

DOCTORAL THESIS

How does empowering leadership impact on innovative performance? A study on the role of employees' entrepreneurial orientation, values and creative self- efficacy

Au, Kam Man

Date of Award:
2018

[Link to publication](#)

General rights

Copyright and intellectual property rights for the publications made accessible in HKBU Scholars are retained by the authors and/or other copyright owners. In addition to the restrictions prescribed by the Copyright Ordinance of Hong Kong, all users and readers must also observe the following terms of use:

- Users may download and print one copy of any publication from HKBU Scholars for the purpose of private study or research
- Users cannot further distribute the material or use it for any profit-making activity or commercial gain
- To share publications in HKBU Scholars with others, users are welcome to freely distribute the permanent URL assigned to the publication

ABSTRACT

Aiming to better understand how empowering leadership affects employees' innovative performance, this research examines this relationship by reviewing the existing leadership and innovation literature, then theorizing and testing the extent to which employees' entrepreneurial orientation mediates it. This research also proposes that the effect of empowering leadership on followers' entrepreneurial orientation will vary according to the presence of different moderating variables. Hence, the moderating effects of the employees' value of openness in the relationship between empowering leadership and employees' entrepreneurial orientation are examined. Similarly, the effects of the employees' creative self-efficacy in the relationship between employees' entrepreneurial orientation and their own innovative performance are explored.

In the study, supervisor-employee matched data from seven factories across three provinces in China were collected. The results of the data analysis supported the association between empowering leadership and employees' innovative performance, as well as the mediating effect of employees' entrepreneurial orientation. The moderating effect of employees' creative self-efficacy was also supported. However, the moderating role of the value of openness was not significant. These findings enable us to better understand the mechanism by which an empowering leader influences employees' innovative performance. It also explains how this process of influencing is subject to employees' various individual characteristics.

Keywords: empowering leadership; entrepreneurial orientation; innovative performance; openness to change; creative self-efficacy.

TABLE OF CONTENTS

DECLARATION	I
ABSTRACT	II
ACKNOWLEDGEMENTS	III
LIST OF TABLES	IX
LIST OF FIGURES	X
CHAPTER 1: INTRODUCTION	1
1.1 Research Background and Justification	2
1.2 Purpose of the Research	4
1.3 Research Problem and Questions	5
1.4 Organization of the Thesis	5
CHAPTER 2: LITERATURE REVIEW	7
2.1 Leadership	7
2.1.1 Transactional, Transformational, and Charismatic Leadership.	8
2.1.2 Empowering Leadership.	10
2.1.3 The Evolution of Empowering Leadership.	14
2.1.4 Employee Empowerment.	17
2.1.5 Psychological Empowerment and Performance.	19
2.2 Innovative Performance	21
2.3 Employees' Entrepreneurial Orientation	25
2.4 Personal Values	27
2.5 Creative Self-efficacy	30
CHAPTER 3: THEORETICAL BACKGROUND AND HYPOTHESES	34
3.1 Trait Activation Theory	34

3.2 Employees' Perceived Empowering Leadership and Employees' Innovative Performance	36
3.3 Employees' Perceived Empowering Leadership and Employees' Entrepreneurial Orientation	38
3.4 Employees' Entrepreneurial Orientation and Employees' Innovative Performance	40
3.5 The Mediating Role of Employees' Entrepreneurial Orientation in the Relationship between Leaders' Empowerment and Employees' Innovative Performance	42
3.6 The Moderating Role of the Employees' Value of Openness in the Relationship between Leaders' Empowerment and Employees' Entrepreneurial Orientation	43
3.7 The Moderating Role of Employees' Creative Self-Efficacy in the Relationship between Employees' Entrepreneurial Orientation and Employees' Innovative Performance	44
CHAPTER 4: RESEARCH DESIGN AND METHODOLOGY	49
4.1 Sampling	49
4.2 Data Collection	49
4.3 Survey Questionnaire	50
4.4 Measurement	51
4.4.1 Leaders' Questionnaire: Employees' Innovative Performance.	51
4.4.2 Employees' Questionnaire: Perceived Empowering Leadership.	52
4.4.3 Employees' Questionnaire: Self-rating of Entrepreneurial Orientation.	52
4.4.4 Employees' Questionnaire: Self-rating of Openness.	52
4.4.5 Employees' Questionnaire: Self-rating of Creative Self-efficacy.	52
4.5 Survey Administration	53
CHAPTER 5: DATA ANALYSIS AND RESULTS	56
5.1 Sample Demographics	56

5.2 Descriptive Statistics and Correlations	58
5.3 Construct Validation	61
5.4 Multiple Regression Analyses	63
5.4.1 Testing of Hypotheses 1 to 4.	64
5.4.2 Testing Hypothesis 5.	68
5.4.3 Testing Hypothesis 6.	70
CHAPTER 6: DISCUSSION AND CONCLUSION	72
6.1 Discussion of Research Findings	72
6.1.1 Overview.	72
6.1.2 Findings of Hierarchical Multiple Regression Analysis.	73
6.1.3 Findings in PROCESS Macro for SPSS.	75
6.1.4 Findings in Mplus.	78
6.3 Practical Implications	82
6.4 Research Limitations and Recommendations for Future Studies	84
6.5 Conclusion	85
APPENDIX A1: Employees' Questionnaire in English	87
APPENDIX A2: Employees' Questionnaire in Chinese	91
APPENDIX B1: Supervisors' Questionnaire in English	96
APPENDIX B2: Supervisors' Questionnaire in Chinese	99
APPENDIX C- 102 -	
REFERENCES	107
CURRICULUM VITAE	131