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# Linkages between empowering leadership and subjective well-being and work performance via perceived organizational and co-worker support

SWB and work performance

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### Abstract

**Purpose** – The purpose of this paper is to examine the effects of empowering leadership at the team level on employees' subjective well-being (SWB) and work performance through perceived social support. Based on social exchange theory (Blau, 1964), the study identifies the mediating effects of perceived social support in the relationship between empowering leadership and both employees' well-being and work performance. **Design/methodology/approach** – The study utilized a survey of 1,225 employees working for an organization in South Korea and archival data of the organization. It employed hierarchical linear modeling analyses and the CWC(M) procedure for the tests of multilevel mediation.

**Findings** – It was observed that perceived organizational support (POS) and co-worker support (PCS) mediated the relationship between empowering leadership and SWB, but not the relationship between empowering leadership and performance. There was a significant direct effect of empowering leadership on both POS and PCS, which subsequently led to improved work performance.

Originality/value – Taking a multilevel approach to leadership and relying on both self-reported and organizational archival data, this study contributes to the literature on leadership and well-being by examining the relationships between empowering leadership toward a team and team members' well-being and performance, and by revealing the crucial mechanisms that underlie them. The study helps to elucidate the impact of empowering leadership on employee SWB, which has largely been neglected in prior management research.

**Keywords** Subjective well-being, Empowering leadership, Perceived organizational support, Multilevel research, Perceived co-worker support

Paper type Research paper

### Introduction

To date, employees' well-being in the workplace has received considerable attention from scholars. Since researchers observed that places where people experience higher well-being have lowered the probability that they will develop various diseases, such as heart disease, diabetes and cancer, and lowered the mortality of those diseases (Lawless and Lucas, 2011), an interest in the quality of their lives is growing (Diener and Tay, 2015). In accordance with this trend, more studies that examine various work-related variables associated with employee well-being are being conducted in the field of management (e.g. Conway *et al.*, 2015; Li *et al.*, 2016; Panaccio and Vandenberghe, 2009).

Despite the widely recognized importance of well-being, there are several limitations in the prior studies, making subsequent research efforts necessary that look into employee well-being in a work setting. First, the well-being research has mostly been conducted in the field of psychology, focusing on individuals' daily experiences, emotions and generic attributes as antecedents to their happiness (e.g. Brannan *et al.*, 2013; Diener and Tay, 2015; Gallagher and Vella-Brodrick, 2008). It is not enough to offer managerial implications for organizational members' well-being and its predictors. Although some management



Leadership & Organization Development Journal © Emerald Publishing Limited 0143-7739 DOI 10.1108/LODJ-06-2017-0173 scholars have attempted to examine the relationship between organizational support and well-being (e.g. Panaccio and Vandenberghe, 2009; Park et al., 2017), such research is still very rare, warranting ongoing scholarly attention. Second, most previous studies that focused on the relationship between social support and well-being were limited to measurements of specific facets of well-being, such as job satisfaction, family satisfaction, life stress and employee mental health (e.g. Heaney et al., 1995; Parasuraman et al., 1992; Stamper and Johlke, 2003). Given the lack of sufficient research on the relationship between employees' social relationships and well-being in workplaces in the extant literature, this paper identifies how empowering leadership influences employees' overall well-being from the social exchange and support perspective. Third, despite accumulating research findings pertaining to the effects of empowering leadership, previous empowering leadership studies were largely implemented within the western cultural context (e.g. Arnold et al., 2000; Pearce and Sims, 2002; Srivastava et al., 2006). Scholars recently reported that the effectiveness of leadership was different in Asian countries because of their unique cultural backgrounds. For example, Korean employees are inclined to feel obliged to reciprocate more strongly and accordingly react more positively than western employees when they experience positive and supportive behaviors by their leaders because Korean culture is deeply rooted in Confucian principles (Chai et al., 2016; Han et al., 2017; Lee, 2012). Thus, it is necessary to revisit the effects of empowering leadership on employee outcomes such as well-being in Asian countries.

Therefore, first, this study attempts to reveal important antecedents to employee well-being by focusing on leader behaviors and the mechanisms that enable this relationship. In particular, it posits that employees will be more likely to experience increased levels of well-being when their leaders exhibit empowering leader behaviors toward them. To do this, we rely on social exchange theory, which holds that individuals tend to reciprocate the receipt of valuable resources in order to maintain high-quality exchange relationships with other social entities and desire to continue such mutual relationships (Blau, 1964). We argue that employees who benefit from empowering leadership behaviors will eventually experience well-being and perform better due to their feeling of being supported. Indeed, based on prior findings from the social exchange perspective, employees who receive favorable treatment from organizational authorities generally report positive work outcomes (Eisenberger et al., 2014; Gooty and Yammarino, 2016; Hooper and Martin, 2008; Kossek et al., 2011). Second, this paper examines the relationships between empowering leadership and two types of social support: perceived organizational support (POS) and perceived co-worker support (PCS). Although prior studies on empowering leadership focused primarily on employees' work motivation and performance as outcome variables (e.g. Cheong et al., 2016; Lorinkova et al., 2013; Srivastava et al., 2006), this paper identifies social support and well-being as proximal and distal consequences of empowering leadership at the team level, and examines their indirect relationships. Thus, this study contributes to the multilevel leadership literature by explaining how empowering leadership at the team level that is collectively perceived by team members helps them experience social support in the Korean cultural context, which has rarely received scholarly attention. As the relatively recent economic development of South Korea has inspired other emerging countries to exert greater efforts toward economic growth (Kim et al., 2012; Lee and He, 2009), it is timely and worthwhile to investigate the implications of empowering leadership in the Korean organizational context.

### Theory and hypotheses

Social exchange theory

To develop a theoretical framework for our research, we relied on social exchange theory, which explains that exchange relationships are maintained through the credible exchange of rewards in an organization (Blau, 1964; Settoon *et al.*, 1996). The notion of social exchange has

been widely adjusted in a variety of leadership studies (e.g. Eisenberger et al., 2014; Graen and SWB and work Uhl-Bien, 1995; Li and Liao, 2014). Since social exchange includes unspecified obligations and expectations of future returns, employees respond positively to favorable treatment by leaders based on the norm of reciprocity (Blau, 1964; Gouldner, 1960). According to the theory, when leaders endow employees with autonomy and support, the employees are likely to repay the leaders with positive attitudes and behaviors (Gouldner, 1960). For instance, employees who have built high-quality relationships with their leaders tend to report increased levels of perceived social support, well-being and work performance (Eisenberger et al., 2014; Gooty and Yammarino, 2016; Hooper and Martin, 2008; Kossek et al., 2011).

Relying on the perspective of social exchange theory, we posit that employees who are empowered by their leaders through empowering behaviors may perceive their leaders as valuable sources of power and resources. Accordingly, employees with a trustworthy resource provider will experience psychological resourcefulness and a feeling of being supported and valued, which in turn leads to them feeling increased well-being and reciprocating by exhibiting good performance in order to continue the high-quality exchange relationships with their leaders and organizations. We delve into this argument in more detail in the next section.

# Empowering leadership in teams, POS and PCS

Based on the theoretical account, this study first assumes that employees who receive abundant social support from their leaders as a resource may benefit from it and subsequently feel high levels of well-being. Social support in the workplace is defined as "the sense of being cared for and loved, esteemed and valued as a person, and part of a network of communication and obligation" (Mirowsky and Ross, 1986, p. 33). In particular, this study is interested in two important forms of social support: POS, meaning how much the organization values employees' contributions and is concerned for their well-being (Eisenberger et al., 2002), and PCS, meaning the provision of desirable resources to focal employees by their co-workers, such as task-directed help (Caplan et al., 1975; Chiaburu and Harrison, 2008). Thus, this study expects that the resources and power employees are given by their empowering leaders will play a critical role in forming the two types of social support, for the reasons discussed below.

In this paper, it is argued that leaders' behaviors toward their followers are important in shaping the latter's perceptions of support in the workplace (Eisenberger et al., 1986; Levinson, 1965). Empowering leadership behaviors generally require substantial effort by leaders because they include supporting and showing concern for employees, developing their skills, as well as consulting with them and delegating power and authority to them (Arnold et al., 2000; Yun et al., 2005). In other words, the leaders tend to engage in considerably more coaching, training and nurturing of employees and offer more relevant resources than would be required if he or she simply gave direct orders or made autocratic demands of the employees (Arnold et al., 2000; Wilson et al., 1994). Furthermore, according to prior theorization and findings, empowering leaders are likely to actively engage in helpful behaviors (e.g. Bowers and Seashore, 1966; Srivastava et al., 2006) and build supportive mutual relationships with their followers (cf. Bowers and Seashore, 1966). Therefore, empowering leadership can help subordinates perceive that they are being supported and helped by leaders who make efforts to coach, train and empower them. Based on the notion of social exchange, such a belief that their leaders are credible sources of increased power and discretion will help employees feel supported and valued within their organization.

Specifically, if employees are empowered by leadership at the team level, it may affect POS. Given that employees tend to perceive their leaders as organizational agents who may represent their organization (Levinson, 1965), how employees perceive their treatment by their organization will be significantly influenced by how they are treated by their leaders. Since team leaders act as agents of the organization by evaluating employees' performance and reporting their behaviors to the organization, employees can presume that leaders' behaviors are consistent with the organization's intention (Eisenberger *et al.*, 1986; Levinson, 1965). Thus, employees' perceptions of their leaders' favorable orientation in teams, such as empowering behavior, can be an indicator of organizational support.

In addition to POS, this paper argues that empowering leadership behaviors may help employees perceive higher levels of co-worker support. Given that a fundamental assumption of empowering leadership is that power and responsibilities can be shared among multiple individuals, empowering leaders may foster a cooperative climate in their teams when they exhibit empowering leadership behaviors. For instance, empowering leadership usually encourages subordinates to coordinate efforts with co-workers and seek out opportunities to learn and grow (Pearce and Sims, 2002). In addition, empowering leadership that includes coaching and delegating encourages employees to help one another by providing autonomy and discretion and by resolving problems collectively (Arnold *et al.*, 2000; Srivastava *et al.*, 2006). Eventually, employees will become inclined to help and cooperate with their co-workers when they perceive that they are empowered collectively by leaders, since empowering leaders foster a cooperative climate and encourage them to resolve existing problems by working with others, all of which increases employees' feelings of being supported (Kanter, 1977).

Therefore, this paper proposes the following:

H1. Empowering leadership will be positively related to (a) POS and (b) PCS.

# Effects of POS and PCS on subjective well-being (SWB)

It has been widely documented that individuals' social environments, including interpersonal relationships and social support from others, play a crucial role in forming their perceived satisfaction with life and happiness (Diener, 2012). SWB refers to an individual's cognitive and affective evaluations of his or her life (Diener *et al.*, 2009). SWB is comprised of positive affect (PA), negative affect (NA) and satisfaction with life (Diener and Lucas, 1999; Lucas *et al.*, 1996). High SWB entails experiencing pleasant emotions, infrequent negative moods and high life satisfaction (Diener *et al.*, 2009). According to the social exchange perspective, individuals tend to experience psychological well-being when they have social exchange relationships and receive social support from them (Brannan *et al.*, 2013). Social support such as instrumental advice and emotional support may serve as a crucial resource that employees can utilize to cope with daily stressors, thereby promoting their SWB (Hildisch *et al.*, 2015; Jex, 1998; Thoits, 1986).

This study predicts that POS will increase employees' SWB. It has been widely acknowledged that POS fulfills employees' socio-emotional and affiliation needs by bolstering the high-quality social exchange relationships that they build with their organizational authorities. Employees who perceive POS experience feelings of being respected, cared for and accepted by their employer (Armeli *et al.*, 1998; Eisenberger *et al.*, 1986; Rhoades and Eisenberger, 2002). Because a fundamental predictor of happiness is satisfying the need for relatedness (Ryan and Deci, 2000), this study argues that increased levels of POS will be positively related to SWB. Empirical studies have also indicated that POS affects positive moods in individuals' daily and work lives (Rafaeli *et al.*, 2008; Rhoades and Eisenberger, 2002), and their well-being (Panaccio and Vandenberghe, 2009).

Similarly, employees who perceive PCS are also expected to experience positive feelings that will be transmitted to their SWB. Positive work relationships serve as important sources of emotional and psychological support for employees in the workplace from the perspective of social exchange theory. Social ties built through social support and

collegiality in the workplace tend to increase the likelihood that employees will experience SWB and work positive emotions (Colbert et al., 2016). Additionally, co-workers usually have the same or similar status and rank as focal employees, which increases their sympathy for each other by helping to instill beliefs in co-workers regarding what they should or should not do (Kram and Isabella, 1985). The shared sympathy from their co-workers whose status is similar to that of focal employees helps them experience a positive work climate by meeting their psychological need for relatedness and weakens the negative effects of potential work stresses and strains (Hayton et al., 2012). Similarly, empirical studies have showed that PCS leads employees to view their work situations more positively by lowering perceived role overload (Parker et al., 2013) and increasing psychological well-being and job satisfaction (Chiaburu and Harrison, 2008). In sum, both the POS and PCS of employees will influence their SWB. Therefore, this paper proposes the following:

H2. (a) POS and (b) PCS will be positively related to SWB.

# Effects of POS and PCS on work performance

Next, the present study argues that increased levels of both PCS and POS positively influence not only SWB but also employees' job performance for two reasons, which are explained in this section. First, POS will encourage employees to improve their work performance because they may think they are treated favorably by the organization and the organization meets their socio-emotional needs (Armeli et al., 1998). According to social exchange theory (Blau, 1964), employees feel obliged to reciprocate when they receive support from their employers (Eisenberger et al., 1990). As relational obligations maintain social exchange relationships, employees will try to improve their performance so as to continue the positive exchange relationship with their organization (Blau, 1964).

Second, PCS can also help improve employees' work performance. As shown in prior empirical studies (e.g. Chiaburu and Harrison, 2008), co-workers tend to serve as information and resource providers, who can assist a focal employee in completing his or her tasks more effectively. For example, transferring valuable resources such as tacit knowledge, instrumental advice and task-related information from other co-workers can benefit employees' performance (Hayton et al., 2012). Being supported by co-workers, focal employees can develop their skills and use the useful resources; as a result, these employees can perform well. Moreover, employees who receive abundant resources and support from their co-workers are likely to feel obliged to reciprocate by exhibiting positive work behaviors that will eventually enhance organizational effectiveness. Previous empirical studies also indicated that PCS is positively related to positive work attitudes, proactive work behavior and work performance, and is negatively related to withdrawal behaviors (Chiaburu and Harrison, 2008; Parker et al., 2013). Taken together, this study assumes that perceived social support will influence employees' work performance. Therefore, the study proposes the following:

# H3. (a) POS and (b) PCS will be positively related to work performance.

Next, this study examines how empowering leadership eventually leads to employees' SWB and work performance via two types of social support: POS and PCS. Empowering leadership is strongly expected to foster supportive climates in teams because it encourages power sharing and helping behaviors among co-workers. The perception of being supported by one's organization and co-workers and having credible social exchange relationships will generate various resources, enduring energy and a feeling of being able to accomplish important goals, which serve as determinants of SWB (Diener and Biswas-Diener, 2005; Jex, 1998). It has been documented that leaders' favorable and supportive treatment toward followers, such as sharing power and resources, contributes to forming unspecified and mutually beneficial exchange relationships between those two parties (Eisenberger et al., 2014). Employees who have built positive and open-ended social exchange relationships with their leaders (i.e. leader-member exchange) are likely to experience positive psychological states such as POS and well-being (Eisenberger et al., 2014; Epitropaki and Martin, 1999). Therefore, this paper argues that when leaders exhibit empowering behaviors, their followers are prone to experience POS and PCS, which may make them feel satisfied with life.

This paper also predicts that social support plays a critical role in connecting empowering leadership to work performance. When empowering leadership increases POS, employees can reciprocate by improving their performance, according to social exchange theory (Blau, 1964). Different types of instrumental resource drawn from co-workers' support may help employees perform better when they experience PCS that was promoted by empowering leadership. Therefore, perceived social support, including both POS and PCS, will play a pivotal role in mediating the relationship between empowering leadership and work performance by providing employees with fundamental resources. Thus, this study proposes the following:

- H4. (a) POS and (b) PCS will mediate the relationship between empowering leadership and SWB.
- H5. (a) POS and (b) PCS will mediate the relationship between empowering leadership and work performance.

### Methods

## Participants and procedures

This study collected data from employees of a large healthcare organization located in South Korea. All employees including nurses, technologists, nutritionists and pharmacists, with the exception of medical doctors, participated in the survey. Several weeks after collecting the completed questionnaires, the organization provided us with the scores for in-role performance of all participating employees. The total number of respondents was 1,225 (18.6 percent) from 202 teams (yielding an average team size of 6.1 members) among 6,600 questionnaires distributed to the entire staff of the organization. The average age of the employees was 35.8 years, with 78 percent of them being female. The employees had worked there for 11.3 years on average. Among the respondents to the survey, 54.4 percent were nurses, 12.9 percent had a desk job, 4.2 percent were radiographers, and other employees who had various jobs were also included.

## Measures

The survey questionnaire measured the following variables: empowering leadership, POS, PCS and SWB. It used a five-point Likert-type response scale ranging from 1 (strongly disagree) to 5 (strongly agree). Due to the studied organization's strong concern over the length of the survey items and accompanying cognitive load imposed on the respondents, we adopted shortened scales for some variables. All variables were assessed by the employees except for work performance, which was obtained from the organization's archival data. The reliability of each variable is shown in Table I.

*Empowering leadership.* This was assessed by the employees using 11 items with a reference of collective work-group members from the scale developed by Arnold and associates (2000). This scale has been widely used for measuring empowering leadership in prior studies (e.g. Raub and Robert, 2010; Srivastava *et al.*, 2006). Its best-fitting model included five factors such as leading by example, participative decision making, coaching, informing and showing concern for/interacting with the team (Arnold *et al.*, 2000). Our study adopted two to three items

Variables	Mean	SD	1	2	3	4	5	6	7	8	SWB and work performance
Level 1 variables											-
1. Gender	0.22	0.41									
2. Age	35.76	7.13	0.31**								
3. Tenure (months)	135.20	71.73	0.16**	0.87**							
4. POS	3.06	0.65	0.12**	0.23**	0.19**	(0.80)					
5. PCS	3.69	0.71	-0.01	-0.01	0.02	0.35**	(0.72)				
6. Subjective well-being	29.20	5.75	0.15**	0.26**	0.21**	0.47**	0.32**	(0.89)			
7. Work performance	3.15	0.71	0.05	0.09**	0.10**	0.10**	0.09**	0.04			
Level 2 variable											Table I.
8. Empowering leadership	3.46	0.39	0.21**	0.10**	0.06*	0.31**	0.14**	0.23**	0.06*	(0.95)	Means, standard
<b>Notes:</b> $n = 1,225$ . Values in parentheses represent coefficient $\alpha$ 's for the individual-level and team-level scales. Gender was coded as 1 for male. * $p < 0.05$ ; ** $p < 0.01$							deviations and correlations				

for each factor. A sample item is "My leader helps develop good relations among work-group members." Employees' ratings were aggregated at the team level[1].

Perceived organizational support. POS was measured using four items from the short form of the Survey of Perceived Organizational Support (Eisenberger et al., 1986). Given prior studies' practice of using short forms of the POS scale that include selected items, whose internal consistency and construct validity have been proven (Epitropaki and Martin, 2013; Halbesleben, 2006), we used the high-loading items of factor analysis results in a prior study by Eisenberger et al. (1986). A sample item is "Help is available from the organization when I have a problem."

Perceived co-worker support. Following the practices of prior studies that examined the relationship between PCS and individual well-being (e.g. Sloan, 2012), we assessed the extent to which employees perceive that their co-workers care about them to measure PCS. Two items adapted from the scale developed by Ducharme and Martin (2000) were used; a sample items is "Your co-workers really care about you."

Subjective well-being. SWB was measured using nine items from the Concise Measure of Subjective Well-Being (COMOSWB) developed by Suh and Koo (2011). The COMOSWB consists of three subscales, each of which has three items: life satisfaction, PA and NA (reverse coded). It is an abbreviated version of a previous SWB measure that was adjusted for Korean culture (e.g. Diener and Lucas, 1999).

Work performance. The organization provided us with archival data on employees' performance evaluations. The levels of employees' in-role performances were evaluated and reported based on five ratings ranging from "poor" to "excellent" and coded with numeric digits ranging from "1" to "5."

Control variables. Additionally, several demographic attributes of employees were included as control variables: age, gender and organizational tenure. This was because previous research found significant effects of individuals' age and gender on SWB (Lucas et al., 1996) and individual empowerment (Zhang and Bartol, 2010), as well as effects of organizational tenure on perceived social support (Eisenberger et al., 2002).

### Data analyses

The data were structured to nest 1,225 employee-level cases (Level 1) within 202 work teams (Level 2). Thus, hierarchical linear modeling (HLM) analyses using HLM 6.0 were administered. Empowering leadership at the team level was grand-mean centered and used the CWC(M) procedure, which is an HLM-based test of multilevel mediation, to examine the 2-1-1 model in which the independent variable was measured at Level 2, while the mediator and dependent variable were at Level 1 (Zhang *et al.*, 2009).

### Results

Table I displays the means, standard deviations and correlations among the variables. Tables II and III display the results of the hypotheses testing.

For H1a and H1b, the results from the tests of Models 1 and 2 in Table II show that empowering leadership positively influenced both POS and PCS ( $\gamma = 0.47$ , p < 0.001;  $\gamma = 0.29$ , p < 0.001), respectively. For H2a and H2b, Models 1 and 2 in Table III show that both POS and PCS were positively related to SWB, respectively ( $\gamma = 3.57$ ,  $\rho < 0.001$ ;  $\gamma = 2.47$ , p < 0.001). For H3a and H3b, Models 4 and 5 in Table III show that both POS and PCS were positively related to work performance ( $\gamma = 0.08$ , p < 0.05;  $\gamma = 0.09$ , p < 0.01), respectively. Therefore, H1a-H3b were supported. We additionally tested whether both POS and PCS remained significant when examined simultaneously. As seen in Model 6, PCS was found to be significantly related to performance in the presence of POS ( $\gamma = 0.07$ ,  $\rho < 0.05$ ), whereas POS was not, which indicates that the effect of PCS on performance is more robust and significant than that of POS. For H4a, Model 1 in Table III shows that empowering leadership was positively related to SWB ( $\gamma = 1.26$ , p < 0.01), and the direct effect of empowering leadership on POS was found in the results associated with H1a and H2a. The indirect effect of empowering leadership on SWB was also significant in the average CWC (M) Sobel tests (z = 4.13, p < 0.001). For H4b, the direct effect of empowering leadership on PCS was observed from the results of H1b and H2b. The indirect effect of empowering leadership on SWB was significant in the average CWC(M) Sobel tests (z = 4.50, p < 0.001). Hence, H4a and H4b were supported. Additionally, Model 3 in Table III suggests that both POS and PCS predicted SWB ( $\gamma = 2.93$ , p < 0.001;  $\gamma = 1.63$ , p < 0.001) when both variables

Variables	POS Model 1	PCS Model 2
Level 1 variables		
Gender	0.00 (0.05)	-0.04 (0.06)
Age	0.02** (0.01)	-0.01 (0.01)
Tenure	0.00 (0.00)	0.00 (0.00)
Level 2 variable		
Empowering leadership	0.47*** (0.05)	0.29*** (0.06)
<b>Notes:</b> Unstandardized coefficients *** <i>b</i> < 0.001	(ys) are reported, with standard errors	in parentheses. ** $p < 0.01$ ;

Table II.
HLM analyses for the
effects of empowering
leadership on POS
and PCS

	Sui	biective well-be	Work performance				
Variables	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	
Level 1 variables							
Gender	0.30 (0.40)	0.35 (0.42)	0.34 (0.40)	0.05 (0.05)	0.07 (0.05)	0.05 (0.05)	
Age	0.11 (0.04)	0.20*** (0.04)	0.14** (0.04)	0.00 (0.01)	0.00 (0.01)	0.00 (0.01)	
Tenure	0.00 (0.00)	0.00 (0.00)	0.01 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	
POS	3.57*** (0.24)	, ,	2.93*** (0.24)	0.08* (0.03)	, ,	0.05 (0.04)	
PCS	,	2.47*** (0.21)	1.63*** (0.21)	,	0.09** (0.03)	0.07* (0.03)	

Table III. HLM analyses for the effects of empowering leadership on outcome variables

Level 2 variable

\*\*p < 0.01; \*\*\*p < 0.001

Empowering leadership 1.26\*\* (0.43) 2.24\*\*\* (0.44) 1.09\*\* (0.42) 0.06 (0.05) 0.07 (0.05) 0.06 (0.05) Notes: Unstandardized coefficients ( $\gamma$ s) are reported, with standard errors in parentheses. \*p < 0.05;

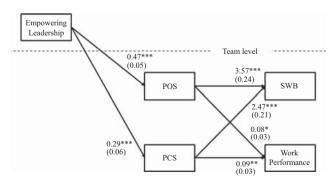
were entered simultaneously in the HLM regression equations. For H5a and H5b, the SWB and work relationship between empowering leadership and work performance was not significant in the presence of control variables for either POS in Model 4 or PCS in Model 5 (see Table III). Therefore, *H5a* and *H5b* were not supported (Figure 1).

### Discussion

This study has shown how employees' perceptions of leadership and social support in the workplace flow to their SWB and work performance by drawing from social exchange theory (Blau, 1964). First, empowering leadership at the team level had direct effects on both POS and PCS at the individual level. Second, individuals with high levels of POS experienced both SWB and improved work performance. POS had a mediating effect on only the relationship between empowering leadership and SWB. Finally, individuals who PCS were more likely to experience SWB and perform well. Moreover, PCS had an indirect effect linking empowering leadership and SWB. These results align with the extant research findings, implying that social support is critical to predicting employees' SWB and work performance (Parker et al., 2013; Ronen et al., 2016). However, although the hypothesized model predicted that both POS and PCS would mediate the relationships between empowering leadership at the team level and work performance, that hypothesis was not supported. A conceivable reason for this unexpected finding is that the unique characteristics of the sample organization may have had some influence. In one previous study that examined the associations between POS and employee performance, it was found that social support did not necessarily predict performance due to the characteristics of the sampled organization – a large hospital located in a metropolitan area – which may also be the case in this study (Settoon et al., 1996). Employees in large hospitals are expected to be strongly collaborative, especially in emergency situations, and their supportive attitudes are deemed to be a formal job duty (Lok and Crawford, 1999). In such environments, social support may be taken for granted, and thus may not significantly impact their performance variances. Furthermore, considering that both studies surveyed employees of a large organization that tends to be hierarchically structured, it is also speculated that employees' performance was under the direct control of their supervisors, which may have reduced the potential effects of both POS and PCS on performance (e.g. Settoon et al., 1996). We expect this issue will be dealt with later through more systematic research.

### Theoretical and practical implications

The findings of this paper have important implications for scholars and practitioners. This study unveiled the mechanisms by which empowering leadership at the team level links



**Notes:** \*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001

Figure 1. Summary of significant findings

both SWB and work performance. Given the widely known benefits of empowering leadership, numerous leadership researchers in previous studies emphasized the necessity of discovering its various mechanisms (Maynard *et al.*, 2012). In line with that emphasis, the present paper responded to this call by investigating how empowering leadership generates social support in a team context. It also demonstrated how perceived social support from two different sources – the organization and co-workers – leads to positive individual outcomes. Additionally, this study investigated how employee SWB and improved work performance are outcomes of empowering leadership and social support, which was largely neglected in prior management research.

Specifically, this research's findings revealed the important role of PCS in transforming the positive effects of empowering leadership into increased levels of employee well-being and performance in that co-workers represent one of the most salient aspects of employees' social environments (Dutton and Ragins, 2007). It is conceivable that employees with strong collectivism (like Korean employees) may be more strongly influenced by the extent to which they experience social bonds and collegiality in relations with other co-workers compared to those from individualistic cultures. This is because the extent to which one believes that he or she is accepted and supported by other members of the organization is likely to boost various positive psychological states (Kim *et al.*, 2008), which is conducive to performance.

Moreover, this paper used a multilevel approach to identify direct, indirect and cross-level relationships with an ample sample size. Numerous employees in a large healthcare organization participated in the study, which provided plentiful data on the psychological states and behaviors of 1,225 employees in 202 teams. Since more than 30 groups are usually recommended for a multilevel analysis (Kreft, 1996), this study's sample size was considerably larger than needed. It is also advantageous that this study could use archival data on employees' work performance provided by the studied organization. This study helps us understand how empowering leadership and perceived social support lead to better performance evaluations of employees in the workplace.

In practical terms, the results of this investigation emphasize how employees' experiences of empowering leadership are pivotal in predicting their well-being and work performance. This means that shared perception of empowering leadership is useful for boosting employees' positive state through their perception of social support. Therefore, organizations should inspire team leaders to practice empowering leadership in workplaces where employees' need for social support is high. Group leaders and managers should exert efforts in delegating power and control to all of their group members to ensure that their work teams are fully empowered.

In addition, an interesting point in our research is that we predicted and found the positive effects of empowering leadership on social support in a Korean hospital environment. Korean employees tend to consider social relationships as an important factor when they make decisions in an organization, because their culture is rooted in Confucian principles (Han *et al.*, 2017). Hence, it is meaningful that we investigated the effects of empowering leadership in an Asian country based on social exchange theory, which can show how the social obligations of employees react to empowering leadership. In practice, a recent study showed that Korean employees are prone to prefer managers who foster interpersonal relationships rather than authoritarian leaders who are reluctant to share power with their subordinates (Chai *et al.*, 2016). Therefore, our research contributes to our understanding of how empowering leadership shapes employees' perceptions of social support within a Korean hospital environment.

### Limitations and future research

This study has several limitations that need to be addressed. First, it should be noted that the majority of the respondents in the organization were female. Although we controlled for

gender effects in testing our hypotheses, the gender imbalance might have potentially SWB and work influenced our results, which warrants future studies. We suggest that future research consider more varied individual characteristics as study variables, which could influence results in meaningful ways.

Second, the sample was selected from a single large hospital in a single country, and data were collected using a cross-sectional design. Although the contribution of this research is that it predicted and found positive effects of empowering leadership on social support, studying employees from a single organization in a single country may be seen as a limitation. It is plausible that our sampled employees may have been influenced by the focal organization's unique culture, HR practices and policies, which reduces the generalizability of our findings. However, recruiting employees from a single organization could have minimized the variance stemming from organizational membership effects that can occur when multiple organizations are employed, assuming that all sampled employees are surrounded by the same organization-related factors (cf. Bunderson and Sutcliffe, 2002). Thus, we suggest that future researchers expand the current findings by examining multiple organizations from various industries and countries, relying on data collected from various sources at multiple points in time.

### Note

1. Additional statistical tests were conducted to justify the aggregation of employees' ratings of empowering leadership to team level. Rwg was 0.91, ICC[1] was 0.21 and ICC[2] was 0.62. The F-test statistics associated with both ICC[1] and ICC[2] also signaled statistical significance.

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