MEDIATING ROLE OF PSYCHOLOGICAL EMPOWERMENT IN THE RELATIONSHIP BETWEEN INCLUSIVE LEADERSHIP AND INNOVATIVE WORK BEHAVIOR IN HEALTH CARE SECTOR

Maryam Hafeez  
Azman Hashim International Business School (AHIBS), Universiti Teknologi Malaysia (UTM), Malaysia.  
Email: hafeezmaryam1991@graduate.utm.my

Usman Kaleem Paracha  
Faculty of Management Sciences, International Islamic University, Pakistan  
Email: usmankaleemparacha@gmail.com

Dr. Siti Aishyah Panatik  
Associate Professor, School of Human Resource Development and Psychology, Universiti Tecknologi Malaysia  
Email: saisyah@utm.my

ABSTRACT

Purpose: The major purpose of this study is to investigate the mediation of psychological empowerment and on the relationship between the Independent and dependent variable i.e inclusive leadership and innovative work behavior IWB. Design/Methodology/Approach: Total 387 questionnaires are filled by the employees (nurses) working in the private hospitals of Pakistan. AMOS and SPSS is used to analyzed the data. Findings: This study reveals that their psychological empowerment mediated the relationship between inclusive leadership and innovative work behavior. The results os this study shows that there is positive relationship between inclusive leadership and innovative work behavior. Results also shows that the relationship between inclusive leaders and innovative work behavior is positively mediated by the psychological empowerment. Implications/Originality/Value: In the literature of IWB this study adds the empirically testing the mediation of psychological empowerment on Inclusive leadership – innovative work behavior link.  
KEYWORDS: Inclusive leadership, innovative work behavior. Psychological empowerment

1. INTRODUCTION

In today’s world it’s a challenge to deliver even more modified, advanced technology for patient care, response for treatment is quicker, and to increase patient retention efficient communication and coordination and it is investigated that hospital management to be innovative work behaviors among nursing staff to raise the quality of medical care. Without any reason it is understood that for the greater benefit of the patient and the nursing community continues innovation is the crucial driving force (Duarte, Goodson, & Dougherty, 2014; Piening, 2011). In an Intense knowledge based work context to innovate and motivate employees, Researchers and practitioners has received intentions on the role of managers as leader. Key components of employee innovative work behavior are when and employee develop, promotes and implement new ideas that leads to the innovation of employees (Janssen, 2000).

At organization, individual levels and work group antecedents of Innovative work behavior have been studies for decades . Innovative work behavior is significantly associated with work groups, leadership, work climate, individual differences job demand and characteristics that is asserted by many scholars(Scott & Bruce, 1994; Anderson & West, 1998; Janssen, 2000; Baer & Frese, 2003; Anderson, Dreu, & Nijstad, 2004; Hammond, Neff, Farr, Schwall, & Zhao, 2011; Zlatanović & Mulej, 2015; Franco & Haase, 2016).In the middle of all of these innovative work behavior predictors, on employee innovative work behavior leadership plays a conspicuous role. According to Gerybadze, Hommel, Reiners, and Thomaschewski (2010) among all explanatory factors for employee innovative work behavior leader’s role as a supportive behavior is much more important. Researchers consequently research the problem that why and how the innovative work behavior determinants effects leadership. Some kind of out of routine behavior involved in innovative work behavior that indicates high risk involved where employees are able to speak about new ideas and avoid traditional thinking (Kanter, 1988; Kessel, Hannemann- Weber, & Kratzer, 2012). This determines that the status quo is challenged by employees by disputatious with supervisor; thus to promote IWB high degree of autonomy as an employee needed (Janssen, 2005).
Relationship between leader and subordinates is the unique way that makes behavior of employee to be innovative. The focus of this research is taken on inclusive leadership style with the relationship with innovative work behavior further explicitly mediation of psychological empowerment between Inclusive leadership and innovative work behavior. The growth and competitiveness of organizations employee innovation is widely recognized as being critical particularly in the context of intense knowledge. Supervisors desired outcomes is closely related to an individual perception of supervisors’ inclusive leadership (e.g. Braun et al., 2013; Chun et al., 2009; Liu et al., 2011). Second, followers psychological process is difficult to understand in which translate behaviors of the leaders in to the actions of followers (Van Knippenberg et al., 2004). Previous researches reveals on that there is still a gap exist to explore the psychological empowerment as a mediation between inclusive leadership and innovative work behavior (Javed et al., 2017). This article explains the employee psychological empowerment with the relationship between innovative work behavior and inclusive leadership. Followers innovative work behavior explains the generation and commencement of useful ideas and executing these ideas to produce new ways to do things or new and improve products (Baer, 2012; Kanter, 1988; van de Ven, 1986).

These lines linked with past research, which combined two phases that is idea generation and idea implementation phase and also combined these two phases to make one concept that is innovative behavior (Baer, 2012; Baer and Frese, 2003; Scott and Bruce, 1998; Somech and Drach-Zahavy, 2013). Inclusive leaders authorize subordinates to show their availability in each step of activities and give part of each employees in decision making (Carmeli, Reiter-Palmon, & Ziv, 2010), To generate new and novel ideas leaders support employees (Sharifirad & Ataei, 2012) IWB is the first stage is generating new ideas (Basadur, 2004). This leadership style encourages subordinates to create new ideas and implement these ideas. Consequently, Employees Innovative work behavior is being enhanced by the inclusive leadership styleFew of the researchers considered that researches in past still not examined inclusive leadership and the significant impact of employees’ psychological mechanisms (Shalley et al., 2004; Javed et al., 2017). Psychological empowerment is considered as the autonomy and power of an individual that can be Innovative positive changes and to initiate novel that individual can do with the perception of autonomy and power is known as psychological empowerment (Ramamoorthy et al., 2005). For taking psychological empowerment as a mediation between leadership and IWB depends on the significance of PE in forecasting creativity of employees (Zhang and Bartol, 2010). Subsequently essential element of IWB is creativity, thus it is suggested that Inclusive relationship- Innovative work behavior relation is likely have impact by psychological empowerment.

Leader-member exchange theory is used to explain the effect of Inclusive leadership and innovative work behavior. According to the theory positive outcomes is been created by the high quality of leader-follower relationship (Basu & Green, 1997; Costigan, Insinga, Jason Berman, Ilter, Kranas, & Kureshov, 2006). meanwhile, to have high quality relation with leaders and psychological empowered employees generate, promote, implement new ideas (Ilies, Nahrgang, & Morgeson, 2007; Carmeli, Reiter-Palmon, & Ziv, 2010; Volmer, Spurk, & Niessen, 2012). In this study we are investigating direct relationship between inclusive leadership and the mediation effect of psychological empowerment. Specially in hospital nurses of Pakistan past researches is done in different other sectors like IT, banking sectors and countries like china, India, USA.

2. LITERATURE REVIEW

2.1 Inclusive leadership and innovative work behavior

According to Farr and Ford Innovative work behavior is defined as” the intentional introduction within one’s work role of new and useful ideas, processes, products, or procedures” (p. 63). Kanter (1988) and Scott and Bruce (1994) innovative behavior consist of process with different stages. It includes recognition of problems, ideas generation, support building for ideas and ideas implementation. Whereas Amabile (1998) stated that innovative work behavior is a motivational issue. Anderson et al. (2004) recognized that innovative work behavior have many factors that became the organizers of it. Innovative work behavior with particular leadership styles is commonly investigated. For example transformational leadership (Afsar et al. 2014a, b; Sharifirad 2013; Janssen 2000; Nusair et al. 2012; Reuvers et al. 2008), leader-member exchange (Agarwal et al. 2012; Sanders et al. 2010; Volmer et al. 2012).and ethical leadership. All of these studies have one cohesion that to occur employee innovative behavior, the leader wants to inspire, and support creativity (Shalley and Gilson 2004).

Openness, accessibility and availability of an inclusive leader encourages satisfaction of employees that is linked with the leader and increase knowledge and expertise of employees (Carmeli et al. 2010; Choi et al. 2015), so it encourages employees to engage in innovative work behavior. Employee innovative work behavior is positively associated with inclusive leadership. firstly the inclusive leaders have supportive behavior that gives employees intellectual resources that encourages them to involved in creative work (Amabile 1997; Vinarski-Peretz and
Carmeli, 2010). Along the same line, Tierney et al. (1999) reveals that components of employee innovative behavior is employee creativity that is being enhanced by the encouragement and open interaction with followers from leaders (West 2002). Second, leader support with employees suggestion and ideas to create an sense provision for employee creativity and support, which creates supportive climate for subordinates to investigate and propose (Cerne et al. 2013). It is the observation employees feel free to share information and direct authentic thoughts related to work in supportive climate (Kernis 2003). Leaders support facilitates and fosters innovative behavior that is developed over time by supportive climate (Åmo 2006; Cropanzano and Mitchell, 2005)

On the basis of leader member exchange theory, many reasons have been found for the significance relationship between IWB and inclusive leadership. Inclusive leaders respond positively and on time to the problems of employees, they respect employees to take challenging goals and support them, they encourage and appreciates the effort of employees for the achievement of particular goal (Hollander, 2012). First, that encourages more to illustrate IWB (Liden, Sparrowe, & Wayne, 1997; Tierney, Farmer, & Graen, 1999; Tierney, 2008; Gumusluoglu & Ilsev, 2009; Hollander, 2009; Yuks & Mahsud, 2010; Aryee et al., 2012; Yeh-Yun Lin & Liu, 2012). Second, in the linked with relationship value with Inclusive leader, in terms of beneficial resources like time, material, innovative related information employees experience leadership support that take employees to develop, promote, and implement new ideas (Ilies, Nahrgang, & Morgeson, 2007; Hollander, 2009; Shore et al., 2011; Liu, Liao, & Loi, 2012; Choi, Tran, & Park, 2015; Wang, Fang, Qureshi, & Janssen, 2015; Piansongnern, 2016). Finally, employees’ positive feelings and emotions in being enhanced by inclusive leaders (Hollander, 2009) which indulge employees in innovative tasks by motivating them (Carmeli, Reiter-Palmon, & Ziv, 2010; Yeh-Yun Lin & Liu, 2012) in the basis of above opinions, it is being hypothesis that.

H1: Inclusive leadership have positive impact on innovative work behaviour.

2.2 Psychological Empowerment as a Mediator

Psychological empowerment is to investigate and innovate positive changes in an individual perception of autonomy and power (Ramamoorthy et al., 2005). Spreitzer (1995) defines psychological empowerment consist of meaning, competence, impact and self-determination as a four motivational components related to the orientation of an individual to work role. Meaning is based on the ideal or standards that an individual placed on a work role (Thomas and Velthouse, 1990). Competency is the spirit of self-efficacy or expectancy for effort which motivates to faith about one’s own capabilities to perform tasks with skills (Bandura, 1989). Whenever employees speak up at the work place leaders considered them as a trouble maker (Miceli, Near, & Dworkin, 2009). this leads to the demotion and termination (Ashford, Sutcliffe, & Christianson, 2009). Moreover, where employees experience more psychological empowerment inclusive leaders emotional and intellectual support can help shape and maintain work context (Hirak, Peng, Carmeli, & Schaubroek, 2012). leaders with this behavior will help employees, lead and learn employees (Vail, 1996), and encourage them to behave innovatively (Crant, 2000; Hollander, 2009; Bindl & Parker, 2010; Shore, Randel, Chung, Dean, Ehrhart, & Singh, 2011). task motivation and autonomy is being increased by this active orientation (Thomas and Velthouse, 1990) which raises the probability to engage employees in IWB employees exhibit creative behaviors when they feel empowered because they feel importance in their work roles (Jung et al., 2003) stated that empowerment is positively related to the employee innovation. Employees experience the Inclusive leadership characteristics in the good relationship with inclusive leaders. characteristics of inclusive leaders allow employees to choose and decide their work tasks on their own. so on this basis they feel empowered under IL. (Nishii & Mayer, 2009) that encourages employees to create, promote and implement ideas for applied benefits. (De Spiegelaere, Gyes, & Hootegem, 2012; De Spiegelaere, Gyes, Vandekerckhove, & Hootegem, 2012; De Spiegelaere, Gyes, Witte, Niesen, & Hootegem, 2014).

Inclusive leaders show individuals that they are those who makes unbiased judgements, they provide employees with emotional support and raise trust by showing their good and encouraging behavior (Nemhard & Edmondson, 2006; Ryan, 2006; Hollander, 2012), these behaviors motivate employees to be innovative (Gumusluoglu & Ilsev, 2009; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Tu & Lu, 2013; Choi, Tran, & Park, 2015). Previous researches reveals that psychological empowerment have positive effect for not only idea generation but for the elevation and implementation of ideas that is newly generated (Kark & Carmeli, 2009; Klijn & Tomic, 2010; Gong et al., 2012; Kesseler, Kratzer, & Schultz, 2012; Sharrifird, 2013). On the basis of above all arguments its shows that with the mediation of PS, IL and IWB indirectly increases.

H2: Psychological empowerment mediates the relationship between IL and IWB.
2.3 Research model

![Theoretical Framework](image)

Fig. 1: Theoretical Framework

3. METHODOLOGY

3.1 Procedures and participants

Quantitative research methodology with cross sectional design is followed in this research (Struwig & Stead, 2001). For data collection Random sampling technique is used which involves standardized questionnaire. Innovative work behavior (De Jong and Den Hartog, 2010) and Inclusive leadership (Carmeli, Reiter-Palmon, and Ziv, 2010) questionnaire is adapted by using the 5 point Likert scale and psychological empowerment (Spreitzer, 1995), with 7 point Likert scale. The formal letter of consent that includes the purpose of the research is given to the participant, which includes the importance so this research to the hospitals if Pakistan. Convenience sample (N=387) from private hospitals is Pakistan were collected. A total 500 questionnaires were distributed and 387 are received back at 70% returns rate. The data analysis tool that has been used is AMOS and SPSS. During face to face meeting data was collected by the nurses and their supervisors (doctors) of the hospitals

4. DATA ANALYSIS AND RESULTS

### Table 1: Demographic analysis

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>252</td>
<td>65.1</td>
</tr>
<tr>
<td>Female</td>
<td>135</td>
<td>34.9</td>
</tr>
<tr>
<td>Age:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 21</td>
<td>36</td>
<td>9.3</td>
</tr>
<tr>
<td>22-25</td>
<td>234</td>
<td>60.5</td>
</tr>
<tr>
<td>26-30</td>
<td>99</td>
<td>25.6</td>
</tr>
<tr>
<td>Above 30</td>
<td>18</td>
<td>4.7</td>
</tr>
<tr>
<td>Education:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td>45</td>
<td>11.6</td>
</tr>
<tr>
<td>Graduate</td>
<td>153</td>
<td>39.5</td>
</tr>
<tr>
<td>Master</td>
<td>180</td>
<td>46.5</td>
</tr>
</tbody>
</table>

4.1 Confirmatory factor analysis

### Table 2: Cronbach alpha, descriptive statistics and correlation matrix

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Σ</th>
<th>Alpha</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>IL</td>
<td>3.85</td>
<td>0.555</td>
<td>0.867</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE</td>
<td>3.94</td>
<td>0.725</td>
<td>0.758</td>
<td>.893**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>IWB</td>
<td>3.86</td>
<td>0.607</td>
<td>0.830</td>
<td>.985**</td>
<td>.919**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

*Significant at 5% Level

Table 2 represents the validity of the data reliability is one of the key measures. The reliability value i.e Cronbach alpha for Inclusive leadership is 0.867, Psychological Empowerment is 0.758, Innovative work behavior 0.830. the
reliability of variables is above 0.70 which is highly acceptable. The value exceeding from 0.70 indicated that the data is consistent (Cronbach & Shavelson, 2004). Correlation value show the significant positive relationship between Independent Variable Inclusive leadership and Innovative work behavior shows significant positive relation so the first hypothesis is excepted, the co-relation also shows the significant positive relation between Independent variable IL and dependent variable IWB with the mediation of Psychological empowerment.

<table>
<thead>
<tr>
<th>Table 3: Measurement Model</th>
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<tbody>
<tr>
<td>Index</td>
</tr>
<tr>
<td>χ²</td>
</tr>
<tr>
<td>χ²/df</td>
</tr>
<tr>
<td>RMR</td>
</tr>
<tr>
<td>CFI</td>
</tr>
<tr>
<td>GFI</td>
</tr>
<tr>
<td>NFI</td>
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<tr>
<td>RMSEA</td>
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</table>

Table 3 indicate the measurement model. All the value of IL is in the range i.e. 0.038 RMR, 0.992 in case of CFI, 0.984 in GFI, 0.976 in NFI, 0.035 in RMSEA. The value of PE is also in range i.e. 0.008, 0.998, 0.998, 0.997, 0.057 respectively in case of RMR, CFI, GFI, NFI and RMSEA. The value of IWB also range 0.008, 0.998, 0.998, 0.997, 0.057 respectively in case of RMR, CFI, GFI, NFI and RMSEA. The values show that the data us reliable to produce the further results and also shows the validity of the questionnaire. To test the relationship between the variables these results are significant for further analysis.

<table>
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<th>Table 4: Mediation through Preacher and Hayes</th>
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<tbody>
<tr>
<td>H₂</td>
</tr>
<tr>
<td>IL ➔ PE ➔ IWB</td>
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</table>

Table 4 table shows that the mediation between IL, PE, IWB is found significant as the both value of LLCI and ULCI shows the significant values and the case of mediation found significant relationship as the both values shows the positive sign so in this case the hypothesis of mediation is accepted.

5. DISCUSSION

We use leader-member exchange theory to draw attention on leader- subordinate behavior and to test the model of IL and IWB. In our research we investigate the direct relationship between Inclusive leadership and innovative work behavior and test Psychological empowerment as an indirect relationship. Employees feel engaged themselves in innovative behavior when he/she have good relationship with leader (Graen & Scandura, 1987). In this research we found full relation and support between independent and dependent variable. And partial relation between the indirect hypothesis.

6. LIMITATIONS AND CONCLUSION

As many other studies this study also have some limitation. In this study the sample is collected from Pakistan future studies generalize the study in other context like in western cultures (e.g Europe, America), the cross sectional data is collected in future longitudinal data can be used to analyze data more accurately. In this research one mediator psychological empowerment is investigated, in future other mediation can be added to make this research more precise. In sum this is the first study to examine the effect of psychological empowerment and independent variable inclusive leadership and innovative work behavior in hospitals of Pakistan

REFERENCES


Hafeez, Paracha & Panatik

Mediating Role of Psychological Empowerment . . .


