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Psychology

Empowerment
and organizational citizenship behavior:

An investigation of empowering leadership, psychological empowerment,
organizational citizenship behaviors,
and the moderating role of social and economic LMX

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Summary

Research on empowerment has to date been inconsistent with respect to the logical structure of concepts, and research on the effectiveness of empowerment has provided mixed results. To address this issue, this study incorporates two different conceptualizations of empowerment. The researchers test the mediating role of psychological empowerment in the relationship between leadership empowerment behaviors and organizational citizenship behaviors directed towards the organization (OCB-O) and towards the supervisor (OCB-S). The moderating roles of social leader-member exchange (SLMX) and economic leader-member exchange (ELMX) on the relationship between psychological empowerment and OCBs are tested. A cross-sectional study with a time-lag is conducted among 192 employees from seven different organizations in Norway. The results show that leadership empowerment behaviors are positively related to OCB-O and OCB-S through psychological empowerment. Interestingly, and contrary to what was hypothesized, the moderation analyses revealed that ELMX accentuate and SLMX attenuate the relationship between psychological empowerment and OCB-O. This suggests that employees in low SLMX and high ELMX relationships engage the most in OCBs as a result of being psychologically empowered. Thus, psychological empowerment compensates for a lack of high SLMX and a presence of high ELMX. Finally, limitations of the study are discussed, and directions for future research and recommendations to practitioners are proposed.

Introduction

“The shift in the structure and character of work has created a demand that work produce more than purely economic benefits. To make a living is no longer enough” (Drucker, 1974, p. 179). It derives from this citation that employees have experienced a shift in expectations with regards to their work situation over time. This has important implications for leadership research and practices. Empowerment practices are popular in work organizations, and there is a growing body of research on these practices (Seibert, Wang, & Courtright, 2011; Wilkinson, 1998). Empowerment, as a theoretical construct, is assumed to have positive organizational and employee outcomes (Spreitzer, 2008). Also empirically, empowerment has received support as a construct with positive consequences. Empowered employees have reported higher levels of job satisfaction (e.g., Aryee & Chen, 2006; Koberg, Boss, Senjem, & Goodman, 1999; Vecchio, Justin, & Pearce, 2010), organizational commitment (e.g., Avolio, Zhu, Koh, & Bhatia, 2004; Laschinger, Finegan, & Shamian, 2001; Culpepper, Gamble, & Blubaugh, 2004), performance (e.g., Spreitzer, Kizilos, & Nason, 1997; Koberg et al., 1999), and lower levels of turnover intentions (e.g., Avey, Hughes, Norman, & Luthans, 2008; Park & Rainey, 2008).

However, the research on empowerment has been inconclusive. While some studies have revealed significant and positive relationships between empowerment and positive employee outcomes (e.g., Aryee & Chen, 2006; Avolio et al., 2004; Dewettinck & van Ameijde, 2011), other studies have provided non-significant and negative relationships (e.g., Hartline & Ferrell, 1996; Hartline, Maxham, & McKee, 2000; Ahearne, Mathieu, & Rapp, 2005). It is therefore a need for research clarifying which boundary conditions are present when empowerment leads to desirable outcomes. In a narrative review, Humborstad (2010) examined 25 empirical studies on the relationship between empowerment interventions and positive employee outcomes. Of these, 17 were found to be positive and significant, while eight effects were non-significant. A similar empirical inconsistency exists for the relationship between empowerment as felt by employees and positive employee outcomes. Out of 15 studies, ten found positive and significant relationships between psychological empowerment and positive employee outcomes, whereas five studies found no relationship (Humborstad, 2010). For instance, Bhatnagar (2007) and Castro, Perinan, and Bueno (2008)

reported a positive association between psychological empowerment and job satisfaction, while Bartram and Casimir (2007) and Meyerson and Kline (2008) found no significant relationship between these constructs. This indicates that omitted moderators may have been at play in previous research.

We propose that the inconsistency in the empowerment literature can be explained by considering the impact of the type of exchange relationship between leaders and employees on the empowerment-outcome relationship. This is motivated by the notion that the concept of empowerment concerns the relationship between leaders and their subordinates (Lee & Koh, 2001). Accordingly, there is a link to social exchange theories through the emphasis on shared authority between leaders and subordinates (Spreitzer & Doneson, 2005). Individuals who engage in social exchange relationships are more likely to engage in extra efforts taking the form of organizational citizenship behaviors (OCBs) than those who are not in such a relationship (Rupp & Cropanzano, 2002). Therefore, in the present study we investigate the moderating role of leader-member relationships to tease out the conditions under which psychological empowerment relates to OCBs. More specifically, relying on a recent conceptualization of social leader-member exchange (SLMX) and economic leader-member exchange (ELMX) as two separate dimensions of leader-member exchange (LMX) (Kuvaas, Buch, Dysvik, & Haerem, 2012), we argue that the relationship between psychological empowerment and OCBs will be stronger for employees who exhibit lower levels of ELMX and higher levels of SLMX.

In contemporary organizations there is an increasing use of team-based work structures (LePine, Erez, & Johnson, 2002). This has the implication that organizations are more dependent on high employee initiative and cooperation (LePine, Erez, & Johnson, 2002). OCB is important in this respect. OCB can be defined as “performance that supports the social and psychological environment in which task performance takes place” (Organ, 1997, p. 95). Empowered employees are expected to perform beyond their prescribed work roles (Thomas & Velthouse, 1990) and as suggested by Organ (1988), OCBs are the most likely avenue for employees to reciprocate in a social exchange relationship because they reflect individual behaviors by which the employees can “pay back” to their leader or their organization (Ilies, Nahrgang, & Morgeson, 2007). In this study we

rely on a conceptualization of OCB-O (discretionary behavior that benefit the organization) and OCB-S (discretionary behavior that benefit the supervisor specifically) as two dimensions of OCB, and include these as dependent variables (Williams & Anderson, 1991; Podsakoff, Whiting, Podsakoff, & Blume, 2009).

Furthermore, we encourage a clarification of the empowerment constructs. The term empowerment is used very loosely in the literature (Wilkinson, 1998; Humborstad, 2013). Based on research and theoretical arguments by Dewettinck and van Amejide (2011), Conger and Kanungo (1988), and Thomas and Velthouse (1990), we argue that leadership empowerment behaviors are not the same as individuals' feelings of empowerment. Leadership empowerment behaviors, on the one hand, is characterized by managerial practices that decentralize power with the goal of cascading relevant decision making power to lower levels of the organizational hierarchy (Spreitzer, 2008). Psychological empowerment, on the other hand, focuses on subjective feelings of empowerment (Spreitzer, 2008). However, these two constructs should be related (Spreitzer, 2008; Dewettinck and van Amejide, 2011).

The purpose of this study is to investigate whether leadership empowerment behaviors are related to OCBs through employee psychological empowerment, and further, whether the relationship between psychological empowerment and OCBs is contingent upon perceptions of the LMX relationship. By doing so, the present study holds two main contributions. First, by testing the mediating role of psychological empowerment in the relationship between leadership empowerment behaviors and OCBs we aim to contribute to the empowerment literature by providing an explanation for why leadership empowerment behaviors relate to OCBs and to clarify the logical structure of the empowerment constructs. Second, by investigating the moderating role of SLMX and ELMX on the relationship between psychological empowerment and OCBs, we aim to contribute to the empowerment literature by providing an explanation for the inconsistent findings on empowerment in previous research. That is, we aim to contribute to the literature by revealing the conditions under which psychological empowerment relates to OCBs. By doing this, we also aim to contribute to the LMX literature through building knowledge on the SLMX and ELMX dimensions. Additionally, by testing OCB-O and OCB-S as outcome variables, we aim to contribute to the

OCB literature by showing the potentially differential relationships between empowerment and OCBs in social and economic exchange relationships. Results from a meta-analysis conducted by Podsakoff et al. (2009) showed that OCB-O and OCB directed at individuals share less than 57% of their variance. Hence, separating the OCB construct into OCB-O and OCB-S may be differentially related to empowerment.

Below, we present our conceptual framework (Figure 1), containing all hypothesized relationships.

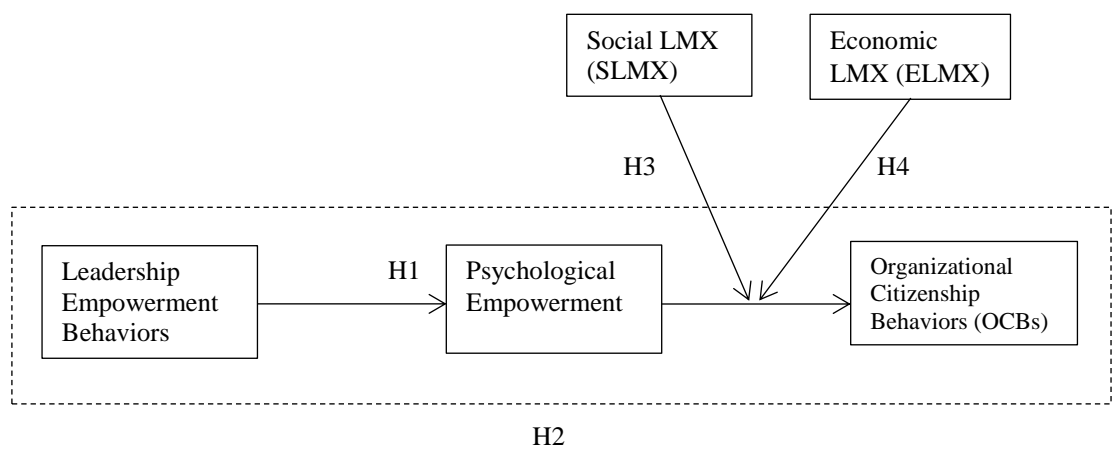


Figure 1. Conceptual Framework

Theory and hypotheses

The relationship between leadership empowerment behaviors and employee psychological empowerment

While leadership empowerment behaviors are concerned with managerial practices related to sharing power, psychological empowerment focuses on whether employees feel empowered at work (Spreitzer, 2008). More specifically, leadership empowerment behaviors consist of leader behaviors fostering employee participation in decision making, expressing confidence in high performance, providing employees with autonomy from bureaucratic constraints, and enhancing employee meaningfulness of work (Ahearne, Mathieu, & Rapp, 2005). Psychological empowerment, on the other hand, focuses on the perceptual or psychological dimensions of empowerment as experienced by the individual employee (Dewettinck & van Ameijde, 2011), and consists of four cognitions

(Thomas & Velthouse, 1990). The first cognition is meaning and refers to the individual's subjective valuation of a work goal or purpose. The second cognition is competence, also called self-efficacy, which refers to an individual's belief in his or her capability to perform activities skillfully. The third cognition is self-determination, which refers to the individual's sense of having choices in initiating and regulating one's own actions. It involves having sufficient resources, autonomy, power, and information to participate in decision making about work methods, pace, and effort. The final cognition is impact and refers to the degree to which an individual can influence strategic, administrative, or operating outcomes at work (Thomas & Velthouse, 1990; Spreitzer, 1995).

Spreitzer (2008) argues that even though empowerment as an intervention has garnered much attention because it concerns specific managerial practices, the perspective is limited because it does not address the nature of empowerment as experienced by employees. Thomas and Velthouse (1990) distinguished between empowerment interventions and cognitive processes through which employees reach conclusions about meaning, competence, self-determination, and impact in their work. In a similar vein, Conger and Kanungo (1988) argued that managers' empowerment interventions are only *one* aspect of empowering employees. This involves that engaging in leadership empowerment behaviors does not equal to having empowered employees, as the employees make their own assessments of whether they are empowered. However, empowering behaviors are expected to contribute to employee psychological empowerment through affecting individual perception of meaning, competence, self-determination, and impact (Spreitzer, 2008; Dewettinck & van Amejide, 2011).

Theoretically, there are several behaviors leaders can engage in to enhance empowerment as felt by employees. First, leaders can provide information about strategic and operational goals. Feeling that one gets all relevant information and knowing all relevant goals enhances the perceived meaningfulness of work (Seibert, Wang, & Courtright, 2011). Second, an aspect of leadership empowerment behaviors is that leaders allow their employees greater autonomy and participation in decision making, which could strengthen employees' feelings of self-determination and impact (Seibert, Wang, & Courtright, 2011). Next, empowering leadership involves removing conditions that foster a sense of

powerlessness, which in turn can enhance employees' opportunities to get things done, and hence, increase their felt competence (Arnold, Arad, Rhoades, & Drasgow, 2000). These conditions could be organizational factors or factors in the nature of the tasks inhibiting the employees' opportunities to do their work tasks (Conger & Kanungo, 1988). Furthermore, leaders can act as role models and provide employees with feedback and coaching, which again are important sources of self-efficacy that increases feelings of competence (Arnold et al., 2000; Seibert, Wang, & Courtright, 2011). Finally, empowering leaders give their employees the opportunity to voice their opinions. This can enhance learning of skills and experiences from their co-workers, which also can influence the employees' felt competence (Huang, Iun, Liu, & Gong, 2010).

In support of such arguments, available empirical findings have documented that a participative work climate, socio-political support, and access to information and resources are related to employees' feelings of empowerment (Spreitzer, 1996). Furthermore, Wallach and Mueller (2006) found that opportunities for actual participation in decision making are related to psychological empowerment. This research, and research using the leadership empowerment behaviors conceptualization of empowerment (e.g., Dewettinck & van Amejide, 2011), indicate that specific behaviors on the part of the leader facilitate employee psychological empowerment. Hence, we hypothesize that:

H1: *Leadership empowerment behaviors are positively related to psychological empowerment.*

The relationship between leadership empowerment behaviors and OCB with the mediating role of psychological empowerment

While OCB-O refers to behaviors that benefit the organization in general (e.g., attending functions that are not required), OCB-S refers to behaviors that directly benefit their immediate supervisor and indirectly benefit the organization (e.g., helping a supervisor that is overworked or absent) (Rupp & Cropanzano, 2002). We propose that leadership empowerment behaviors, with the aim of distributing power to lower levels of the organizational hierarchy, increase employee OCBs through providing employees with a sense of meaning, competence, self-

determination, and impact. Empowered employees are assumed to perform beyond their prescribed work tasks, which can take the form of citizenship behaviors (Chan, Taylor, & Markham, 2008). Through empowering leader behaviors, the leader shares tasks and responsibilities with the employees, whom in turn are thought to increase their commitment to the given responsibilities (Collins, 1999), and hence the frequency of reciprocal OCBs. The logic is that such empowerment interventions are perceived as good deeds that will stimulate employees to go beyond their defined work tasks to reciprocate to their employers (Humborstad, 2010). Accordingly, when employees feel psychologically empowered, they should feel an obligation to reciprocate with positive employee behaviors, which may take the form of OCBs.

The theoretical rationale for such arguments is grounded in the norm of reciprocity (Chan, Taylor, & Markham, 2008; Podsakoff, MacKenzie, Paine, & Bachrach, 2000; Wat & Shaffer, 2005), which refers to “the societal rule that obligates individuals to repay gifts, favors, and services that have been performed for them” (Goldstein, Griskevicius, & Cialdini, 2011, p. 441). Through enhancing the meaningfulness of work, leaders are likely to increase employee identification and involvement with their work (Mento, Cartledge, & Locke, 1980; Liden, Wayne, & Sparrowe, 2000; Dewettinck & van Amejide, 2011), and hence the employees are more likely to engage in extra efforts in terms of OCB-O and OCB-S. Leaders expressing confidence in high performance are likely to enhance employees’ feeling of competence, which again will increase the possibility of reciprocation through engaging in extra-role activities they feel they can succeed in. Next, through allowing employees to participate in decision making and providing autonomy from bureaucratic constraints, it is likely that employees feel a sense of self-determination and impact in their work which in turn could enable them to engage in OCBs (Wat & Shaffer, 2005).

Psychologically empowered employees feel meaning and impact in their work. These dimensions of psychological empowerment deal with employee interactions with the organization (Alge, Ballinger, Tangirala, & Oakley, 2006). This implies that feelings of meaning and impact at work are not isolated perceptions; rather they are a product of the employees’ daily interaction and experiences with the organization. These interactions create conditions that enhance the value of

belonging to the organization (Alge et al., 2006). Accordingly, feelings of meaning and impact in one's work should increase the perceived value of the organizational membership. Consistent with social identity theory, when an organization increases the perceived social value of organizational membership, the employees should reciprocate by engaging in OCB-Os in order to increase the value of the organization and to maintain their status as valued group members (Alge et al., 2006).

Furthermore, psychologically empowered employees feel less constrained by their jobs through their experience of impact and self-determination (Spreitzer, 1995). Hence, they may more easily engage in helping behaviors directed at individuals without having to feel that they have to move off tasks to the same degree as if they had highly prescribed work tasks (Alge et al., 2006). Psychologically empowered employees also feel competent, that is, they feel capable to perform tasks skillfully (Spreitzer, 1995). Thus, it should be easier for psychologically empowered employees to engage in OCBs benefitting their supervisor since they should not worry about not being able to succeed in performing the tasks. In support of the proposed mediated relationship, previous empirical research has found a relationship between leadership empowerment behaviors and psychological empowerment (e.g., Dewettinck & van Amejide, 2011) and between psychological empowerment and OCB (e.g., Chan, Taylor, & Markham, 2008; Alge et al., 2006; Wat & Shaffer, 2005). Hence, we hypothesize as follows:

H2: *Psychological empowerment mediates the relationship between leadership empowerment behaviors and (a) OCB-O and (b) OCB-S.*

Social and economic leader-member exchanges

LMX theory is a well-established theory built upon the premise that leaders develop distinctive relationships with their followers (e.g., Graen & Uhl-Bien, 1995; Kuvaas et al., 2012), and is often viewed as one of the most important relationships in organizations (Harris, Wheeler, & Kacmar, 2011). The reciprocal nature of a leader-member relationship implies that leaders are in possession of a variety of resources desirable to the employees, such as the assignment of interesting tasks, valuable information, and the opportunity to speak favorably of

them to others in the organization (Gerstner & Day, 1997). This leads to a felt obligation on the part of the employee to reciprocate with positive work behaviors and attitudes (Ilies, Nahrgang, & Morgeson, 2007; Schyns & Day, 2010).

Despite the extensive literature on LMX, researchers have argued that previous LMX research has not taken into account that social and economic exchanges possess different qualities (e.g., Sparrowe & Liden, 1997; Kuvaas et al., 2012). In response to this, Kuvaas et al. (2012) conducted an exploratory study where they conceptualized LMX relationships as relationships with different qualities, rather than different levels of quality. Within this conceptualization, SLMX relationships take on transformational long-term oriented features similar to high-quality LMX relationships, whereas ELMX relationships includes transactional short-term oriented features similar to low-quality LMX relationships (Kuvaas et al., 2012). By considering the constructs separately, rather than as opposite ends of a continuum, one may be able to capture more of the inherent characteristics of the social versus economic leader-member exchanges (Kuvaas et al., 2012), as well as their relationship with other variables. We argue that the SLMX and ELMX dimensions influence the relationship between psychological empowerment and OCBs differently. That is, the extent to which psychologically empowered employees feel an obligation to reciprocate with OCBs depend on their relationship with their supervisor, and the extent to which this relationship is characterized by social and economic exchanges.

Psychological empowerment and OCB in SLMX relationships

In an SLMX relationship, the leader and the employee engage in a long-term, trusting and supporting relationship with a mutual expectation of reciprocation beyond the formal requirements of the work relationship (Dysvik, Buch, & Kuvaas, in press). This reciprocation takes a diffuse and open form, and it is not necessarily defined when and in what way the reciprocation is to occur (Buch, Kuvaas, Dysvik, & Schyns, in press). As compared to the more stringent characteristics of the ELMX relationship, the autonomous and self-driven nature of the SLMX relationship allows empowered employees in such a relationship to decide themselves where to direct their efforts.

The reciprocal nature of LMX relationships assumes that leaders possess a variety of resources desirable to the employees (e.g., Gerstner & Day, 1997). Employees in high SLMX relationships typically have access to more and better information than those in low SLMX relationships (Kuvaas et al., 2012), and are more likely to be provided with opportunities for skill development (Buch, Unpublished). This may serve to increase their awareness of developmental opportunities and promotions within the organization (Buch, Unpublished). Therefore, by directing the OCBs towards the organization, employees in strong SLMX relationships signal that they are grateful for the empowerment they have been given, and that they are able and willing to take on responsibility extending their current position in the organization. In addition, it is likely that psychologically empowered employees in strong SLMX relationships see empowerment initiatives as something that is provided by the organization through the leader (Kuvaas & Dysvik, 2010; Stinglhamber & Vandenberghe, 2003). This could lead the employees to reciprocate with more OCB-Os when they perceive the empowerment as originating from the organization, as well as more OCB-Ss.

For employees who display higher levels of SLMX, the appreciation of being psychologically empowered should lead to a stronger desire to reciprocate by performing more OCB-Ss, for instance by taking on extra work when their leaders have much on their hands. As leadership empowerment behaviors can be expected to be perceived as acts of confidence or trust in the employees' competence and integrity, empowered employees within a social exchange context often choose to reciprocate with OCB-S (Chan, Taylor, & Markham, 2008). Further, the leader is likely to be the person administering interpersonal treatments (Rupp & Cropanzano, 2002), such as facilitating psychological empowerment through empowering leader behaviors. Reciprocating by performing more OCB-Ss could therefore be a way for employees high in SLMX to signal to their leader that they appreciate being empowered. Accordingly, a natural avenue for reciprocation for employees high in SLMX would be assisting their leader, with whom they have a strong social relationship with mutual obligations. Therefore, psychologically empowered employees high in SLMX are more likely to engage in OCBs benefitting both their leader and their organization than employees low in SLMX. Thus, we hypothesize as follows:

H3: *The relationship between psychological empowerment and (a) OCB-O and (b) OCB-S is accentuated by SLMX.*

Psychological empowerment and OCB in ELMX relationships

The relationship between psychological empowerment and OCB in ELMX relationships is less clear in terms of whether employee reciprocation can be expected. Because of the transactional and contingent features of ELMX relationships (Buch, Kuvaas, & Dysvik, 2011), psychologically empowered employees who perceive higher levels of ELMX should feel less obligated to reciprocate because they may see it as going beyond the already established economic exchange relationship with their leader. Moreover, in a strong ELMX relationship, empowerment provided by the leader is likely to be perceived as an instrumental means to influence the employees. The employees in turn, are likely to answer these behaviors directly by immediate exchanges, such as increased work productivity, rather than increased discretionary behaviors (i.e. OCBs). It may also be that these employees feel less obligated to reciprocate because they feel entitled to psychological empowerment as an immediate reward for the work they have already performed. In both cases, the focus is on the transactional and contingent aspects of leader-member exchanges, leaving less room for extra-role behaviors.

The stronger the ELMX relationship, the higher the instrumental focus on specified work tasks, immediate pay-offs, and market-like transactions (Dysvik, Buch, & Kuvaas, in press). OCBs, however, are typically not specified, are not as clear and concise as contractual tasks, and are performed on a more random or arbitrary basis (Podsakoff et al., 2000; Podsakoff et al., 2009). Such unspecified obligations are characteristic for social, but not for economic exchanges (Blau, 1964). Moreover, it may be unclear whether OCBs are considered in-role or extra-role behaviors (Organ, 1997). If the behaviors are perceived by the employee as something additional to the prescribed work roles, OCBs are likely to be regarded as going beyond the established roles of the ELMX relationship (Kuvaas et al., 2012), and should not be expected nor necessarily desired by either party.

Further, as employees high in ELMX are less invested in by their supervisor and the relationship rarely involves more than what is specified in the work contract, employees in such relationships may believe that extra-role behaviors are not necessarily repaid (Kuvaas et al., 2012). As such, high levels of ELMX should undermine the felt obligation to give something in return for the empowerment, resulting in more instrumental and reluctant exchanges constrained to the limits of the employment contract. Given the lack of mutual trust and support in ELMX relationships, higher levels of ELMX could also represent a situation in which the employees do not benefit from being empowered. Empowerment comes with extra responsibilities, autonomy, and duties (Spreitzer, 2008). Hence, the success of empowering leader behaviors also depends on the leader's provision of the resources necessary to reciprocate the empowerment. Without these, employees might feel uncomfortable with the extra responsibilities and autonomy empowerment brings (Humborstad & Kuvaas, 2013). Employees in strong ELMX relationships may as such not have the need, nor the desire for these resources, as their primary reciprocal interest is confined to the prescribed work roles (Kuvaas et al., 2012).

Put differently, because strong ELMX relationships do not involve a great deal of investment in the relationship by either party, it should lead to a reduction in reciprocal behaviors as employees high in ELMX could perceive the leader as violating the rules of the relationship by providing empowerment with an underlying expectation of reciprocation. As such, for employees who perceive high levels of ELMX, psychological empowerment should lead them to perform less OCBs both towards the organization and towards the leader than those who perceive lower levels of ELMX. Hence, we hypothesize as follows:

H4: *The relationship between psychological empowerment and (a) OCB-O and (b) OCB-S is attenuated by ELMX.*

Method

Sample and Procedure

The data was collected during spring 2013 using a web-based questionnaire tool (Qualtrics). We surveyed a total of 1019 employees from seven different

Norwegian organizations from a range of different industries. In order to reduce the possibility of common method variance inflating our results, half of the survey was administered at one point in time and the second half was administered a month later. The rationale behind the chosen interval of one month was to alleviate common method bias by reducing the likelihood that respondents were affected by previous answers when filling in subsequent ones (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Before the data collection, we sent a cover letter where the participants were informed about the research topic, anonymity, and confidentiality. In order to reduce the likelihood of social desirable responding and evaluation apprehension, it was emphasized that participation was voluntary, that there were no right or wrong answers, and that consent could be withdrawn until completion of the project (Podsakoff et al., 2003; Fiske & Taylor, 1991). Furthermore, in order to increase the response rate, a reminder was sent to the participants after one week at both measurement times (Dillman, 2000).

From the first part of the data collection, we received a total of 289 complete responses, corresponding to a response rate of 28%. To be included in the analyses, each response had to be completed at both times. We therefore distributed the second survey only to those who had completed the first survey. From the second part we received a total of 192 responses, corresponding to a response rate of 66%, to be included in the analyses. Of these, there were 92 (48%) women and 100 (52%) men. The average age of the sample was 36 years, most frequently with an educational level corresponding to upper secondary school (49%). 70% of the respondents had higher employment fractions (a fraction of 70-100% of full time employment). The majority (76%) of the respondents were employees without managerial responsibilities, with an average organizational tenure of 7.1 years, and a dyad tenure of 3.7 years.

Measures

The first survey assessed leadership empowerment behaviors, SLMX, and ELMX, that is, the independent and moderating variables, as well as the control variables. The second survey assessed the mediating variable psychological empowerment, and the dependent variables OCB-O and OCB-S. All items were measured using a 5-point Likert scale ranging from one (strongly disagree) to five (strongly agree).

Leadership empowerment behaviors

Leadership empowerment behavior was measured with the Leadership Empowerment Behavior Scale developed by Ahearne, Mathieu, and Rapp (2005). The scale contains 12 items focusing on employee evaluation of specific leader behaviors that a) enhance meaningfulness at work, b) foster participation in decision making, c) express confidence in high performance, and d) provide autonomy from bureaucratic restraints (Ahearne, Mathieu, & Rapp 2005). Example items from this scale are “My manager allows me to do my job my way” and “My manager makes many decisions together with me”.

Psychological Empowerment

To measure psychological empowerment we used the Psychological Empowerment Scale developed by Spreitzer (1995). This scale consists of 12 items emphasizing the individual’s experience of the four cognitions of psychological empowerment: meaning, competence, impact, and self-determination (Spreitzer, 1995; Seibert, Wang, & Courtright, 2011). Sample items include “I have considerable opportunity for independence and freedom in how I do my job” and “My work tasks are personally meaningful to me”.

OCB-O and OCB-S

To measure OCB-O, we used eight items previously applied by Lee and Allen (2002) and Lavelle, McMahan, and Harris (2009). Sample items include “I defend the organization when other employees criticize it” and “I offer ideas to improve the functioning of the organization”. OCB-S was measured with five items previously used by Rupp and Cropanzano (2002) and Lavelle, McMahan, and Harris (2009). Sample items include “I accept added responsibility when my supervisor is absent” and “I make sure to pass along work-related information to my supervisor”.

SLMX and ELMX

Two separate scales for SLMX and ELMX have recently been developed by Kuvaas et al. (2012). In a follow-up study, Buch, Kuvaas, and Dysvik (2011) developed additional items based on social exchange theory (Blau, 1964) in order to better capture the aspects of the ELMX relationship. In the present study, we

used yet another refined version of the scales developed by the same researchers. This third version of the SLMX and ELMX scales was selected based on recommendation from one of the researchers that these scales appear to capture the constructs more fully (Robert Buch, personal communication, 27.04.13). The selected scales each consist of eight items. A sample item from the SLMX scale is “My relationship with my manager is based on mutual trust”, while “I watch very carefully what I get from my immediate supervisor, relative to what I contribute” is an example from the ELMX scale.

Control Variables

The potential bias from confounding and unobserved variables can be mitigated by taking into account as many sources of variance as possible that can influence the results (Antonakis, Bendahan, Jacquart, & Lalive, 2010). To rule out the potential influence of pre-existing differences in the sample and to strengthen the internal validity of our results (Porta & Keating, 2008), we included several control variables. First of all, we controlled for age, education, and employment fraction. Furthermore, employees with managerial responsibilities may respond differently to SLMX and ELMX perceptions as they have their own experiences of being a leader (Buch et al., in press). We therefore controlled for managerial responsibility. We also controlled for gender, as recent research suggests a male preference for quid pro quo exchanges (Kuvaas et al., 2012). Further, tenure and dyad tenure has been found to impact LMX (e.g., Loi, Moa, & Ngo, 2009). We therefore included these as additional control variables. Moreover, although collecting data from several organizations may enhance the external validity of our results through increased generalizability, there is a possibility that unobserved differences between the organizations may confound our results (Antonakis et al., 2010). We therefore computed dummy variables to control for organizational differences.

Analyses

Before testing our hypotheses, we conducted a confirmatory factor analysis (CFA) using Lisrel 8.80 to test whether the scale items conformed to the *a priori* hypothesized structure. As recommended by Jöreskog (2005), we calculated the polychoric correlation matrix, as well as the asymptotic covariance matrix, and

used the robust maximum likelihood estimator to conduct the CFA. The polychoric correlation coefficient has been found superior to the maximum likelihood estimator when dealing with ordinal data in CFA analyses (Rigdon & Ferguson, 1991). To test the discriminant validity of the constructs we conducted paired constructs tests as part of the CFA (Farrell, 2010). The remaining analyses were conducted in SPSS 20.

To test simple mediation models it is common to follow Baron and Kenny's (1986) causal steps for testing mediation. Although these steps continue to serve as the basis for establishing simple mediation (Shrout & Bolger, 2002; Preacher & Hayes, 2004), many scholars consider this approach as having low statistical power (e.g. Bollen & Stine, 1990; Shrout & Bolger, 2002; MacKinnon, Lockwood, Hoffman, West, & Sheets, 2002). We therefore applied the bootstrapping procedure, which is a more powerful estimation method that allows for the inclusion of control variables in the analysis and does not assume normality of the sampling distribution (Preacher & Hayes, 2004; 2008). Bootstrapping builds on the same principles as Baron and Kenny's (1986) approach. However, the process assessing mediation is repeated a substantial number of times (Preacher & Hayes, 2008). From this, an empirical approximation of the sampling distribution of the independent variable on the mediator (*a path*), and the mediator on dependent variable (*b path*) is built and used to construct confidence intervals (CIs) for the indirect influence (*a-b path*) (Preacher & Hayes, 2004; 2008). All these paths are quantified with unstandardized regression coefficients (*b*'s) (Preacher & Hayes, 2008). The bootstrap data is interpreted by determining whether or not zero is contained within the 95% CI. A CI including zero (e.g., turning from a positive to a negative sign) indicates a lack of significance (Preacher & Hayes, 2004). If the indirect effect (*a-b path*) equals the total effect (*c*), and zero is not contained within the 95% CI, there is evidence for full mediation. If the indirect effect (*c'*) does not equal the total effect (*c*), but is smaller and of the same sign, there is evidence of partial mediation (Shrout & Bolger, 2002).

To test the moderation hypotheses we conducted a three-step hierarchical moderated regression (Cohen, Cohen, West, & Aiken, 2003). In the two first steps, all control variables and the independent variable were regressed on the

dependent variables. In the third step, the moderators were added to the equation. Finally, the interaction terms were added. As interaction terms often create multicollinearity problems as a result of their correlations with main effects (Dysvik, Buch, & Kuvaas, in press; Aiken & West, 1991), we computed the interaction terms by centering all variables before multiplying them with one another. To probe the form of the interactions, we conducted tests to determine whether the slopes are statistically different from zero and from each other. We followed recommended practice by Aiken and West (1991) and plotted low versus high scores on the moderators (one standard deviation above and below the means).

Results

For confirmatory factor analyses, fit indices exceeding .90 and RMSEA below .10 are considered evidence of adequate model fit by some authorities (e.g., Bollen, 1989; Fan, Thompson, & Wang, 1999). Moreover, chi-square (χ^2) should be low relative to the degrees of freedom of the model (Jöreskog & Sörbom, 1993). We used the Satorra-Bentler scaled χ^2 , as this measure corrects for non-normality in ordinal data (Satorra & Bentler, 1990). Although the test of exact fit was unsatisfactory ($\chi^2 [1310] = 3015.85, p < .01$), the relative chi square ($\chi^2/df = 2.3$) was within the accepted criteria of less than five (Schumacker & Lomax, 2010). The RMSEA test of close fit was within the threshold of .10 (RMSEA = .08). Moreover, the fit indices (CFI = .94; NFFI = .94) was above the desired threshold of .90 (Jöreskog & Sörbom, 1993). Taken together, these indices suggest that the six-factor model representing leadership empowerment behaviors, psychological empowerment, SLMX, ELMX, OCB-S, and OCB-O fits the data quite well. Moreover, to test the discriminant validity of the constructs included in this study, we conducted paired constructs tests (Jöreskog & Sörbom, 1993; Farrell, 2010). The results of the paired constructs tests suggest that the six-factor model fits the data significantly better than more parsimonious models where the leadership empowerment behaviors and psychological empowerment items were set to load on a single factor ($\Delta\chi^2_{[5]} = 1186.17, p < .001$); where the leadership empowerment behaviors and SLMX items were set to load on a single factor ($\Delta\chi^2_{[5]} = 115.46, p < .001$); where the psychological empowerment and SLMX items were set to load on a single factor ($\Delta\chi^2_{[5]} = 1150.47, p < .001$); and where the OCB-O and OCB-S items were set to load on a single factor ($\Delta\chi^2_{[5]} = 307.73, p < .001$). The results of

the CFA are presented in Appendix 1. Descriptive statistics, correlations, and scale reliabilities are presented in Table 1. Results from the bootstrapping procedure are presented in Table 2.

As can be seen in Table 1, some of the correlations between the variables are quite high. To assess whether multicollinearity is a concern in our data, we examined the tolerance statistic and the Variance Inflation Factor (VIF) in each regression analysis. The lowest tolerance value obtained was .32, which is well beyond the common cut-off threshold value of .10 (Hair, Black, Babin, & Anderson, 2010). The largest VIF obtained was 3.25, a figure that is well below Cohen et al.'s (2003) conservative VIF recommendation of six. Accordingly, multicollinearity should not be a significant concern to our results. These values are presented in Appendix 2.

As recommended by Preacher and Hayes (2008) we used 5000 bootstrap samples, and ran two bootstrapping procedures, one for OCB-O and one for OCB-S. In both cases, none of the control variables had a significant influence on the indirect effect. In support of Hypothesis 1, there is a significant relationship between leadership empowerment behaviors and psychological empowerment ($b = .37, p < .001$). Further, there is a positive relationship between leadership empowerment behaviors and OCB-O ($b = .26, p < .001$) and OCB-S ($b = .44, p < .001$). With respect to the second hypothesis, psychological empowerment partially mediates the relationship between leadership empowerment behaviors and OCB-O. Partial mediation is evident because zero was not contained in the 95% CI, and because the direct influence (c') decreased compared to the total effect (c), but did not turn non-significant or zero ($b = .11, p < .05$). Moreover, psychological empowerment partially mediates the relationship between leadership empowerment behaviors and OCB-S, as the CI did not include zero, and the direct influence (c') decreased, but did not become non-significant or zero ($b = .33, p < .001$). Accordingly, Hypotheses 2a and 2b are partially supported.

Table 1
Descriptive Statistics, Correlations and Scale Reliabilities

	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1. Organization 1 ^a	.09	.26																				
2. Organization 2 ^a	.03	.16	-.05																			
3. Organization 3 ^a	.21	.41	-.16*	-.09																		
4. Organization 4 ^a	.37	.48	-.24**	-.13	-.40**																	
5. Organization 5 ^a	.11	.32	-.11	-.06	-.19**	-.28**																
6. Organization 6 ^a	.04	.20	-.07	-.03	-.11	-.16*	-.08															
7. Organization 7 ^a	.15	.36	-.13	-.07	-.22**	-.32**	-.15*	-.09														
8. Gender ^b	1.48	.50	-.23**	.04	-.42**	-.37**	.02	.17*	.05													
9. Age	35.93	13.43	.06	-.14*	.25**	-.48**	.28	-.23**	.28**	-.31**												
10. Education level ^c	2.43	.82	-.02	.03	-.16*	-.21**	.33**	-.12	.24**	-.07	.15*											
11. Employment fraction ^d	3.25	1.20	-.05	.02	.32**	-.54**	.23**	-.11	.26**	-.32**	.50**	.18										
12. Managerial Responsibility	1.76	.43	.00	.02	.05	.00	.01	-.01	-.08	.20**	-.09	-.32**	-.31**									
13. Tenure	7.14	8.12	.23**	-.05	-.08	-.29**	.20**	-.13	.21**	-.15*	.62**	.03	.24**	-.01								
14. Dyad tenure	3.67	3.61	.17*	-.09	.05	-.26**	-.06	-.13	.34**	-.28**	.42**	.16*	.25**	-.11	.64**							
15. LEB (12)	3.62	.87	.01	.11	-.14	.10	.19**	-.01	-.20**	.11	-.02	.08	.05	-.19**	.03	-.04	(.94)					
16. PE (12)	3.83	.66	.16	.05	.13	-.17*	-.03	-.01	.08	-.16*	.23**	.14	.36**	-.41**	.12	.25**	.47**	(.89)				
17. SLMX (8)	3.48	.85	.01	-.04	-.13	.15*	.13	-.04	-.14*	.12	-.05	.18	-.04	-.17*	.02	.00	.79**	.44**	(.86)			
18. ELMX (8)	1.96	.85	.18*	.15*	-.03	.07	-.23**	.18*	-.18*	-.02	-.37**	-.11	-.31**	.21**	-.19**	-.11	-.22**	-.29**	-.20**	(.92)		
19. OCB-O (8)	3.77	.63	-.05	.05	.08	-.15*	.14	-.01	.01	-.06	.21**	.07	.35**	-.33**	.09	.08	.41**	.54**	.41**	-.31**	(.82)	
20. OCB-S (5)	4.01	.75	-.09	-.02	.01	.09	.05	-.05	-.06	.09	.00	.02	.21**	-.27**	-.11	-.06	.55**	.49**	.55**	-.35**	.50**	(.86)

Note. Cronbach's alphas are displayed on the diagonal. Number of items included in the final scales in parentheses. $N = 192$. * $p < .05$ ** $p < .01$

^a Organization 1 = '1', not Organization 1 = '0'; Organization 2 = '1', not Organization 2 = '0', etc.; ^b Gender was coded as Men = '1' and Women = '2'; ^c Education level coded from 1 (9 years or less of lower secondary school) to 4 (4 or more years of higher education); ^d Employment fraction coded as 0-25% = '1', 26-50% = '2', 51-75% = '3', 76-100% = '4'; ^e Managerial responsibility was coded as managerial responsibility = '1', no managerial responsibility = '2';

LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behavior – Organization; OCB-S = Organizational Citizenship Behavior – Supervisor.

Table 2

Influence of Leadership Empowerment Behaviors on Organizational Citizenship Behaviors through Psychological Empowerment

Independent variable (IV)	Mediating variable (M)	Dependent variable (DV)	Influence of IV on M (a)	Influence of M on DV (b)	Total Influence (c)	Direct influence (c')	Point estimate/ Indirect influence (a x b)	BCa 95% CI		
								SE	Lower	Upper
1. LEB	→ PE	→ OCB-O	0.37***	0.40***	0.26***	0.11*	0.15	0.04	0.08	0.25
2. LEB	→ PE	→ OCB-S	0.37***	0.30**	0.44***	0.33***	0.11	0.04	0.038	0.21

^aBCa= Bias Corrected and accelerated; 5000 bootstrap samples; Control Variables: Organizations, gender, age, education, employment status, managerial responsibilities, tenure, dyad tenure; LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; OCB-O = Organizational Citizenship Behaviors – Organization; OCB-S = Organizational Citizenship Behaviors – Supervisor.

p* <.05 *p*<.01 ****p* <.001

The results of the hierarchical moderated regression analyses are presented in Table 3. Hypothesis 3a stated that the relationship between psychological empowerment and OCB-O is accentuated by SLMX. As can be seen in Table 3, the product term of psychological empowerment and SLMX ($\beta = -.14, p < .05$) suggests that the association between psychological empowerment and OCB-O is moderated by SLMX. To determine whether the statistically significant interaction provided support for our hypothesis, we followed recommended procedure and plotted high versus low scores on SLMX (Aiken & West, 1991). The slopes in Figure 2 suggest a positive relationship between psychological empowerment and OCB-O for employees low in SLMX ($b_{low} = .40, p < .001$), but not for employees high in SLMX ($b_{high} = .08, p = .44$). A supplemental t-test revealed that the two slopes are significantly different from each other ($t = 2.69, p < .01$). As these results indicate that SLMX attenuates rather than accentuates the relationship between psychological empowerment and OCB-S, Hypothesis 3a is not supported. Moreover, Hypotheses 3b, which stated that the relationship between psychological empowerment and OCB-S is accentuated by SLMX, is not supported, as the product term of psychological empowerment and SLMX is not significant in predicting OCB-S ($\beta = -.02, p = .79$).

Hypothesis 4a stated that the relationship between psychological empowerment and OCB-O is attenuated by ELMX. The product term in Table 3 suggest that the association between psychological empowerment and OCB-O is moderated by ELMX ($\beta = .15, p < .05$). As can be seen in Figure 3, and in contrast to what we hypothesized, the slopes suggest that ELMX accentuates the relationship between psychological empowerment and OCB-O. Specifically, the results demonstrate a positive relationship between psychological empowerment and OCB-O for employees high in ELMX ($b_{high} = .41, p < .001$), but not for employees low in ELMX ($b_{low} = .14, p = .20$). Again, the supplemental t-test revealed that the difference between the slopes are statistically significant ($t = 2.21, p < .05$). As such, although we found a significant interaction, it is opposite to what was hypothesized, lending no support to Hypothesis 4a. Finally, Hypothesis 4b stated that ELMX attenuates the relationships between psychological empowerment and OCB-S. Because the product term of psychological empowerment and ELMX is non-significant ($\beta = -.09, p = .18$), Hypothesis 4b is not supported.

Table 3
Regression Analyses

	OCB-O				OCB-S			
	Step 1	Step 2	Step 3	Step 4	Step 1	Step 2	Step 3	Step 4
Organization 1 ^a	.004	.02	.03	.06	-.12	-.11	-.08	-.09
Organization 2 ^a	.06	.03	.06	.05	-.05	-.07	-.02	-.01
Organization 3 ^a	.09	.04	.04	.10	-.04	-.07	-.06	-.07
Organization 5 ^a	.06	.11	.11	.08	-.15	-.11	-.12	-.12
Organization 6 ^a	.03	.01	.03	.02	-.08	-.09	-.05	-.05
Organization 7 ^a	.02	.01	.01	-.006	-.04	-.05	-.06	-.06
Gender ^b	.07	.05	.04	.04	.11	.10	.07	.07
Age	.10	.03	.03	.04	.09	.04	.008	-.001
Education level ^c	-.08	-.004	-.09	-.07	-.01	-.009	-.02	-.03
Employment fraction ^d	.20*	-.02	.15	.13	.17	.12	.14	.13
Managerial Responsibility ^e	-.21**	-.11	-.11	-.15*	-.12	-.06	-.05	-.04
Tenure	-.06	.01	-.02	-.04	-.08	-.05	-.07	-.06
Dyad tenure	.06	-.03	-.02	-.01	.03	-.02	-.01	-.01
LEB	.35***	.15	-.03	-.05	.54***	.41***	.21*	.20
PE		.42***	.37***	.29*		.27**	.20*	.23**
SLMX			.24*	.25*			.24*	.24*
ELMX			-.07	-.07			-.21**	-.22**
PE * SLMX				-.14*				-.02
PE * ELMX				.15*				-.09
ΔR^2	.31***	.09***	.02*	.05**	.40***	.04**	.05***	.006
R^2	.31	.39	.42	.47	.40	.38	.43	.43
F	5.32***	7.17***	6.89***	7.45***	7.78***	8.42***	9.04***	8.18***

Note: $N = 192$. Standardized coefficients are shown. * $p < .05$ ** $p < .01$ *** $p < .001$

^aOrganization 1 = '1', not Organization 1 = '0'; Organization 2 = '1', not Organization 2 = '0', etc.; ^bGender was coded as Men = '1' and Women = '2'; ^cEducation level coded from 1 (9 years or less of lower secondary school) to 4 (4 or more years of higher education); ^dEmployment fraction coded as 0-25% = '1', 26-50% = '2', 51-75% = '3', 76-100% = '4'; ^eManagerial responsibility was coded as managerial responsibility = '1', no managerial responsibility = '2';

LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behavior - Organization; OCB-S = Organizational Citizenship Behavior - Supervisor.

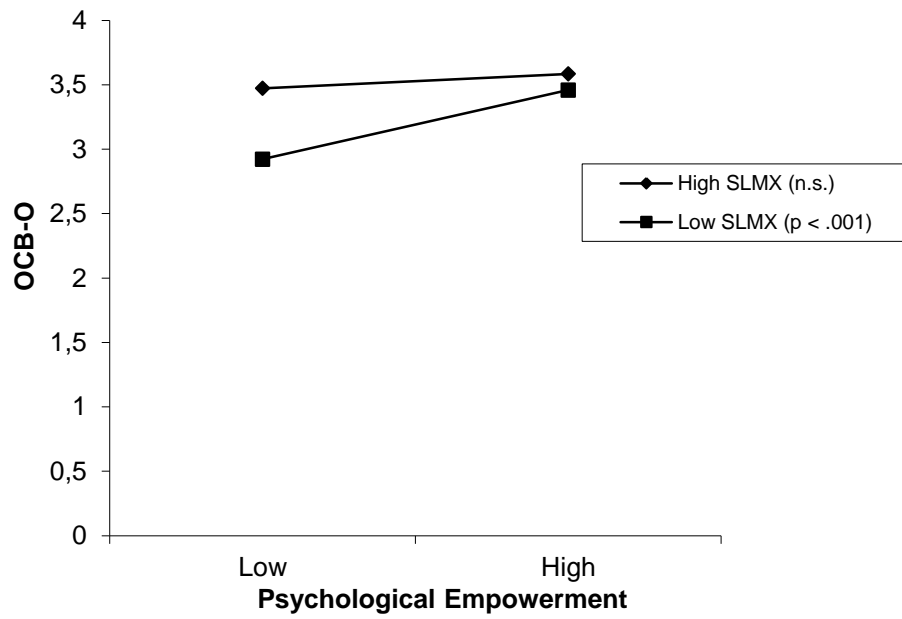


Figure 2. The moderating role of SLMX on the association between Psychological Empowerment and OCB-O.

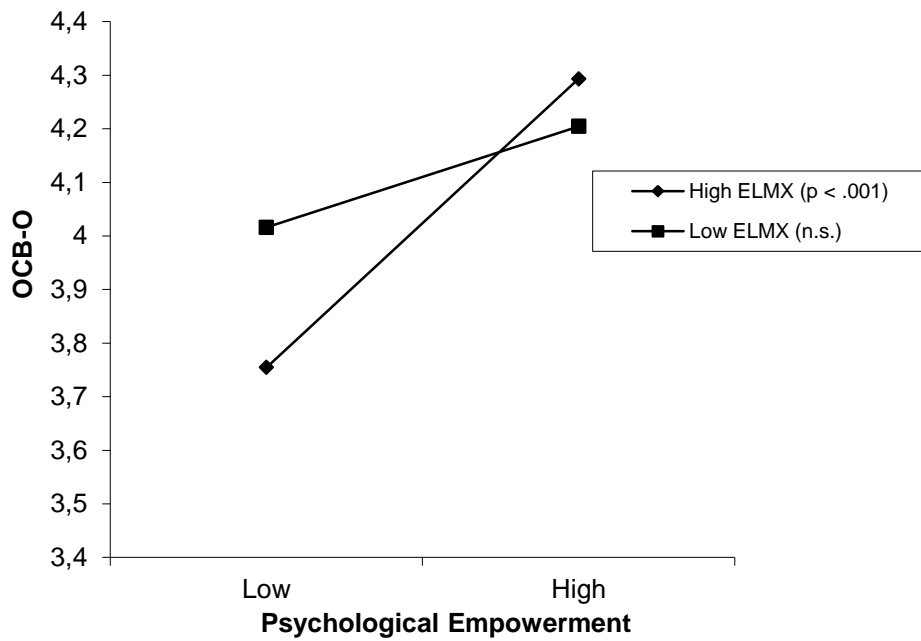


Figure 3. The moderating role of ELMX on the association between Psychological Empowerment and OCB-O.

Discussion and theoretical contributions

This study had two purposes. The first purpose was to investigate whether leadership empowerment behaviors are related to OCB-O and OCB-S through employee psychological empowerment, while the second purpose was to investigate whether the relationship between psychological empowerment and OCBs is contingent upon perceptions of the LMX relationship. Our findings hold several contributions to the existing literature.

First, and in line with the Hypothesis 1, the analyses revealed a positive and significant relationship between leadership empowerment behaviors and psychological empowerment. Hence, although we should be careful in making causal inferences, leaders engaging in leadership empowerment behaviors are likely to have psychologically empowered employees. This builds upon previous reasoning by Thomas and Velthouse (1990) and Conger and Kanungo (1988) who argue that we may benefit from distinguishing between empowerment as an intervention and empowerment as felt by individuals. Hence, this finding contributes to a further clarification of the logical structure of concepts in the empowerment literature.

Next, and in line with the second hypothesis, psychological empowerment partially mediates the relationships between leadership empowerment behaviors and OCB-O and OCB-S. The finding that leadership empowerment behaviors are related to OCB-S through psychological empowerment indicates that psychological empowerment partially explains why employees with empowering leaders engage in OCB-S. That is, they reciprocate towards their empowering leaders by engaging in OCB-S because of the gratitude they feel towards the leader and the enablement they feel as a result of being psychologically empowered. The finding that leadership empowerment behaviors are related to OCB-O through psychological empowerment indicates that psychological empowerment enhances the value of being a member of the organization (Alge et al., 2006), thus leading employees to engage in OCB directed towards the organization. In addition, it could be that the leader is perceived by the employees as an extension of the organization (Kuvaas & Dysvik, 2010), and hence, the employees want to reciprocate to the organization as well as to the leader. By this, we contribute to the empowerment literature by providing psychological

empowerment as an explanation for why leadership empowerment behaviors relate to OCBs.

A partial mediation between leadership empowerment behaviors and OCBs may indicate omitted mediators in the relationship (Zhao, Lynch, & Chen, 2010). For instance, Kuvaas (2008) found that the relationship between job autonomy and work performance is mediated by intrinsic motivation. As providing autonomy is one of the central tenets of empowering leadership, leadership empowerment behaviors should foster intrinsic motivation among the employees, which could instill a felt obligation to reciprocate with OCB towards the supervisor. Another potential mediator in the relationship between leadership empowerment behaviors and OCB could be perceived organizational support. Employees often perceive their leader as an extension of the organization (Kuvaas & Dysvik, 2010; Stinglhamber & Vandenberghe, 2003). Following organizational support theory, employees see their leaders' orientation towards them as indicative of the organization's support because the supervisor acts as an agent of the organization (Eisenberger, Huntington, Hutchinson, & Sowa, 1986). Perceived organizational support could therefore be reciprocated through OCBs. Future research should be aimed at exploring these and other potential mediating variables in the relationship between leadership empowerment behaviors and OCBs. Another possible explanation for why we found a partial mediation and not a full mediation is that employees are likely to reciprocate because of the gratitude and enablement they feel towards their leader for engaging in empowering behaviors. Nonetheless, this finding highlights the tremendous impact leaders have on the employees' willingness to engage in extra efforts on behalf of the organization and their leaders.

With respect to the moderation hypotheses, we found that SLMX attenuates the relationship between psychological empowerment and OCB-O. An explanation for this finding could be that psychological empowerment works as a substitute for a lack of SLMX. That is, for employees with lower levels of SLMX, psychological empowerment may represent an alternative route to OCB-O. This notion is supported by previous research conducted by Kacmar, Zivnuska, and White (2007) who found that other aspects of workplace politics may serve as substitutes for a low quality LMX relationship. Accordingly, the presence of a

high SLMX relationship in the context of empowerment may not add any perceived value for these employees, and as such, the two constructs may work as substitutes for each other. Furthermore, SLMX does not moderate the relationship between psychological empowerment and OCB-S. This suggests that psychological empowerment relates positively to OCB-S regardless of the level of perceived social exchange with the immediate supervisor. An explanation for these findings could be that many of the OCB-Ss, such as assisting when the leader has much to do, are also likely to be embedded in the mutual obligations of an SLMX relationship. As such, employees in SLMX relationships may not perceive that they perform discretionary behaviors, rather they are fulfilling their part of the social exchange relationship with their leader.

Contrary to what was hypothesized, we found that ELMX accentuates the relationship between psychological empowerment and OCB-O. An explanation for this finding could be that employees in high ELMX relationships, which does not involve much more than what is stipulated in the employment contract (Kuvaas et al., 2012), value empowerment more than those low in ELMX and thus feel more obligated to reciprocate towards the organization. Hence, psychological empowerment seems to compensate for the presence of a high ELMX relationship with respect to facilitating OCB directed towards the organization. ELMX does not, however, moderate the relationship between psychological empowerment and OCB-S. This suggests that psychological empowerment relates positively to OCB-S regardless of the level of perceived economic exchange with the immediate supervisor. A possible explanation for this could be that employees in strong ELMX relationships perceive the empowerment as ascending from the organization, and therefore the obligation to reciprocate should be directed at the organization rather than the leader. It is therefore possible that, although employees high in ELMX may feel the obligation to reciprocate the psychological empowerment they have been given, they do not direct this reciprocation towards their leader as a result of the transactional nature of the ELMX relationship.

Research on the social and economic dimensions of LMX has provided results showing the positive effects of SLMX, but has failed to find any positive effects of ELMX (e.g., Buch, Kuvaas, & Dysvik, 2011; Buch et al., in press; Kuvaas et

al., 2012). We intended to contribute to this body of research by exploring the roles of SLMX and ELMX in the relationship between psychological empowerment and OCB. Although we did not find support for the hypothesized moderation, the present study indicates that psychologically empowered employees in low SLMX and high ELMX relationships engage the most in OCBs, suggesting that these employees benefit the most from being empowered. Hence, this study contributes with knowledge on how the SLMX and ELMX dimensions contribute to OCB in an empowerment context.

Finally, our findings support the notion that OCB-O and OCB-S should be examined separately (Podsakoff et al., 2009). While we failed to find any significant moderation for OCB-S, we found that both SLMX and ELMX moderated the relationship between psychological empowerment and OCB-O. By this, our findings contribute to the OCB literature by supporting the notion that OCB directed at the organization and OCB directed at individuals are differentially related to other constructs and relationships.

Limitations and future research

As with all research, this study has some limitations the reader should be aware of. First, because of the cross-sectional design of the study, we cannot refute reverse causality (Cohen et al., 2003). For instance, it can be a bidirectional relationship between the variables. That is, while psychological empowerment may increase citizenship behaviors, engaging in OCBs may also increase psychological empowerment. In addition, leaders benefitting from employees engaging in OCBs may also reciprocate by engaging in empowering behaviors. Accordingly, experimental and longitudinal studies should be conducted in order to rule out the possibility of other causal explanations for the relationships between the variables (Mathieu & Taylor, 2006).

A second limitation is that the data was collected through questionnaires and consisted of self-reported data only. This leaves the possibility of common method bias. Common method bias can have serious confound effects on empirical results (Podsakoff et al., 2003). To reduce the likelihood of method inflated responses we added a time-lag in the data collection. That is, we distributed two surveys with one month apart. This method is thought to alleviate

common method variance by reducing the likelihood that the respondents are affected by previous answers (Podsakoff et al., 2003). In further defense of our use of self-reported data, the respondents were ensured anonymity and informed that there were no right or wrong answers and that they should answer questions as honestly as possible. These procedures should decrease the likelihood of social desirable responding and evaluation apprehension (Podsakoff et al., 2003; Fiske & Taylor, 1991). In addition, perceptual data is best represented by self-reported data (Conway & Lance, 2010; Dysvik, Buch, & Kuvaas, in press). As all constructs in our model are perceptual, self-reported questionnaires are probably the best way of gaining knowledge about these constructs. All in all, we do not believe that common method bias constitutes a big threat to the validity our findings. That being said, future research should include measures of leadership empowerment behaviors and LMX both from the leader and the subordinate's point of view in order to gain more reliable measures (Kammemeyer-Mueller, Steel, & Rubenstein, 2010).

A third limitation is the possibility of respondent confusion related to whether the OCBs are to be considered in-role or extra-role behaviors (Organ, 1997). For instance, it is expected that employees in SLMX relationships perform beyond what is prescribed in the work contract (Dysvik, Buch, & Kuvaas, in press). If employees scoring high on SLMX perceive the OCB items as measuring in-role behaviors, they might score themselves low on OCBs even though they might actually perform OCBs at work. If this is the case, this would most likely have underestimated the relationship between psychological empowerment and OCBs in SLMX relationships, resulting in deflated relationships. Employees in ELMX relationships, on the other hand, are expected to keep within the specifications of the employment contract (Dysvik, Buch, & Kuvaas, in press). If employees scoring high on ELMX were to perceive the OCB items as measuring extra-role behaviors, they might also score themselves high on OCBs because the threshold for perceiving extra efforts is lower, resulting in inflated relationships. However, the items used in the data collection measures specific and objective behaviors. As such, it should be clear to the respondents whether they perform these behaviors or not, regardless of the LMX relationship at play. Nevertheless, future research on OCB could investigate this further by measuring OCB from both a leader's and a subordinate's point of view (Kammemeyer-Mueller, Steel, & Rubenstein, 2010).

Another limitation that potentially could bias our results is related to the potential construct similarities between leadership empowerment behaviors and psychological empowerment. For instance, one dimension of leadership empowerment behaviors is enhancing the meaningfulness of work, whereas a dimension of psychological empowerment is meaning. This could give rise to the possible confusion that leadership empowerment behaviors and psychological empowerment reflect two different perspectives on the same construct. However, the items for leadership empowerment behaviors reflect objective leader behaviors, while the items for psychological empowerment reflect subjective feelings of empowerment (see Appendix 1). Moreover, the results of the paired constructs tests support the distinctiveness of the two constructs. As such, our results support the notion that leadership empowerment behaviors and psychological empowerment are two different aspects of empowerment.

A final limitation of this study concerns the generalizability of our findings. It may be that the generalizability is limited because of the nature of the sample used in this study. For instance, 49% of the participants in our sample have completed 3 years of upper secondary school. Moreover, the larger part of our sample consists of employees without managerial responsibilities (76 %). Employees with managerial responsibilities may respond differently to SLMX and ELMX perceptions given their own experience with being a leader (Buch et al., in press). A potential avenue for future research is therefore to test the relationships investigated in this study across different educational levels and positions in the organizational hierarchy. On the other hand, our sample includes seven different organizations from various industries. This serves to strengthen the generalizability of our findings.

Our findings give way to some interesting directions for future research. First, this study was aimed at clarifying the inconsistent findings in the empowerment literature by testing the moderating roles of SLMX and ELMX. The moderation analyses revealed that low SLMX and high ELMX strengthen the relationship between psychological empowerment and OCBs towards the organization, but not towards the supervisor. This suggests that although LMX is important in the relationship between psychological empowerment and employee outcomes, it may

well be that other types of exchange relationships, such as social and economic organizational exchange (e.g., Loi, Mao, & Ngo, 2009) also give some interesting results. Future research should continue exploring these and other moderators in order to clarify the inconsistencies in the empowerment literature.

Further, we note that leadership empowerment behaviors explain approximately 22% of the variance in psychological empowerment. Hence, other variables not accounted for in this study explain the remaining variance. An interesting avenue for future research would be to investigate the relationship between organizational and team climate and psychological empowerment. A mastery climate, where learning and individual development is emphasized (Ames, 1992), should theoretically relate positively to several dimensions of psychological empowerment. Furthermore, we encourage researchers to make use of the distinction between empowerment as an intervention, such as leadership empowerment behaviors, and psychological empowerment in future theorizing and research.

Finally, this study sought to explore how the SLMX and ELMX dimensions interact with the relationship between psychological empowerment and OCBs. The extant literature on SLMX and ELMX has yet to find situations in which ELMX has positive consequences. Our finding that ELMX accentuates the relationship between psychological empowerment and OCB-O, however, suggests that there are conditions where ELMX may not be exclusively negative. Future research should investigate the boundary conditions for ELMX in order to clarify when and how economic leader-member relationships may be beneficial. We believe this is an exciting avenue for future research that may contribute to building knowledge of the dimensional aspects of LMX.

Practical implications

Despite the aforementioned limitations, our study holds important implications for practice. The main take-away for organizations and managers is that empowerment is a desirable factor contributing to organizational citizenship behaviors. Our results show that when leaders engage in empowering behaviors, employees feel psychologically empowered and perform OCBs. As such, the leadership empowerment behaviors construct provides organizations with specific

tools that leaders can employ in order to increase employees' feelings of psychological empowerment. Our results indicate that employees with empowering leaders are more likely to engage in behaviors beneficial both towards their immediate supervisor and the organization as a whole because they feel meaning, competence, self-determination, and impact in their work. Accordingly, our study carries the practical implication that leadership empowerment behavior should be encouraged among managers.

The practical implications are less clear with respect to social and economic LMX. Previous research on SLMX and ELMX recommend organizations to develop social exchange relationships with their employees (Kuvaas et al., 2012; Dysvik, Buch, & Kuvaas, in press; Buch, Unpublished). The results of this study show that employees low in SLMX and high in ELMX engage in more OCBs towards the organization as a result of psychological empowerment. This suggests that psychological empowerment may compensate for a lack of an SLMX relationship, as well as the presence of an ELMX relationship when it comes to increasing OCBs. Therefore, in organizations where it is difficult to develop strong SLMX relationships, such as in highly autonomous professions, managers should seek to develop psychological empowerment to compensate for the lack of SLMX.

In addition, even though SLMX relationships are thought to be more beneficial than ELMX relationships, our results indicate that ELMX strengthen the relationship between psychological empowerment and OCBs. This is not to say that practitioners should focus on developing ELMX relationships. It rather implies that by focusing on employee psychological empowerment, the negative effect of ELMX can be mitigated. More specifically, our findings suggest that there are two main ways to reciprocation through OCBs. Either the employees reciprocate the leader and the organization for the LMX relationship in which they are taking part, or they reciprocate for the psychological empowerment. Notwithstanding this, focusing on relationship-oriented behaviors encompassed in both empowering leader behaviors and social exchange relationships, such as delegation, information sharing, and decentralization of decision making, should be worthwhile and beneficial both to the employees and to the organization as a whole.

Conclusion

In this study we have investigated the relationship between leadership empowerment behaviors, psychological empowerment, and OCBs. We have also explored the moderating role of social and economic leader-member exchanges in the relationship between psychological empowerment and OCBs. The results revealed that when leaders are empowering, employees feel empowered and engage in more OCB-O and OCB-S. Interestingly, this seems to hold especially for employees who lack a strong social exchange relationship and for those who are in strong economic exchange relationships with their leader. These findings indicate that psychological empowerment works as a substitute for low SLMX and high ELMX. By this, we believe that our study contributes with novel insights relating to the concepts of social and economic LMX, and hope our study stimulates interest in continuing to explore the dimensional differences between these constructs. In addition, we believe that our study contributes with a clarification of the logical structure of concepts in the empowerment literature. We encourage researchers to continue mapping out the boundary conditions for empowerment. If successfully implemented, empowerment may constitute a unique source of competitive advantage, organizational viability, and effectiveness (Dewettinck & van Ameijde, 2011).

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Appendices

Appendix 1: CFA on the full scales of LEB, PE, SLMX, ELMX^a, OCB-O, and OCB-S.

Item	LEB	PE
LEB1: My manager helps me understand how my objectives and goals relate to that of the company.	.73	
LEB2: My manager helps me understand the importance of my work to the overall effectiveness of the company.	.76	
LEB3: My manager helps me understand how my job fits into the bigger picture.	.75	
LEB4: My manager makes many decisions together with me.	.78	
LEB5: My manager often consults me on strategic decisions.	.76	
LEB6: My manager solicits my opinion on decisions that may affect me.	.85	
LEB7: My manager believes that I can handle demanding tasks.	.84	
LEB8: My manager believes in my ability to improve even when I make mistakes.	.85	
LEB9: My manager expresses confidence in my ability to perform at a high level.	.87	
LEB10: My manager allows me to do my job my way.	.71	
LEB11: My manager makes it more efficient for me to do my job by keeping the rules and regulations simple.	.68	
LEB12: My manager allows me to make important decisions quickly to satisfy customer needs.	.80	
PE1: The work I do is very important to me.		.69
PE2: My job activities are personally meaningful to me.		.70
PE3: The work I do is meaningful to me.		.62
PE4: I am confident about my ability to do my job.		.43
PE5: I am self-assured about my capabilities to perform my work activities.		.32
PE6: I have mastered the skills necessary for my job.		.25
PE7: I have significant autonomy in determining how I do my job.		.81
PE8: I can decide on my own how to go about doing my work.		.78
PE9: I have considerable opportunity for independence and freedom in how I do my job.		.80
PE10: My impact on what happens in my department is large.		.80
PE11: I have a great deal of control over what happens in my department.		.82
PE12: I have significant influence over what happens in my department.		.80

Note: $N = 192$. Standardized factor loadings are shown. $\chi^2 [1310] = 3015.85, p < .01; \chi^2/df = 2.3; RMSEA = .08; CFI = .94; NNFI = .94$.

The CFA was estimated from the polychoric correlation matrix and the asymptotic covariance matrix with the use of the Robust Maximum Likelihood (RML) estimator. LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behaviors - Organization; OCB-S = Organizational Citizenship Behaviors - Supervisor. ^aELMX2, ELMX9 and ELMX11 are not included in this or further analyses.

Appendix 1 continued

Item	SLMX	ELMX
SLMX1: I don't mind working hard today – I know I will eventually be rewarded by my immediate supervisor.	.61	
SLMX2: I worry that all my efforts on behalf of my immediate supervisor will never be rewarded (Reverse scored).	-.66	
SLMX3: My relationship with my store manager is about mutual sacrifice; sometimes I give more than I receive and sometimes I receive more than I give.	.63	
SLMX4: Even though I may not always receive the recognition I deserve from my immediate supervisor I deserve, I know that he or she will take good care of me in the future.	.62	
SLMX5: My relationship with my immediate supervisor is based on mutual trust.	.90	
SLMX6: My immediate supervisor has made a significant investment in me.	.82	
SLMX7: I try to look out for the best interest of my immediate supervisor because I can rely on my immediate supervisor to take care of me.	.88	
SLMX8: The things I do on the job today will benefit my standing with my immediate supervisor in the long run.	.76	
ELMX1: I only want to do more for my immediate supervisor when I know in advance what I will get in return.		.72
ELMX3: I am only willing to exert extra effort for the benefit of my immediate supervisor if I believe it will increase my chances of achieving personal benefits such as more attractive work assignments or a promotion.		.86
ELMX4: I watch very carefully what I get from my immediate supervisor, relative to what I contribute.		.81
ELMX5: I usually negotiate with my immediate supervisor how I will be rewarded for performing a given task.		.82
ELMX6: I rarely or never perform a favor for my immediate supervisor without having a clear expectation that this favor will be returned within a short space of time.		.92
ELMX7: If I am going to exert extra effort for my immediate supervisor I weigh the advantages and disadvantages of doing so.		.83
ELMX8: I watch carefully that I get something tangible in return for doing something extra for my immediate supervisor.		.89
ELMX10: If I increase my efforts on behalf of my immediate supervisor, it is because I want something specific in return.		.86

Note: $N = 192$. Standardized factor loadings are shown. $\chi^2 [1310] = 3015.85$, $p < .01$; $\chi^2/df = 2.3$; RMSEA = .08; CFI = .94; NNFI = .94.

The CFA was estimated from the polychoric correlation matrix and the asymptotic covariance matrix with the use of the Robust Maximum Likelihood (RML) estimator. LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behaviors - Organization; OCB-S = Organizational Citizenship Behaviors - Supervisor.

*ELMX2, ELMX9 and ELMX11 are not included in this or further analyses.

Appendix 1 continued

Item	OCB-O	OCB-S
OCB-O1: I attend functions that are not required but that help the organizational image.	.51	
OCB-O2: I keep up with the developments in the organization.	.67	
OCB-O3: I defend the organization when other employees criticize it.	.83	
OCB-O4: I show pride when representing the organization in public.	.88	
OCB-O5: I offer ideas to improve the functioning of the organization.	.66	
OCB-O6: I express loyalty towards the organization.	.92	
OCB-O7: I take action to protect the organization from potential problems.	.76	
OCB-O8: I demonstrate concern about the image of the organization.	.21	
OCB-S1: I accept added responsibility when my supervisor is absent.		.88
OCB-S2: I help when my supervisor has a heavy workload.		.89
OCB-S3: I assist my supervisor with his/her work without being asked.		.86
OCB-S4: I take personal interest in my supervisor as a person.		.65
OCB-S5: I always pass on work-related information to my supervisor.		.75

Note: $N = 192$. Standardized factor loadings are shown. $\chi^2 [1310] = 3015.85$, $p < .01$; $\chi^2/df = 2.3$; RMSEA = .08; CFI = .94; NNFI = .94.

The CFA was estimated from the polychoric correlation matrix and the asymptotic covariance matrix with the use of the Robust Maximum Likelihood (RML) estimator. LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behaviors - Organization; OCB-S = Organizational Citizenship Behaviors - Supervisor.

*ELMX2, ELMX9 and ELMX11 are not included in this or further analyses.

Appendix 2: Tolerance and Variance Inflation Statistics (VIF)

	OCB-O and OCB-S							
	Step 1		Step 2		Step 3		Step 4	
	Tolerance	VIF	Tolerance	VIF	Tolerance	VIF	Tolerance	VIF
Organization 1 ^a	.71	1.41	.71	1.41	.69	1.44	.67	1.49
Organization 2 ^a	.93	1.08	.92	1.10	.87	1.15	.87	1.15
Organization 3 ^a	.40	2.56	.40	2.58	.39	2.59	.38	2.63
Organization 5 ^a	.43	2.31	.43	2.35	.43	2.36	.42	2.37
Organization 6 ^a	.91	1.10	.91	1.11	.87	1.15	.86	1.16
Organization 7 ^a	.50	2.11	.50	2.11	.47	2.11	.47	2.13
Gender ^b	.63	1.61	.63	1.61	.61	1.63	.61	1.63
Age	.38	2.66	.37	2.73	.35	2.84	.35	2.86
Education level	.61	1.64	.61	1.64	.60	1.66	.60	1.68
Employment fraction ^c	.48	2.08	.47	2.14	.46	2.18	.46	2.19
Managerial responsibility ^d	.65	1.50	.60	1.66	.60	1.67	.59	1.70
Tenure	.36	2.77	.36	2.80	.36	2.82	.35	2.83
Dyad tenure	.48	2.08	.47	2.15	.46	2.16	.46	2.16
LEB	.85	1.18	.60	1.66	.32	3.18	.31	3.25
PE			.49	2.03	.47	2.13	.44	2.27
SLMX					.34	2.92	.34	2.92
ELMX					.69	1.45	.68	1.47
PE * SLMX							.74	1.36
PE * ELMX							.73	1.38

Note: $N = 192$. Standardized coefficients are shown.

^a Organization 1 = '1', not Organization 1 = '0'; Organization 2 = '1', not Organization 2 = '0', etc.;

^b Gender was coded as Men = '1' and Women = '2'; ^c Education level coded from 1 (9 years or less of lower secondary school) to 4 (4 or more years of higher education); ^d Employment fraction coded as 0-25% = '1', 26-50% = '2', 51-75% = '3', 76-100% = '4'; ^e Managerial responsibility was coded as managerial responsibility = '1', no managerial responsibility = '2';

LEB = Leadership Empowerment Behaviors; PE = Psychological Empowerment; SLMX = Social Leader-Member Exchange; ELMX = Economic Leader-Member Exchange; OCB-O = Organizational Citizenship Behavior – Organization; OCB-S = Organizational Citizenship Behavior – Supervisor.

Appendix 3: Preliminary Thesis Report

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BI Norwegian Business School
Preliminary Thesis Report

Empowerment and employee outcomes:
An investigation of the moderating role of social and economic LMX in the relationship between leadership empowerment behaviours and psychological empowerment

Thesis supervisor:

Robert Buch

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Master of Science in Leadership and Organizational Psychology

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Summary

In this preliminary master thesis report, the students present a literature review on their topic for the master thesis in Leadership and Organizational Psychology at BI Norwegian Business School in Oslo Norway, which is due in September 2013. During the past decades, empowerment, both as a social-structural and a psychological construct, has been of substantial interest to organizational researchers. However, little research to date has considered how the effect of empowerment interventions may be dependent on the nature of the relationship between leaders and subordinates. Therefore, the purpose of the forthcoming study is to investigate the relationship between leader empowerment behaviours and employee psychological empowerment under different forms of leader-member exchange relationships, namely different degrees of social and economic leader-member exchange relationships. Hypotheses, a conceptual model, and theoretical rationales for hypothesized relationships are presented. Finally, the research methodology and research design of the forthcoming study is sketched.

Introduction

Peter F. Drucker (1974, 179) stated that: “The shift in the structure and character of work has created a demand that work produce more than purely economic benefits. To make a living is no longer enough”. It derives from this citation that employees have experienced a shift in expectations with regards to their work situation over time. This has important implications for leadership research and practices. Empowering practices are popular in work organizations, and there is a growing body of research on these practices (Spreitzer 2008; Spreitzer and Doneson 2005). Empowerment as a theoretical construct is assumed to have positive organizational and employee outcomes (Spreitzer 2008). Also empirically, empowerment has received support as a construct with positive consequences. However, the research on empowerment has been inconclusive. While some studies have revealed positive and significant relationships between empowerment and positive employee outcomes (Aryee and Chen 2006; Avolio et al. 2004; Dewettinck and van Amejide 2011), other studies have provided non-significant and negative relationships (Hartline and Ferrell 1996; Hartline, Maxham and McKee 2000; Ahearne, Mathieu and Rapp 2005). It is therefore a need for research clarifying which boundary conditions are present when empowerment behaviours lead to desirable outcomes.

The relational aspect of empowerment is embedded in theories of social exchange where the leader shares power with followers (Spreitzer and Doneson 2005). Leader-member exchange (LMX) theory is important in this respect. LMX, which is built upon the premise that leaders develop distinctive relationships with their followers (Kuvaas et al. 2012), is often viewed as one of the most important relationships in organizations (Harris, Wheeler, and Kacmar 2011). Most research on LMX and empowerment to date has considered LMX as a predictor of various positive outcomes (e.g., Aryee and Chen 2006; Liden, Wayne, and Sparrowe 2000; Wat and Schaffer 2005). However, there have been some exceptions showing that the quality of the relationship between leaders and followers may influence other relationships (e.g., Gómez and Rosen 2001; Wang et al. 2005). In this study we propose that LMX will moderate the relationship between leadership empowerment behaviours (LEB) and followers’ psychological empowerment. The purpose of our master thesis is to investigate the relationship between leader empowering behaviours and employee psychological

empowerment under different forms of leader-member exchange relationships, namely different degrees of social LMX (SLMX) and economic LMX (ELMX) relationships.

Several researchers have argued that it in the LMX literature has not been taken into account that social and economic exchanges possess different qualities (e.g., Sparrowe and Liden 1997). According to Sparrowe and Liden (1997), a challenge with previous LMX research has been that the dimensions of social and economic exchange behaviour have not been specified. In response to this, Kuvaas et al. (2012) conducted an exploratory study where they conceptualized LMX relationships as relationships with different qualities (social and economic), rather than different levels of quality (high and low). The data collected from 78 store managers and 552 subordinates from gas stations in Norway supported their two-dimensional model of LMX. Further, Kuvaas et al. (2012) called for more research including the SLMX and ELMX dimensions, which is part of what the forthcoming study seeks to contribute with.

We have formulated three research questions we seek to answer in the master thesis. First, intuitively, there is no point in implementing empowerment initiatives if they do not lead to empowered employees. The first research question is therefore whether leadership empowering behaviour is related to psychological empowerment. Next, empowered employees are argued to have positive attitudinal and behavioural outcomes for organizations (Dewettinck and van Ameijde 2011; Spreitzer 1996). Prior research has indicated that empowering behaviours is related to employees' behaviours and attitudes through the individuals' feelings of being empowered. For instance, Dewettinck and van Ameijde (2011) found support for a mediation model where psychological empowerment partially mediated the relationship between LEB and positive employee outcomes. The second research question is therefore whether psychological empowerment mediates the relationship between LEB, and turnover intentions and affective commitment.

Third, research on the effectiveness of empowerment on employee outcomes have provided mixed results. Hence, there is a need for clarifying under what conditions leaders' empowering behaviours increases the employees' feelings of

being empowered. It has been noted that the exchange relationships between leaders and followers can facilitate subordinates' feelings of empowerment (e.g., Dewettinck and van Ameijde 2011; Manz and Sims 2001). Thus, the final research question is whether the form of the exchange relationship between leader and follower will moderate the relationship between LEB and psychological empowerment. To sum up our research questions, we will investigate the relationship between LEB and employee outcomes, with the mediating role of psychological empowerment and the moderating role of LMX relationships.

The intended contributions of the forthcoming study are threefold. First, the study can contribute to the existing empowerment literature by clarifying the inconsistent results. We argue that the inconsistent findings in the literature can be due to moderating effects not accounted for in previous research, and propose that LMX can moderate the relationship between empowering behaviours and employees' feelings of empowerment. Second, we answer the call for future research on the ELMX and SLMX dimensions by Kuvaas et al. (2012). In addition, to our knowledge, no research has tested the moderating effect of leader-member exchange relationships on the relationship between LEB and psychological empowerment.

Before we elaborate on theory and hypotheses of the forthcoming study, we present our conceptual framework (Figure 1), containing all hypothesized relationships.

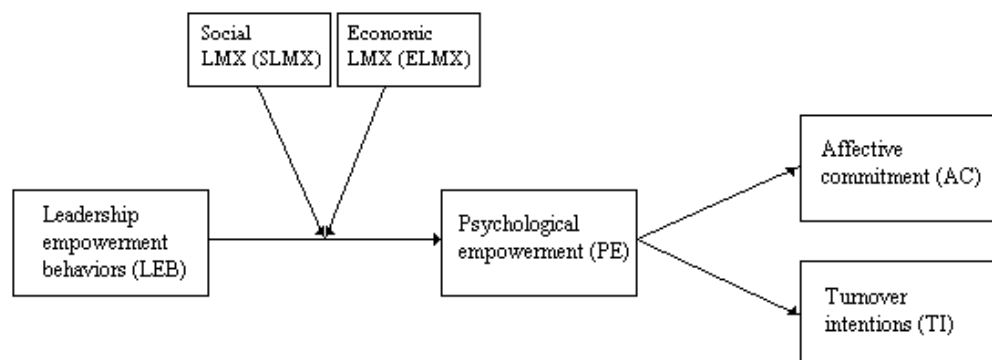


Figure 1. Conceptual framework

Theory and hypotheses

Empowerment

Dewettinck and van Amejide (2011) argue that we have a new organizational reality with an increasing decentralization of responsibility. As a result, there has been a greater focus on empowering leadership concepts such as participative management, self-leadership, and employee empowerment (Dewettinck and van Amejide 2011; Pearce et al. 2003; Wilkinson 1997). According to Conger and Kanungo (1988), empowerment can be seen as a relational concept with emphasis on the process by which a leader shares power with his or her subordinates. Thus, empowering leadership is a leadership style that refers to giving employees responsibility for work tasks, delegation of decision making, and sharing of information and resources (Spreitzer 1995). Related to the validity of this leadership style, Pearce et al. (2003) conducted a study where they factor analysed theoretically plausible leadership typologies. They found support for the existence of four distinct leadership styles; one of these being empowering leadership. This is also consistent with Lee and Koh's (2001) argumentation, who argue that empowerment is a unique concept representing a distinct managerial approach.

Empowerment has been approached in two major ways in the literature, namely the social-structural and psychological approaches. These two approaches concerns empowerment interventions aimed at decentralizing power to employees and the psychological state of employees who are empowered, respectively (Spreitzer and Doneson 2005). A branch of the social-structural approach, relational empowerment, is concerned with leader behaviours related to empowerment (Lee and Koh 2001). The emphasis of this paper will be a dyadic, that is, in the intersection between the leader and the follower (Yukl 2010). Hence, the emphasis of this paper will be on both the social-structural and the psychological approaches to empowerment. More specifically, in our framework we have included the constructs LEB and psychological empowerment, where LEB represents a social-structural, or relational, approach to empowerment (Dewettinck and van Amejide 2011).

It is argued that managers appraise empowerment, but that they feel resisted to really empower employees. That is, they appraise empowerment as a theoretical

construct but at the same time they are not willing to give up their command-and-control approach (Argyris 1998). Argyris (1998, 101) formulated it like this: “CEOs work against empowerment both consciously and unconsciously. Surprisingly – at least to outsiders – executives do not always seem to want what they say they need”. In addition, when empowerment initiatives are implemented, they do not always produce the outcomes that are desired (e.g., Ackfeldt and Wong 2006; Gould-Williams and Davies 2005; Bartram and Casimir 2007; Park and Rainey 2008; Mccann, Langford, and Rawlings 2006; Meyerson and Kline 2008; Staw and Epstein 2000). This could be due to resistance in employees or conditions which has to be met for empowerment initiatives to have the desired effects. Thus, even though leaders are empowering, empowered employees are not always the consequence.

The relationship between LEB and employee psychological empowerment

LEB is a relational social-structural approach to empowerment (Spreitzer 2008; Dewettinck and van Amejide 2011). This approach is characterized by managerial practices that decentralize power with the goal of cascading relevant decision making power to lower levels of the organizational hierarchy (Spreitzer 2008). Further, Humborstad (Unpublished) argues that this approach is concerned with the power of managers and the structure, opportunities, and power within organizations. The social-structural theory of empowerment has its origins from Kanter’s (1977) book *Men and Women of the Corporation*. Kanter’s original research has served as the foundation for the large body of social-structural empowerment research conducted (Spreitzer 2008). Kanter (1977) argued that women’s successful advancement in work organizations was impeded since they lacked access to necessary power tools, that is, opportunities, information, support, and resources. The research conducted by Kanter (1977) shows the importance of having access to appropriate tools in order to succeed in organizations.

Psychological empowerment, on the other hand, focuses on the perceptual or psychological dimensions of empowerment as experienced by the individual employee (Dewettinck and van Amejide 2011). It is argued that psychological empowerment consists of four cognitions (Thomas and Velthouse 1990). A factor

analysis conducted by Tymon (1998 as cited in Thomas and Velthouse 1990) supported the distinctiveness of four factors of psychological empowerment. The first cognition is meaning and refers to the individual's subjective valuation of a work goal or purpose. The second cognition is competence, also called self-efficacy, which refers to an individual's belief in his or her capability to perform activities with skill. The third cognition is self-determination, which refers to the individual's sense of having choices in initiating and regulating actions. It involves having sufficient resources, autonomy, power, and information to participate in decision making about work methods, pace, and effort. The final cognition is impact and refers to the degree to which an individual can influence strategic, administrative, or operating outcomes at work (Thomas and Velthouse 1990; Spreitzer 1995).

While LEB focuses on managerial practices of sharing power, the psychological perspective focuses on how employees experience their work, that is, what individuals need to feel in order for managerial empowerment interventions to be effective (Spreitzer 2008). Additionally, as conceptualized here, these two approaches on empowerment are directed at different levels of analysis. Psychological empowerment is directed at the individual level, while LEB is directed at the dyadic level (Spreitzer 2008). Hence, these two approaches could be related. This is also suggested in the literature, where LEB is expected to contribute to employees being empowered through affecting individual perception of meaning, competence, self-determination, and/or impact (Spreitzer 2008; Dewettinck and van Amejide 2011). Spreitzer (2008) argues that even though the social-structural perspective has garnered much attention because it concerns specific managerial practices, it is limited since it does not address the nature of empowerment as experienced by employees.

There are several theoretical rationales for a relationship between LEB and psychological empowerment. Thomas and Velthouse (1990) distinguished between empowerment interventions and cognitive processes through which employees reach conclusions about meaning, competence, self-determination, and impact in their work. This means that empowering behaviours from the leader is not the same as having empowered employees, that is, they make their own assessments of whether they feel empowered. In a similar vein, Conger and

Kanungo (1988) argued that managers' empowerment interventions are only *one* aspect of empowering employees. In other words, it is possible that empowerment interventions are effective in empowering employees but it is not an inevitable consequence. Furthermore, psychological empowerment is not a stable individual trait; rather it is a dynamic state dependent on a work environment, potentially consisting of leadership empowering behaviours among others (Spreitzer 1995).

The argumentation above is in line with Houghton and Yoho (2005) and Manz and Sims (2001), who argued that empowering leadership will most likely lead to high levels of psychological empowerment. Houghton and Yoho (2005) developed and presented a contingency model of leadership and psychological empowerment where they proposed that empowering leadership will result in high levels of psychological empowerment among followers.

Also research has been aimed at investigating the relationship between social-structural empowerment elements and elements of psychological empowerment. For instance, Spreitzer (1996) has investigated the relationship between social-structural characteristics of empowerment and feelings of empowerment. She found that a participative work climate, a wider control span, and performance-based pay were related to higher levels of psychological empowerment in a sample consisting of middle-level managers. She also found that Kanter's (1977) power tools, including socio-political support, access to information, and access to resources, were related to psychological empowerment. Further, Wallach and Mueller (2006) found that opportunities for actual participation in decision making were related to psychological feelings of empowerment. These findings indicate that specific empowering behaviours of the leader could facilitate psychological empowerment of the employees. The relationship between LEB and psychological empowerment, specifically, has also been tested with results giving support to the notion that LEB is positively related to psychological empowerment (e.g., Dewettinck and van Ameijde 2011; Irvine et al. 1999 as cited in Dewettinck and van Ameijde 2011). Based on this we hypothesize that:

H1: *Leadership empowerment behaviour will be positively related to psychological empowerment.*

The relationship between LEB and employee outcomes with the mediating role of psychological empowerment

A growing body of research has shown a positive relationship between empowerment and positive employee outcomes. Ahearne, Mathieu, and Rapp (2005, 945) note that: “Empowerment is thought to unleash employees’ potential, enhance their motivation, allow them to be more adaptive and receptive to their environment, and minimize bureaucratic hurdles that slow responsiveness”. When employees feel empowered, positive employee outcomes are likely to occur (Spreitzer 2008). Empirically, empowered employees have reported higher levels of job satisfaction (e.g., Aryee and Chen 2006; Koberg et al. 1999; Liden, Wayne, and Sparrowe 2000; Spreitzer, Kizilos, and Nason 1997; Vecchio, Justin, and Pearce 2010), organizational commitment (e.g., Avolio et al. 2004; Liden, Wayne, and Sparrowe 2000), and performance (e.g., Aryee and Chen 2006; Spreitzer, Kizilos, and Nason 1997; Koberg et al. 1999).

Christian, Garza, and Slaughter (2011) differentiated between work engagement and job attitudinal variables as two different motivational factors governing behaviour. Job attitudes refer to variables such as job satisfaction, organizational commitment, and affective commitment (Christian, Garza, and Slaughter 2011). Affective commitment is considered to be the strongest type of commitment an individual can have with an organization (Dewettinck and van Amejide 2011), and can be defined as the employee’s identification and involvement with his or her work organization (Mowday, Steers, and Porter 1979). It involves an emotional attachment where the employees stay with an organization because they want to, not because they have to (Meyer and Allen 1991).

Riketta (2002) argues that affective commitment is one of the most researched variables in organizational behaviour, and that one of the reasons for this could be that it is assumed to influence almost any behaviour which is positively related to positive organizational outcomes. Research has shown that there is a positive relationship between both social-structural empowerment and organizational commitment (Avolio et al. 2004; Kirkman and Rosen 1999), and between psychological empowerment and organizational commitment (e.g., Liden, Wayne, and Sparrowe 2000; Spreitzer and Mishra 2002; Avolio et al 2004; Ackfeldt and Coote 2005). Also the relationship between empowerment and affective

commitment, specifically, has been investigated and a positive relationship has been obtained (e.g., Dewettinck and van Amejide 2011; Spence Laschinger, Finegan, and Shamian 2001; Culpepper, Gamble, and Blubaugh 2004). This is in line with argumentation by Manz and Sims (2001), who argue that self-leading individuals tend to take responsibility for tasks and work processes, and thereby increases their commitment.

Turnover intentions is frequently used as an outcome variable in organizational research, with turnover being an important indicator of the employee's satisfaction with his or her job as well as the organization as a whole (Dewettinck and van Amejide 2011). Turnover intentions can be defined simply as the behavioural intent to leave an organization (Kuvaas 2006a). Moreover, turnover of employees is costly and can be important for an organization's performance (Van Dick et al. 2004). A meta-analysis conducted by Griffeth, Hom, and Gaertner (2000) indicated that turnover intentions is the best predictor of actual turnover in organizations. Research has indicated that people that feel empowered are satisfied with their work situation, and that they want to continue working there (e.g., Koberg et al. 1999; Avey et al. 2008; Park and Rainey 2008).

Dewettinck and van Amejide (2011) investigated the relationship between LEB, employee psychological empowerment, and employee attitudes and behavioural intentions. They found that the effect of LEB on employee outcomes can be partially explained through employee psychological empowerment. Also other researchers have found support for such a relationship between LEB and employee outcomes (e.g., Irvine et al. 1999 as cited in Dewettinck and van Amejide 2011; Avolio et al. 2004). In line with Houghton and Yoho (2005) and Manz and Sims (2001), who argue that it is likely that leadership empowerment behaviours will lead to high levels of psychological empowerment, we propose that LEB is related to affective commitment and turnover intentions through increasing psychological empowerment in followers. Hence, we hypothesize as follows:

H2: *Psychological empowerment will mediate the relationships between leadership empowerment behaviour and a) affective commitment and b) turnover intentions, in the sense that leadership empowerment behaviour*

is positively related to affective commitment and negatively related to turnover intentions through psychological empowerment.

Leader-member exchange theory

Even though the theoretical arguments and research findings presented above suggest that empowering leadership relates to affective commitment and turnover intentions through facilitating psychological empowerment, these associations may be contingent on other variables. In support of this argument, studies on the effects of social-structural empowerment have provided mixed findings. According to Humborstad (Unpublished), out of 25 effects, 17 were found to be positive and significant, while eight effects were non-significant. Hartline and Ferrell (1996) found a negative relationship between empowering leader behaviours and job satisfaction, while Hartline, Maxham, and McKee (2000) found no relationship between empowering leader behaviours and organizational commitment. Further, Ahearne, Mathieu, and Rapp (2005) found that LEB had an effect on employee performance, but contrary to the common belief, these effects were significant only for employees with low knowledge and experience. These mixed results may be due to moderating effects not controlled for influencing the relationship between empowerment and work outcomes.

It has been suggested that the conditions for empowerment are quite complex, with several variables contributing to the success of empowering leader behaviours (Raub and Robert 2010). We propose that the inconsistency in the literature can be explained by the relationship between the leader conducting empowering behaviours and the employees assumed to become psychologically empowered by these behaviours. Lee and Koh (2001) have argued that the concept of empowerment concerns only the relationship between a supervisor and their subordinates. Accordingly, there is a link to social exchange theories through the emphasis on shared authority between superior and subordinate (Spreitzer and Doneson 2005). Through empowering leader behaviours, the leader shares tasks and responsibilities with the employees, which in turn are thought to increase their commitment to the given responsibilities (Collins 1999). The logic here is that such empowerment interventions are perceived as good deeds that will stimulate employees to go beyond their defined work tasks to reciprocate to their employers (Humborstad Unpublished). However, the felt obligation to reciprocate the

empowerment interventions through accepting and taking these responsibilities will probably depend on the form of relationship between the leader and the employee, and how this influences the relationship between LEB and employee psychological empowerment. This aspect of empowerment brings us over to the features of the relationship between the leader and their employees.

The traditional LMX conceptualization

Common for leadership theories is the general assumption that leaders influence organizational performance through their impact on their employees (Ilies, Nahrgang, and Morgeson 2007). This implies that leaders and employees engage in a relationship where at least one party exerts influence over the other. Following the dyadic approach to leadership processes where leadership is seen as evolving from social interactions and influence processes (Yukl 2010), we undertake a closer investigation of the role of social exchanges in the relationship between LEB and psychological empowerment.

Social exchange theory has been very influential in organizational behaviour research (Song, Tsui, and Law 2009). Originating from Blau (1964), one of the central arguments of social exchange theory is that employees will respond differently to their employer depending on the treatment they receive, and that this in turn will lead to exchange relationships of either a social or an economic character (Song, Tsui and Law. 2009). In the social exchange literature, four main distinctions between social and economic exchanges exist (Shore et al. 2006). First, in social exchanges, trust is an important underlying basis, whereas the impersonal nature of the economic exchange renders trust redundant. Second, investment in the relationship is crucial to social but not to economic exchanges. Third, the duration of social exchanges is long-term and open-ended, whereas economic exchanges are short-term. Finally, the rewards of social exchanges are of a socio-emotional nature, compared to the focus on financial rewards of economic exchanges (Shore et al. 2006).

A well-established theory building on this foundation is leader-member exchange theory (LMX). Originating from the vertical dyad linkage theory, LMX is built upon the premise that leaders develop distinctive relationships with their

individual followers (Schyns and Day 2010; Graen and Uhl-Bien 1995; Yukl 2010; Kuvaas et al. 2012). The quality of the resulting relationship between a leader and a follower is assumed to be predictive of both individual and organizational outcomes (Gerstner and Day 1997).

Traditionally, LMX has been conceptualized as a continuum where relationships range from low-quality transactional-based relationships to high-quality transformational relationships (Kuvaas et al. 2012). A high-quality exchange relationship typically includes characteristics such as high levels of mutual trust, interaction, and support (Ilies, Nahrgang and Morgeson 2007; Graen and Uhl-Bien 1995). Further, the relationship is characterized by a high degree of reciprocity in that the leader gains employees' commitment and trust, and the subordinates enjoys a higher degree of formal and informal rewards (Ilies, Nahrgang and Morgeson 2007). More specifically, the reciprocal nature of a leader-member relationship implies that leaders are in possession of a variety of resources desirable to the employees, such as assignment of interesting tasks, information valuable to the employees, the opportunity to speak favourably of them to others in the organization, among others. The employees in turn, may reciprocate with greater levels of initiative, proactive behaviours, commitment and loyalty to the leader (Liden, Wayne, and Sparrowe 1997 as cited in Wilson, Sin and Conlon 2010), increased organizational citizenship behaviours and task performance (Ilies, Nahrgang, and Morgeson 2007; Wang, Law, and Chen 2008; Wang et al. 2005), increased job performance (Gerstner and Day 1997; Joo 2012), greater job satisfaction (Gerstner and Day 1997; Schyns and Day 2010), and decreased turnover intentions (Gerstner and Day 1997; Joo 2010).

A low-quality relationship on the other hand, involves little more than is specified in the work contract (Ilies, Nahrgang and Morgeson 2007) and is limited to the exchange of resources essential for completing the employees' work tasks (Liden, Wayne and Sparrowe 2000). Here, the leader and the employee do not share the same degree of mutual commitment and trust as in a high-quality relationship, and their interactions are formal and economic with a focus on immediate trade-offs (Kuvaas et al. 2012). The exchanges of this relationship include for instance pay based merely on the performance by the follower (Wilson, Sin, and Conlon 2010).

Social and economic leader-member exchange

Despite the extensive literature on LMX, Sparrowe and Liden (1997) have argued that theory supporting the premise that leaders differentiate between subordinates have not been fully developed. Arguably, most research to date utilizing the traditional LMX conceptualization has merely been examining a social exchange relationship of greater or lesser quality (Kuvaas et al. 2012). Still other conceptualizations of social exchanges, such as organizational exchange theories, argue for the distinctiveness between economic and social exchanges (Shore et al. 2006). A newer interpretation of LMX addressing this issue involves considering social and economic exchange as two opposite dimensions of the same construct (Kuvaas et al. 2012). Within this conceptualization, social LMX (SLMX) relationships take on long-term oriented features similar to high-quality LMX relationships, whereas economic LMX (ELMX) relationships includes transactional features similar to low-quality LMX relationships (Kuvaas et al. 2012).

To date, little research has taken into consideration that social and economic leader-member exchanges possess different qualities (Kuvaas et al. 2012). Researchers have investigated the influence of organizational economic and social exchanges on employee outcomes (e.g., Loi, Mao, and Ngo 2009; Shore et al. 2006; Song, Tsui, and Law 2009), but to our knowledge, only Kuvaas and colleagues (2012) have performed research using this conceptualization of LMX. By considering the constructs separately, rather than as opposite ends of a continuum, we may be able to capture more of the inherent characteristics of the social versus economic leader-member exchanges (Kuvaas et al. 2012). Like Kuvaas et al. (2012), we believe that this conceptualization may be better able to explain the characteristics of the LMX construct as well as its relations to other variables, such as LEB and psychological empowerment. Taken together, we wish to add to these lines of research by including SLMX and ELMX as moderating variables in our model.

The moderating role of SLMX and ELMX

We argue that the empowering behaviours of leaders will, depending on the quality of the relationship with their subordinates, be related to feelings of being

psychologically empowered. Previous research has associated high-quality LMX with higher levels of empowerment (e.g., Liden, Wayne, and Sparrowe 2000; Gómez and Rosen 2001). Further, research has suggested that social exchange perceptions are related to positive work outcomes (Song, Tsui and Law 2009; Shore et al. 2006). According to Spreitzer (2008), a supportive and trusting relationship with one's leader is important for individuals to experience empowerment at work. As SLMX relationships include trust and support, they should be considered a desirable outset for successful empowerment initiatives. That is, if the relationship is of a SLMX character, the empowering behaviours of the leader are likely to be accepted and taken up by the employee, resulting in greater psychological empowerment. This could be apparent through the employees' greater reciprocation to the leader by performing the tasks and taking the delegated responsibilities. Accordingly, we hypothesize:

H3a: *The relationship between leadership empowerment behaviour and psychological empowerment is accentuated by SLMX.*

Research supporting a positive relationship between social-structure empowerment and work outcomes have been based on the premise that empowerment is desired by all employees. This research however, has tended to neglect the employees' individual needs for empowerment (Humborstad, Unpublished; Spreitzer and Doneson 2005). Furthermore, this research has not taken into account the situational differences in the unique LMX relationships between leaders and subordinates.

From an interactionist perspective, individuals in different exchange relationships will perceive their leader's behaviours differently and will accordingly react differently to them (Terborg 1981). Although empowering leader behaviours may lead to psychological empowerment, they may not always work as intended. This may simply be because empowering leadership may not be welcomed in all leader-member relationships. Moreover, if the relationship is of an economic character, both the leader and the employee may understand the situation differently from the parties in a SLMX relationship. As put forth by Shore et al. (2006), one must consider the nature of the leader-member relationship in order to understand the employees' psychological sense making of the relationships in

which they are taking part. More specifically, if the exchange relationship is of an economic character, empowering leader behaviours, for instance through sharing responsibility, can be perceived as going beyond the psychological contract of the relationship. As ELMX relationships does not involve investment in the relationship by any parties (Kuvaas, Buch, and Dysvik 2012), empowering leader behaviours could neither be desired nor understood by the employee as intended by the leader. We therefore argue that in the case of an ELMX relationship, empowering leader behaviours will be less effective. That is, the empowering behaviours of the leader will be less likely to be accepted and taken up by the employee, which subsequently will lead to a reduction in psychological empowerment. Based on this, we hypothesize as follows:

H3b: *The relationship between leadership empowerment behaviour and psychological empowerment is attenuated by ELMX.*

Research design and methodology

To measure the variables in the research model, we will create a survey that will be distributed to the participants electronically. We will contact various organizations explaining the importance of our research project and the value that may be obtained from participating in the project. We expect to collect and analyse a minimum of 200 complete responses. Our preferred research design is a cross-sectional survey with a time lag. This implies that data is collected from the same respondents at two different points in time (Podsakoff et al. 2003). As getting respondents to complete the full survey is a common challenge for cross-sectional designs, even more so with the time-lagged variant, we expect to need approximately 700 prospective respondents.

As such, we may end up with data being collected from more than one organization. Although sampling from different organizations could enhance the external validity of our results through increased generalizability, a challenge with this is that differences between organizations may lead to spurious results. We will control for organizational differences by using dummy variables to differentiate between the organizations. In addition, we will control for demographic variables such as gender, age, and tenure.

Using the same respondents for measuring all variables may constitute a source of common method variance (Podsakoff et al. 2003). The introduction of a time-lag will reduce the likelihood of common method variance by measuring the predictors and moderators at the first occasion and the mediator and outcome variables at the second occasion (Podsakoff et al. 2003). Specifically, LEB, SLMX and ELMX will be measured at the first occasion, while psychological empowerment (PE), affective commitment (AC) and turnover intentions (TI) will be measured at the second occasion. If this is not accomplishable, we will use a regular cross-sectional design, with all variables being measured at the same occasion.

Measures description

Leadership empowerment behaviour

We will measure employee perceptions of LEB with the Leadership Empowerment Behavior Scale developed by Ahearne, Mathieu, and Rapp (2005), a commonly accepted LEB scale (Humborstad, e-mail 04.01.2013). This scale contains 12 items that captures employee perceptions of the degree to which the leader behaviours a) enhances meaningfulness at work, b) fosters participation in decision-making, c) expresses confidence in high performance, and d) provides autonomy from bureaucratic restrains (Ahearne, Mathieu and Rapp 2005). An example item from this scale is: “My manager helps me understand the importance of my work to the overall effectiveness of the company”. All items will be measured using a 5- or 7-point Likert scale.

Psychological empowerment

To measure the mediation variable psychological empowerment, we will use four scales developed by Spreitzer (1995). These scales all emphasize the individual experience of the four cognitions of psychological empowerment: meaning, competence, impact, and self-determination. “I have considerable opportunity for independence and freedom in how I do my job“ is an example item from the self-determination scale. These scales has been utilized by several researchers (e.g., Raub and Robert 2010; Dewettinck and van Ameijde 2011), and can be measured using a 5- or 7-point Likert scale.

SLMX/ELMX

To measure the moderating variables social and economic LMX we will use the scales developed by Kuvaas et al. (2012). The scales reported in this article are the first version of the SLMX and ELMX scales. The second version of the scales has also been validated and the results have been presented at the Academy of Management 2011 (Buch, Kuvaas, and Dysvik 2011), and may be an alternative scale. A third, unpublished, version of the scales is also in existence. One of these three versions of the SLMX and ELMX scales will be selected for use in our study and will be measured using a 5- or 7-point Likert scale. An example item from the SLMX version 1.0 scale is: “My relationship with my manager is based on mutual trust”, while “My relationship with my manager is mainly based on authority, he or she has the right to make decisions on my behalf” is an example from the ELMX scale.

Affective commitment and turnover intentions

The first outcome variable, affective commitment, will be measured with the scale developed by Meyer, Allen, and Smith (1993). This scale relates to the sense of belonging to the organization, and will be measured using a 5- or 7-point Likert scale. An example item is “this organization has a great deal of personal meaning to me”. The scale has been translated and used by Kuvaas (2006b). Turnover intentions will be measured with a scale 5- or 7-point Likert scale developed by Kuvaas (2006a) based on earlier measures of the construct. An example of an item from this scale is “I often think about quitting my present job”.

Method of analysis

Our full research model includes both mediation and moderation (see Figure 1). Our planned method of analysis for the moderating hypotheses (H3a and H3b) is a hierarchical moderated regression analysis. This statistical method will allow us to test the effect of each moderator (SLMX and ELMX) on the relationship between the predictor (LEB) and the mediator variable (PE) (Cohen and Cohen 1983).

To test whether employee perceptions of PE mediates the relationships between LEB and employee outcomes (H2), we will apply the three-step procedure recommended by Baron and Kenny (1986) in our analyses. First, the independent

variable (LEB) should be significantly related to the mediator (PE). Second, the independent variable (LEB) should be significantly related to the dependent variables (AC, TI). Finally, the mediator (PE) should significantly relate to the dependent variables. If the beta weights for the independent variable (LEB) are not statistically significant when the mediator (PE) is entered into the equation, then full mediation is present. If the beta weights for the independent variable drops, but remains statistically significant, then partial mediation is present (Harris, Wheeler, and Kacmar 2011).

Plan for thesis progress

The process of obtaining respondents and distributing the surveys should be completed by April 2013. During May 2013 the analyses and results should be completed such that the remainder of the time available can be spent completing the thesis. The planned progress for the master thesis is presented in the table beneath (Table 1).

Start:	End:	Milestones:
03.05.2012	15.01.2012	Literature search
15.08.2012	15.01.2013	Preliminary thesis report
16.01.2013	31.03.2013	Obtaining respondents finished
01.04.2013	30.04.2013	Data collection finished
01.05.2013	31.05.2013	Results and analyses finished
01.06.2013	31.08.2013	Writing up thesis
30.04.2012	02.09.2013	Submission of thesis

Table 1: Plan for thesis progress

During the coming thesis work, necessary changes, improvements and additions will be made to this preliminary report and the project plan.

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