of the subordinates responding. The demographics of the subordinates

---

[3] This is the same data set examined in Spreitzer (1995; 1996). While the empowerment measures are common to these studies, this study focuses on a different set of research questions. While Spreitzer (1995) focused on the construct validation of an empowerment measure and Spreitzer (1996) focused on the social structural *predictors* of empowerment, this research focuses on the interpersonal *outcomes* psychological empowerment. The papers draw on different literatures and theoretical perspectives for answering their respective research questions.

were not available because of concerns about anonymity, but based on organizational demographics at that particular level of the organization, the subordinates were slightly more diverse with respect to race and gender than the supervisors. All responses from a supervisor's set of subordinates were aggregated to produce a single score on each of the items assessed in the questionnaire. Prior to aggregation, the consistency of the subordinate responses were assessed using an F-test.

Measures

The four dimensions of empowerment were measured with self-assessments using a seven-point Likert response format (Spreitzer, 1995). Sample items include "The work I do is meaningful" (meaning), "I am confident about my ability to do my job" (competence), "I have significant autonomy in determining how I do my job" (self-determination), and "My impact on what happens in my department is large" (impact). Cronbach alpha reliabilities for the four empowerment scales were adequate in this sample (meaning, $\alpha = .86$; competence, $\alpha = .81$; self-determination, $\alpha = .82$; impact, $\alpha = .88$). Scales for each of the four dimensions of empowerment were created by taking the mean of the appropriate items. These scales were used as input to the structural model.

The leadership measures were assessed by a group of the supervisor's subordinates. Inspiration of subordinates was measured with five items drawn from Bass's measure of charisma (1985). The items were measured on a five-point Likert scale and are provided in the Appendix. Together, the items had a Cronbach alpha reliability of 0.93. An F-test ($F = 2.0101$; $p<.001$) indicated support for the aggregation of subordinate responses on this scale.

Innovation was measured with Denison et al.'s (1995) innovator scale which reflects thinking about old problems in new ways through the experimentation with new concepts, problem solving in creative ways, and innovative ideas. The Cronbach alpha reliability for the items was 0.88. An F-test ($F=2.0547$; $p<.001$) supported the aggregation of subordinate responses for the innovator scale.

Upward influence was measured with Denison et al.'s (1995) broker scale which reflects the exertion of upward influence and getting access to people at higher levels. The Cronbach alpha

reliability for the items was 0.90. An F-test (F=2.0592; p<.001) provided evidence for the requisite consistency of subordinate responses prior to their aggregation.

Finally, monitoring was assessed with Denison et al.'s (1995) monitor scale which emphasizes watching for deviations from rules and standards. The Cronbach alpha reliability for the items was 0.81. An F-test (F=2.0602; p<.001) provided evidence for the requisite consistency of subordinate responses prior to their aggregation.

DATA ANALYSIS AND RESULTS

Table 1 reports the univariate statistics and correlations for the items included in the analyses. Before analyzing the hypothesized relationships among the constructs, we first assessed whether the different scales had adequate convergent and discriminant validity. Using the maximum likelihood procedures in LISREL VIII, we first examined a confirmatory measurement model comprised of the scales measuring the four dimensions of psychological empowerment and the individual items measuring innovation, upward influence, inspiration, and monitoring. A covariance matrix was used as input to the LISREL analysis. Listwise deletion of cases was used (due to some missing data, the final sample size used for the analyses was 358). All scales were recoded so that higher scores reflected higher levels of a given construct.

The results of the measurement model indicate appropriate convergent and discriminant validity. Each of the items loaded significantly on its appropriate factor. The chi-square value was significant (χ^2=344.24, df=199, p<.001). Because the chi-square is influenced by sample size, other fit statistics must be assessed. The Adjusted Goodness-of-Fit Index (AGFI) is "independent of sample size and relatively robust against departures from normality" (Joreskog and Sorbom as cited in Bagozzi & Yi, 1988: 79). The comparative fit index (CFI) compares the relative improvement in fit for the proposed model over a strict null model of complete independence among the various items. The CFI is recommended as being the best approximation of the population value (Gerbing & Anderson, 1992). The root-mean-square-residual (RMR) is a measure of the average of the residual variances and

covariances (Joreskog & Sorbom, 1982). The AGFI and CFI both met the .90 criterion (AGFI=.90; CFI=.97) and the RMR is within the .05 ceiling (RMR = .032).

The correlations between psychological empowerment and the four leadership scales were moderate. The strongest factor correlation was between two of the leadership characteristics: innovation and upward influence (r = .78); none of the other factor correlations exceeded .35. To ensure that the innovation and upward influence factors were different from unity, we re-estimated the model, restricting the correlation between the two factors to unity (Anderson & Gerbing, 1988). A chi-square difference test (χ^2difference = 103.63, df=1) indicates that the two factor model was more appropriate than a model where innovation and upward influence were constrained to be one factor. Thus, given support for the convergent and discriminant validity of the measures, we move to the structural analysis.

Table 1 About Here

We tested the hypotheses using structural equations modeling in LISREL VIII. The same fit statistics used to assess the measurement model were also used to assess the structural model. The LISREL findings provided general support for hypotheses 1-3 (see Figure 1 for a summary of the LISREL results). The overall goodness-of-fit statistics suggested room for improvement. The chi-square was significant (χ^2=576.69, df=205, p<.001), the AGFI did not achieve the .90 threshold (AGFI = .85), and the RMR exceeded the .05 ceiling (RMR=.092). The CFI, however, did exceed the .90 threshold (CFI=.92). Therefore, a decision tree framework for investigating alternative theoretical models was used to further assess the validity of the model. This approach involved the examination of nested models (Bagozzi & Yi, 1988).

Similar to Lee, Jamieson, and Early (1996), the nested models include (a) the measurement model in which all constructs were allowed to correlate; (b) the theoretical structural model; (c) the null model depicting independence; and (d) an alternative model where the innovation factor was specified to affect the upward influence factor, given their strong relationship in the measurement model. This alternative

13

model still maintains the integrity of the four hypotheses and is theoretically supported (i.e., why would supervisors seek to influence their superiors unless they had some new idea or innovation for which they were seeking support?) Comparisons among the nested models were made using chi-square difference tests. A significant chi-square difference was found between the theoretical model and both the null and the measurement models, indicating that the hypothesized paths provided an increase in explanatory power. A significant chi-square difference was also found between the alternative model and the theoretical model, indicating that the additional path between the innovation factor and the upward influence factor provided an increase in explanatory power. The other fit statistics also provide support for the alternative model (AGFI = .90; RMR = .058; CFI = .96). Therefore, this model will be used as the basis on which to test our substantive hypotheses.[4] The standardized parameter estimates for this model are presented in Figure 2.

In support of hypotheses 1-3, supervisory assessments of empowerment were found to be significantly and positively related to the subordinates' perceptions of that supervisor's innovativeness (γ = .38, p<.001), upward influence (γ = .22, p<.01), and inspiration (γ = .14, p<.05). However, support for hypothesis 4 was not found; the coefficient for monitoring did not achieve significance. In sum, the results provide support for the proposition that supervisory empowerment will be related positively to subordinates' perceptions of change-oriented leadership but not to behaviors aimed at maintaining the status quo.

DISCUSSION

This paper examined the relationship between psychological empowerment and leadership, a relationship which has been relatively neglected in the literature (Keller & Dansereau, 1995). We posited that supervisory empowerment would be related to more change-oriented leadership. Consistent with our hypotheses, we found that supervisors who felt empowered were seen by their subordinates as more innovative, upward influencing, and inspiring. These results are note worthy

---

[4]   The substantive findings on the hypotheses were virtually identical for the initially hypothesized theoretical model.

because our analyses avoided common method variance; we used supervisory perceptions of empowerment and subordinate perceptions of leader characteristics.

Even though the first three hypotheses were supported, it is interesting to examine the magnitude of the relationships between empowerment and the three aspects of change-oriented leadership. It appears that while empowered supervisors are particularly adept at innovation (B=.38) and the upward influencing of their bosses (B=.22), they may be only adequate in terms of inspiring subordinates (B=.14). Several explanations for the relatively low coefficient on inspiration can be offered. First, it may be that empowered supervisors inspire to a lesser extent than they innovate or influence upward because inspiration may not be a behavioral norm in this organization. Or, it may be that supervisors invest most of their energy into creating and selling the ideas for making change, but less energy into implementing the change. Resistance to change on the part of subordinates may make the inspiration of subordinates to accept and implement change a difficult task. Thus, if this interpretation is correct, supervisors may need to develop more expertise in inspiring subordinates in order to effectively bring change to their organizations.

One hypothesis, however, was not supported. Contrary to expectations, supervisory empowerment was not found to be related (positively or negatively) to monitoring behaviors. Empowered supervisors were found to monitor subordinates to a similar degree as less empowered supervisors. What accounts for this finding? First, some monitoring may be institutionalized in the organization itself through formal systems such as quality improvement programs, budgets, performance appraisals, and reward systems. All of these formal systems encourage and reinforce monitoring behavior, separate from the supervisor's own leadership style. Second, this finding may lend support to Bass's (1985) assertion that change-oriented and status-quo oriented behaviors are not mutually exclusive; empowered supervisors seem to exhibit both types of leadership behavior. From these results, we speculate that empowered leaders may be behaviorally complex (Denison et al., 1995), playing multiple or even paradoxical roles that reflect both a focus on change and a focus on the maintenance of the status quo.

Potential Contributions of the Research

This research expands our understanding of the nomological network of psychological empowerment in the workplace. While prior work had examined intrapersonal outcomes of psychological empowerment (Koerner, 1993; Spreitzer and Kizilos, forthcoming; Thomas & Tymon, 1994), this research is among the first to examine a set of interpersonal outcomes of empowerment -- in this case, several dimensions of change-oriented leadership. Though *intrapersonal* outcomes may be highly relevant for studying employees at any level of the organization, *interpersonal* outcomes may be more appropriate for studying those who supervise others because their primary impact on the organization is through the work of others, particularly their subordinates (Hill, 1992).

This study theoretically and empirically identifies a set of leadership characteristics to which psychological empowerment is related. Our research suggests that empowerment cognitions are linked with innovation, upward influence, and inspiration (i.e., leadership characteristics associated with an orientation to change) but have little impact on monitoring (i.e., a managerial characteristic associated with maintaining the status quo). Such information is critical for validating the nomological net of empowerment in the workplace.

These findings may also contribute to the leadership literature by beginning to assess a set of psychological antecedents of change-oriented leadership. Recently there has been a renewed interest in the personal factors associated with general leadership notions (Hunt, 1991); however, little research has focused explicitly on the personal factors associated with change-oriented leadership (Bass, 1994). Previous research on change-oriented leadership has primarily concentrated on understanding the effects of change-oriented leadership on subordinate performance and satisfaction (Howell & Avolio, 1993). In this way, our research contributes to the leadership literature by examining how a leader's psychological empowerment is related to subordinate perceptions of the leader.

Our research also contributes to the literature by examining change-oriented leadership characteristics at the middle levels of the organizational hierarchy. Most of the prior research on change-oriented leadership has been conducted using samples of top level managers (Avolio &

16

Gibbons, 1988). Other research has found that mid-level supervisors are a key source of resistance to organizational transformation (Kanter, Stein, & Jick, 1992). Our results suggest that in spite of multiple forces working against change-oriented leadership at the middle levels of the organization, supervisors with an empowered mindset are able to exhibit change-oriented leadership behaviors in interactions with subordinates.

The findings of this paper also provide potentially useful insights for business practitioners. Through a better understanding of the requisite psychological dimensions for change-oriented leadership, organizations will be better equipped to effectively develop the next generation of individuals able to lead in turbulent environments. These findings have implications for leadership training which focuses on specific areas of psychological development as an alternative or complement to the traditional practice of leadership selection through personality variables. One reason that notions of empowerment have been so widely embraced in industry is that practitioners believe it facilitates the requisite leadership capacities for organizational effectiveness in contemporary organizations (e.g., Kanter, 1989; Kizilos, 1990). As organizations face more turbulent external environments, change-oriented leadership takes on increased significance for organization effectiveness (Conger, 1989b).

Limitations and Future Directions

One limitation of this study is that we were unable to actually *observe* supervisors interacting with subordinates. Critics recommend using observational data to supplement survey measures of transformational leadership (Hunt, 1991). Future research should complement subordinate perceptions of leader characteristics with observed leadership behaviors. Future research should also examine the effects of supervisory empowerment on subordinate empowerment. House suggests that the transformational leader is "assumed to be an object of identification by which the followers emulate the leader's values, goals, and behavior" (1977: p. 191); thus, we might expect empowered supervisors to facilitate empowered subordinates through their inspirational ability.

A second limitation is the cross-sectional nature of the data. Data on psychological empowerment and leadership were collected at the same point in time. Consequently, the causal nature

of the relationships cannot be empirically verified. The direction of causality may be the reverse; change-oriented behaviors may increase a supervisor's sense of empowerment. Future research designs should be longitudinal, using laboratory and/or field experiments which can model causality as well as help uncover the underlying processes which link empowerment with leadership behaviors.

Future research is also necessary to test whether the results of the current study generalize to other organizational settings, industries, and cultures. The finding on monitoring behaviors may be tied to cultural or structural variables specific to the organization (e.g., quality improvement) from which the data were collected. By extending this line of research to multiple organizations, we will be able to simultaneously examine contextual and process variables that may also influence change-oriented leadership behaviors. Such research will offer a better understanding of the conditions that facilitate or hinder change-oriented leadership in organizations. For example, Howell & Avolio (1993) note that organizations whose external environments are characterized by high uncertainty and turbulence may provide a setting which is more conducive to the emergence of change-oriented leadership rather than maintenance-oriented management. In addition, process variables such as communication ability may be particularly key to understanding the ways in which leaders inspire subordinates.

Clearly, the empirical study of empowerment and leader behavior is in its infancy. This research takes some necessary first steps into understanding the relationship between psychological empowerment and subordinate perceptions of supervisory leadership. Our hope is that by clarifying these relationships, more organizational scholars will embark on substantive research addressing these linkages. Further, our hope is that these research findings will provide some initial guidance to business practitioners as they endeavor to find more effective strategies for leadership.

REFERENCES

Amabile, T. M. (1988). 'A model of creativity and innovation in organizations', in B. M. Staw & L. L. Cummings (Eds.) *Research in Organizational Behavior*, 123-167. Greenwich, CT, JAI Press.

Amabile, T. M., & Gryskiewicz, S. S. (1987). *Creativity in the R&D laboratory* (Tech. Report No. 30). Greensboro, NC, Center for Creative Leadership.

Anderson, J. C., & Gerbing, D. W. 1988). 'Structural equation modeling in practice: A review and recommended two-step approach', *Psychological Bulletin*, 103, 411-423.

Ashforth, B. E. (1989). 'The experience of powerlessness in organizations', *Organizational Behavior and Human Decision Processes*, 43, 207-242.

Avolio, B. J., & Gibbons, T. C. (1988). 'Developing transformational leaders: A life span approach', in J. A. Conger & R. N. Kanungo (eds). *Charismatic leadership: The elusive factor in organizational effectiveness*, San Francisco, Jossey-Bass. (p. 276-308)

Bagozzi, R. P, & Yi, Y. (1988). 'On the evaluation of structural equations models', *Journal of the Academy of Marketing Science*, 16, 74-94.

Bass, B. M. (1985). *Leadership and performance beyond expectations*, New York, Free Press.

Bass, B. M. (1990a). *Bass & Stogdill's handbook of leadership: Theory*, *research and applications* (3rd ed.), New York, Free Press.

Bass, B. M. (1990b). 'From transactional to transformational leadership: Learning to share the vision', *Organizational Dynamics*, 18(3), 19-32.

Bass, B. M. (1994). Personal communication.

Bell, N. E., & Staw, B. M. (1989). 'People as sculptors versus sculpture: The roles of personality and personal control in organizations', in M. B. Arthur, D. T. Hall, & B. S. Lawrence (eds) *Handbook of Career Theory*, New York, Cambridge University Press.

Bennis, W. G., & Nanus, B. (1985). *Leaders: The strategies for taking charge*, New York, Harper & Row.

Blau, J.R., & Alba, R.D. 1982. 'Empowering nets of participation,' *Administrative Science Quarterly*, 27: 363-379.

Blauner, R. (1964). *Alienation and freedom*, Chicago, The University of Chicago Press.

Block, P. (1987). *The empowered manager*, San Francisco, Jossey-Bass.

Brief, A. P., & Nord, W. R. (1990). *Meanings of occupational work*, Lexington, MA, Lexington Books.

Conger, J. A. (1989a). *The charismatic leader: Behind the mystique of exceptional leadership*, San Francisco, Jossey-Bass.

Conger, J. A. (1989b). 'Leadership: The art of empowering others', *The Academy of Management Executive*, 33, 17-24.

Conger, J. A., & Kanungo, R. N. (1987). 'Toward a behavioral theory of charismatic leadership in organizational settings', *Academy of Management Review*, 12, 637-647.

Conger, J. A., & Kanungo, R. N. (1988a). 'The empowerment process: Integrating theory and practice', *Academy of Management Review*, 31, 471-482.

Conger, J. A., & Kanungo, R. N. (1988b). 'Conclusion: Patterns and trends in studying charismatic leadership', in J. A. Conger & R. N. Kanungo (eds). *Charismatic leadership: The elusive factor in organizational effectiveness*, San Francisco, Jossey-Bass. (p. 324-336).

Conger, J. A., & Kanungo, R. N. (1988c). 'Training charismatic leadership: A risking and critical task', in J. A. Conger & R. N. Kanungo (eds). *Charismatic leadership: The elusive factor in organizational effectiveness*, San Francisco, Jossey-Bass. (p. 309-323).

Conger, J. A. & Kanungo, R. N. (1994). 'Charismatic leadership in organizations: Perceived behavioral attributes and their measurement', *Journal of Organizational Behavior*, 15, 439-452.

Deci, E. L., & Ryan, R. M. (1985). *Intrinsic motivation and self-determination in human behavior*, New York, Plenum.

Denison, D. R., Hooijberg, R., & Quinn, R. E. (1995). 'Paradox and performance: Toward a theory of behavioral complexity in managerial leadership', *Organization Science*, 6, 524-539.

Drucker, P. F. (1988). 'The coming of the new organization', *Harvard Business Review*, 66, 45-53.

Gerbing, D. W., & Anderson, J. C. (1992). 'Monte Carlo evaluations of goodness of fit indices for structural equations models', *Sociological methods and research*, 21, 132-160.

Gist, M., & Mitchell, T. N. (1992). 'Self-efficacy: A theoretical analysis of its determinants and malleability', *Academy of Management Review*, 17,183-211.

Hackman, J. R., & Oldham, G. R. (1980). *Work redesign*, Reading, MA, Addison-Wesley.

Hill, L. A. (1992). *Becoming a manager: Mastery of a new identity*, Boston, Harvard Business School Press.

House, R. J. (1977). 'A 1976 theory of charismatic leadership', in J. G. Hunt and L. L. Larson (eds.), *Leadership: The cutting edge*, Carbondale, IL, Southern Illinois University Press, 189-207.

Howell, J. M., & Avolio, B. J. (1993). 'Transformational leadership, transactional leadership, locus of control, and support for innovation: Key predictors of consolidated-business-unit performance', *Journal of Applied Psychology*, 78, 891-902.

Hunt, J. G. (1991). *Leadership: A new synthesis*, Newbury Park, CA, Sage.

Joreskog, K. G., & Sorbom, D. (1982). 'Recent developments in structural equation modeling', *Journal of Marketing Research*, 19, 404-416.

Kanter, R. M. (1983). *The change masters*, New York, Simon and Schuster.

Kanter, R. M. (1989). 'The new managerial work', *Harvard Business Review*, November-December, 85-92.

Kanter, R. M., Stein, B., & Jick, T. D. (1992). *The challenges of organizational change: How companies experience it and how leaders guide it*, New York, The Free Press.

Keller, T., & Dansereau, F. (1995). 'Leadership and empowerment: A social exchange perspective', *Human Relations*, 48(2), 127-146.

Kipnis, D., & Schmidt, S. M. (1988). 'Upward influence styles: Relationship with performance evaluations, salary, and stress' *Administrative Science Quarterly*, 33, 528-542.

Kizilos, P. (1990). 'Crazy about empowerment', *Training*, December, 1990, 47-56.

Koerner, M. M. (1993). 'Consequences of empowerment: The impact of perceived empowerment on turnover propensity, motivation to exert extra effort, and use of influence strategies', Paper presented that 1993 National Academy of Management Meetings, Atlanta, Georgia.

Kotter, J. P. (1990). *A force for change: How leadership differs from management*, New York, The Free Press.

Lawler, E. E. (1988). 'Strategies for involvement', *Academy of Management Executive*, 2, 197-204.

Lee, C., Jamieson, L. F., & Earley, P. C. (1996). 'Beliefs and fears and Type A behavior: Implications for academic performance and psychiatric health disorder symptoms', *Journal of Organizational Behavior*, 15, 151-177.

Mainiero, L.A. 1986. Coping with powerlessness: The relationship of gender and job dependency to empowerment-strategy usage. Administrative Science Quarterly, 31: 633-653.

Martinko, M. J., & Gardner, W. L. (1982). 'Learned helplessness: An alternative explanation for performance deficits', *Academy of Management Review*, 7, 195-204.

Mowday, R. T. (1978). 'The exercise of upward influence in organizations, *Administrative Science Quarterly*, 23, 137-156.

Mowday, R. T. (1979). 'Leader characteristics, self-confidence and methods of upward influence in organizational decision making', *Academy of Management Journal*, 22, 709-725.

Nunnally, J. (1978). *Psychometric theory*, 2nd ed., New York, McGraw Hill.

Porter, L. W., Allen, R. W., & Angle, H. L. (1981). 'The politics of upward influence in organizations', *Research in Organizational Behavior*, 3, 109-149.

Quinn, R. E. (1984). 'Applying the competing values approach to leadership: Toward an integrative framework', in J. G. Hunt, D. Hostking, C. Schriesheim, & R. Stewart (eds.), *Leaders and managers: International perspectives on managerial behavior and leadership*, Elmsford, NY, Pergamon Press.

Quinn, R. E. (1988). *Beyond rational management*, San Francisco, Jossey-Bass.

Redmond, M. R., Mumford, M. D., & Teach, R. (1993). 'Putting creativity to work: Effects of leader behavior on subordinate creativity', *Organizational Behavior & Human Decision Processes*, 55, 120-151.

Schilit, W. K., & Locke, E. (1982). 'A study of upward influence in organizations', *Administrative Science Quarterly*, 27, 304-316.

Seeman, M. (1959). 'On the meaning of alienation', *American Sociological Review*, 24, 783-791.

Shamir, B., House, R.J., & Arthur, M.B. (1993). The motivational effects of charismatic leadership: A self-concept based theory. *Organizational Science*, 4, 577-594.

Spector, P. E. (1986). 'Perceived control by employees: A meta-analysis of studies concerning autonomy and participation at work', *Human Relations*, 39, 1005-1016.

Spreitzer, G. M. (1992). *When organizations dare: The dynamics of psychological empowerment in the workplace*, Unpublished dissertation, The University of Michigan.

Spreitzer, G. M. (1995). 'Individual empowerment in the workplace: Dimensions, measurement, validation', *Academy of Management Journal*, 38(5),1442-1465.

Spreitzer, G. M. (1996). 'Social structural levers for workplace empowerment', *Academy of Management Journal*, 39(2), 483-504.

Spreitzer, G.M., Nason, S., & Kizilos, M. (forthcoming). A dimensional analysis of the relationship between psychological empowerment and effectiveness, satisfaction, and strain. Journal of Management.

Thomas, K. W., & Tymon, W. G., Jr. (1994). 'Does empowerment always work: Understanding the role of intrinsic motivation and personal interpretation', *Journal of Management Systems*, 6(3).

Thomas, K. W., & Velthouse, B. A. (1990). 'Cognitive elements of empowerment: An interpretive model of intrinsic task motivation', *Academy of Management Review*, 15, 666-681.

Woodman, R. W., Sawyer, J. E., & Griffin, R. W. (1993). 'Toward a theory of organizational creativity, *Academy of Management Review*, 18, 293-321.

Zaleznik, A. (1977). 'Managers and leaders: Are they different?', *Harvard Business Review*, 55, 67-80.

APPENDIX: MEASURES

Leadership Measures

Innovation

1. Comes up with inventive ideas.

2. Experiments with new concepts and procedures.

3. Does problem solving in clever, creative ways.

4. Searches for innovations and potential improvements.

Upward Influence

1. Exerts upward influence in the organization.

2. Influences decisions made at higher levels.

3. Persuasively sells new ideas to higher ups.

4. Gets access to people at higher levels.

Inspiration

1. Impact on people's feeling about their assignments.

2. Impact on people's optimism for the future.

3. Capacity to get people to believe they can overcome anything.

4. Capacity to provide a source of inspiration for others.

5. Capacity to raise people to new levels of effort.

6. Capacity to excite people with a vision of what might be accomplished if they work together.

Monitoring

1. Maintains tight logistical control.

2. Monitors compliance with the rules.

3. Compares, records, and reports to detect discrepancies.

4. Checks for errors and mistakes.

TABLE 1
Means, Standard Deviations, and Intercorrelations for Constructs

Construct	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
1. Meaning	5.89	.76	1.00																					
2. Competence	5.68	.84	.32	1.00																				
3. Self-Determ.	5.51	.84	.39	.37	1.00																			
4. Impact	5.56	.87	.47	.30	.54	1.00																		
5. Innovation 1	4.74	.83	.19	.22	.15	.22	1.00																	
6. Innovation 2	4.85	.77	.15	.23	.20	.25	.70	1.00																
7. Innovation 3	5.04	.85	.08	.16	.15	.20	.63	.68	1.00															
8. Innovation 4	4.92	.87	.14	.25	.19	.25	.69	.75	.64	1.00														
9. UpInfl 1	4.54	.82	.16	.17	.13	.13	.39	.53	.40	.50	1.00													
10. Upinfl 2	4.83	.90	.18	.22	.11	.14	.53	.56	.45	.57	.65	1.00												
11. Upinfl 3	5.31	.80	.13	.17	.13	.20	.46	.61	.47	.58	.68	.67	1.00											
12. Upinfl 4	4.65	.86	.10	.19	.11	.13	.50	.62	.44	.56	.59	.68	.62	1.00										
13. Monitor 1	4.97	.99	-.09	-.11	-.02	-.01	.15	.17	.14	.12	.05	.12	.09	.13	1.00									
14. Monitor 2	4.83	1.02	-.04	-.08	.06	.06	.24	.23	.20	.20	.09	.18	.15	.23	.80	1.00								
15. Monitor 3	4.88	.93	.02	-.10	-.15	-.01	.14	.14	.18	.19	.09	.16	.14	.18	.45	.50	1.00							
16. Monitor 4	4.45	.93	-.03	-.11	-.03	-.01	.27	.29	.21	.26	.05	.18	.16	.25	.46	.47	.46	1.00						
17. Inspire 1	3.51	.64	.09	.04	.15	.10	-.07	.04	.02	.06	.02	-.03	-.03	-.02	-.02	-.03	.00	.02	1.00					
18. Inspire 2	3.45	.70	.01	.06	.08	.06	-.10	.02	.00	.02	-.01	-.03	-.04	-.03	.02	.00	.03	-.03	.74	1.00				
19. Inspire 3	3.47	.67	.03	.05	.06	.03	-.09	.03	.01	.05	.03	-.01	-.03	.01	-.04	-.03	.02	-.01	.64	.68	1.00			
20. Inspire 4	3.56	.69	.02	.04	-.09	.08	-.07	.06	.04	.04	.05	.02	.02	.01	.03	.02	.05	-.02	.72	.69	.69	1.00		
21. Inspire 5	3.53	.63	.02	.05	.08	.07	-.07	.05	.02	.04	.02	-.01	-.04	.00	-.04	-.07	-.01	-.02	.70	.65	.65	.72	1.00	
22. Inspire 6	3.39	.67	.02	.08	.13	.11	-.08	.11	-.01	.02	.03	.00	-.04	.01	-.02	-.04	.02	-.05	.69	.66	.61	.69	.67	1.00

_____
_____

Note. Correlations greater than |.18| significant at p<.001, greater than |.14| significant at p < .01; correlations greater than |.11| were significant at p < .05.