

**CAPITAL UNIVERSITY OF SCIENCE AND
TECHNOLOGY, ISLAMABAD**



**The Impact of Empowering Leadership on
Employee Creativity in Project-Based
Organizations with the Mediating Role of
Employee Engagement and Moderating Role of
Proactive Personality**

by

Ezzah Bint-e- Shaukat

A thesis submitted in partial fulfillment for the
degree of Master of Science

in the

**Faculty of Management & Social Sciences
Department of Management Sciences**

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*Dedicated to my parents who dedicated their life to teach me how to step
forward...!*



CERTIFICATE OF APPROVAL

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Ezzah Bint -e- Shaukat

(MPM183083)

THESIS EXAMINING COMMITTEE

S. No.	Examiner	Name	Organization
(a)	External Examiner	Dr. Khurram Shehzad	RIU, Islamabad
(b)	Internal Examiner	Dr. Samiya Safdar	CUST, Islamabad
(c)	Supervisor	Dr. S. M. M. Raza Naqvi	CUST, Islamabad

Dr. S. M. M. Raza Naqvi

Thesis Supervisor

September, 2020

Dr. Mueen Aizaz Zafar

Head

Dept. of Management Sciences

September, 2020

Dr. Arshad Hassan

Dean

Faculty of Management & Social Sciences

September, 2020

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“Then which of the Blessings of your Lord will you deny.”

(Surah Ar-Rehman)

First and foremost, to my creator, my life coach, the most gracious, the most beneficent, **ALLAH** S.W.T, I owe it all to you, Thank you!

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(**Ezzah Bint -e- Shaukat**)

Registration No: MPM183083

Abstract

This study aims to examine the relation among empowering leadership and employee creativity in the project based organizations. This study has concentrated on the mediating effect of employee engagement and moderating role of proactive personality on the relationship of empowering leadership and employee creativity. Proficient organizations ensures the structured realistic solutions that will benefit employees by rising their level of creativity, engagement and empowering them. Technique used for the collection of data is convenience sampling. Data was gathered using questionnaires from 305 respondents working on different projects in different NGO's of Islamabad and Rawalpindi. Results indicate that empowering leadership is linked positively with the employee creativity. Moreover, this has also been discovered that employees who are more engaged in their jobs will possibly be more creative. Furthermore, the findings have failed to justify the argument that the proactive personality strengthens the relationship between empowering leadership and employee creativity. The study ends with a summary of the theoretical and practical implications and the limitations.

Keywords: **empowering leadership, employee creativity, employee engagement, proactive personality.**

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Chapter 1

Introduction

1.1 Theoretical Background

Creativity is a treasured tool for achieving comparative edge in today's complex workplace environment. Organizations must explore new ways to meet their own needs. Organizations also need to promote creativity with a view to surviving and thriving even with ever-advancing technologies and ambiguous economic environment. Organizations require leaders who can inspire their employees and trigger productive behavior. In general, leaders are seen as inspirational to their employees. It is usual that leaders are copied by people around them. Due to their behavior, personality and way of cognition leaders directly or indirectly influence their employees' creativity, which leads to encouraging or discouraging their employees from putting forward creative ideas and proposals (Mathisen, Einarsen, & Mykletun, 2012). Leaders play a vital role to play in supporting and promoting creativity and product growth and nurturing. The position of leadership in any organization is significant. Consideration of leader plays a crucial role in concentrating emphasis on defining and meeting organizational goals, allocating limited resources, establishing personal connections with employees and organizing creative processes of both the employees and the organization (Skinner, Smith, & Swanson, 2018). By empowering leadership the product of increased creativity

and productivity of the employee is organizational success. Leadership is a very broad topic according to Bryman (2004) and several researchers see the transformation of impossible situations as making a difference. For a project to be productive, making the employees function efficiently and effectively is essential for the project manager. The manager must have a strong and clear vision and direction and must have the ability to develop a team which is talented, effective and efficient. The leadership role of project managers ultimately improves project employee's performance (Raymond & Bergeron, 2008). One style that is best suited to turning situation and bringing change is empowering leadership amongst other forms of leadership styles.

Among the different leader behaviors observed, empowering leader behaviors have taken on greater significance, which is consistent with the transition towards greater employee flexibility (Bennis & Townsend, 1997). Empowering leadership was analyzed from two perspectives. The first focuses primarily on leadership behavior, sharing authority or allowing workers greater accountability and flexibility (Kirkman & Rosen, 1997). The second viewpoint focuses on employees' reactions to empowerment, especially in terms of their motivation (Strauss, 1963).

Leadership according to past literature is said to be one of the key factors in an organization's performance. Empowering leadership as compared to transactional leadership is more effective in triggering creative behavior, and literature argues for performance among employees. Although little experimental evidence has been found regarding empowering leadership, it is usually linked with increasing creativity of employees at work. The role of the leader is of great importance in achieving any goal, to encourage the employees and to generate a creative working environment to compete with organizational challenges (Anantatmula, 2010). Wang and Rode (2010) suggests that encouragement for innovative and creative ideas by the leader is strongly tied to creativity of employee. Accordingly, we describe empowering leadership as actions in which authority is exchanged with

employees and their intrinsic motivation is enhanced. (Arad, Arnold, Drasgow, & Rhoades, 2000).

Numerous empirically conducted studies examined in the project literature and found a positive relationship among the project manager's empowering style of leadership and employee creativity. Dessler and House (1974) described empowering leader as someone who gives guidance, treats employees fairly and considers their contributions essential. Developing a friendly relationship between employee and leader is very critical in fostering a stable workplace climate. Creativity may also be enhanced by offering employees favorable feedback and incentives when they produce successful results (Stobbeleir, 2011). Bartol and Zhang (2010) concluded that empowering leadership is a significant precedent for creativity among employees. Ahearne, Rapp and Mathieu (2005) explained that empowering leadership includes stressing the value of the job, providing clarification of engagement, creating confidence that results would be great and eliminating administrative restrictions. These conducts are conceptually important to creativity. Employees are more likely to be rewarded equally by an empowering leader for their creative ideas and knowledge contributions which inspire them to share their valuable expertise with one another.

Leadership is a primary indicator of productivity and creativity among employees, teams and organizations (Jiang & Chen, 2018). Adjei (2013) defines empowering leadership as the mix of different organizational leadership styles that motivate employees that produce creative ideas and solutions. Tierney and Farmer (2002) found that employees with more engagement in their performance regarding creativity had leaders who are more involved in acts supporting creative behaviors. Leadership has been found to be one of the most significant contributing factors to workplace productivity (Zhou & George, 2001). Leadership empowerment requires integrating power to improve employee engagement regarding their work. There seem to be substantial reasons to expect leadership to affect creativity positively. When an empowering leader develops and invests in collective decision making,

employees have better chances of exchanging their creative ideas (Locke, Alavi, & Wagner, 1997). Therefore, the main objective of this study was intended to develop and test the relationship theory between leadership empowerment and creativity, along with several significant intervention variables. Creative performance occurs at places and environment that support and promote people working creatively on their new ideas who are working creatively to perform efficiently (Martens, 2011). They're motivated by leaders who show their ingenuity directly to their employees and thus promote creativity among employees. Vancouver, Thompson and Williams (2001) found positive correlations between cooperative, considerate and participatory leadership behaviors and employee creativity. In particular, delegating authority and taking decisions would improve the willingness of employees to self-determination and a sense of superiority for employees, which will increase employee engagement (Stone et al., 2009).

The proactive personality can be a significant source of empowerment in leadership. Leaders, managers and the general public vary in their ability to act and improve the environment (Bateman & Crant, 1993). This personal tendency towards proactive behavior, empirically distinguishes between individuals and predicts a number of behavioral and observational attributions. Proactive individuals often transform the environment. They recognize and act upon opportunities, show dedication and endure before any meaningful progress occurs. They change their organization's objectives, investigate and address issues and have taken it upon themselves to influence the local environment. Bakker and Bal, (2010) indicated that high level of employee engagement have positive impact on different factors, such as proactive personality. Seibert, Crant and Kraimer (2001) discovered that proactive personality is strongly linked to an individual's artistic practices, like generating creative ideas and exhibiting interest in someone's work. People who are less proactive display no effort, which helps to adapt rather than alter them passively to their circumstances. Interestingly enough, just a few studies investigated how proactive personality encouraged creativity among employees (Anderson, De

Dreu, & Nijstad, 2004). Leadership expectations and successful leadership often correlate with proactive personality.

In comparison, several research in the literature confirm that under leadership and oversight employee creativity can decline. The close observation of the Leader and the narrow administration decline the creativity of the employee (Zhou & Ren, 2011). The contrary results motivated the study to test the effect of empowering leadership on employee creativity. Other variables such as employee engagement and proactive personality were evaluated in literature against the connection of empowering leadership and creativity of employees. This study is among the pioneers in investigating the mediating effect of employee engagement and moderation effect of proactive personality on the relation among empowering leadership and employee creativity. Gupta, Singh, Kumar and Bhattacharya (2012) carried out a study on empowering leadership and its impact on creativity of employees working in R&D laboratories. To generalize these results, they proposed further longitudinal experiments could be carried out in other industrial sectors. Since their research was focused on just one mediator, they offered another suggestion that other mediators can be utilized to better appreciate the connection between empowering leadership and employee creativity and the reasons that affect this relationship.

1.2 Gap Analysis

This study addresses the theoretical and contextual gaps in the leadership empowerment literature with employee creativity, employee engagement and proactive personality. Creativity is a challenge for all leaders in the light of the fast and transient existence of project-based organizations. Although few studies already exist where the impact of empowering leadership has been studied on many different variables but there is a least focus on linkage of empowering leadership and employee creativity in terms of projects in Pakistan. Present study is a response

to call by (Lukoschek, Gerlach, Stock, & Xin, 2018) to inspect the empowering role of leader on employee creativity working in project based organizations.

The study is going to be addressing this gap. There has also been little work done on the relationship between empowering leadership and employee creativity in projects with the mediating effect of employee engagement, so the suggestion of this paper bring about moderation mechanism. Zhang and Zhou (2014) explored the relationship between empowering leadership and employee creativity, with the mediating role of self-efficacy. They also recommended further investigations to recognize additional consequences of the presence of empowering leaders in organizations plus suggested certain factors that mediate or moderate the creativity relationship.

Furthermore, mediating role of employee engagement in different organization is used. But employee engagement in Project based organization is missing in the literature. This study examines the impact of empowering leadership on employee creativity in Project oriented organizations with mediating role of employee engagement in contextual setting of Pakistan. Wang and Rode (2010) suggests that encouragement for innovative and creative ideas by the leader is strongly tied to creativity of employee. Developing a friendly relationship between employee and leader is very critical in fostering engagement among employees which ultimately leads to employee creativity. High degree of employee engagement improves the likelihood of creative success because employee engagement brings the ability to take initiative, difficult tasks like the consistency to go for complex task (Organ Dennis W., 1997). Also, previously having regard to the fact that employee engagement mediates between job performance, self-efficacy and financial performance, the mediating position of employee engagement remains unexplored to describe the effect of empowering leadership on employee creativity in project based organizations and no one has evaluated the mediating role of employee engagement between empowering leadership and employee creativity. Also, the combination

and the relationship this paper is highlighting between these variables is least focused in the previous researches. Employee engagement endorses adoption of high standards lead toward creative performance because when leader provides support and motivation to employees' then they actually believe and have capacity to perform up to that level (Vancouver et al., 2001).

The researchers and practitioners have contributed a lot to highlight the employee creativity, but the moderating impact of proactive personality is not established yet. Few research has focused on how proactive personality affects employee creativity. Lee and Yang (2015) also suggested to study the role of proactive personality in creativity of employees. Prior studies on proactive personality have linked it to psychological empowerment. This study is emphasized on how proactive personality of employees in project-based organization in Pakistan influences employees creativity with the new and different variables than previous researches. The importance of proactive personality and its impact on employee creativity in Pakistan is least focused aspect. The goal of this study is to expand this research line by proposing employee engagement, as a core mediating mechanism and proactive personality as a moderator between the impact of empowering leadership and employee creativity in projects.

While Pakistani society also lack empirical studies on employee creativity. So, there is need for conducting more studies on outcomes of employee creativity in Pakistani context, so it would contribute significantly towards the literature as well as towards the research study in Pakistan for project-based organizations. This analysis aims to extend the research line regarding employee creativity by proposing employee engagement, as a core mediating mechanism and proactive personality as a moderator between the impact of empowering leadership and employee creativity in the project based organizations.

1.3 Problem Statement

Creativity is the life blood of organization in this fast growing and rapidly changing environment. For this purpose, organization needs their employees to be creative. But little number of studies has explored the how of employee creativity. Employees in their firms are not getting supportive and creative environment. So there we need a role of empowering leader who boosts up their self-belief and willingness to do their work by building creative ideas and creative performance, as a result employee creativity will enhance. Leadership according to past literature is said to be one of the key factors in an organization's success. Leaders help their employees accomplish collective objectives irrespective of what industry they lead. It is the responsibility of leaders of every organization to articulate how their organization contributes to employees. Every single organization needs creative employees and managers because it becomes the requirement of time to produce creative and build successful projects (Oldham & Cummings, 1996).

Research on empowering leadership and employee creativity is still in its early stage. Several studies empirically examined the impact of empowering leadership on employee creativity (e.g. Ma et al., 2013, Zhang and Bartol, 2010). One antecedent of creativity is employee engagement that is discussed in this study. Altaf and Naqvi (2013) defined significant problems encountered by employees due to lack of ability or flexibility to fulfill the creative work performance requirements. As employees require leader's empowering help to build creative behavior (Gu et al., 2013). Empowering leadership is used to unite a community of individuals, utilizing constructive actions to accomplish shared objectives, while employee creativity is utilized to unlock the front door to future possibilities. Each employee has his or her own personality and novelty; if we do not encourage them to express their opinions, we lack the variety and creativeness and engagement to their work. Therefore the employees having high level of creativity indicates extra proactive behavior and they are more likely to do better in their jobs and be more engaged. In literature these variables are studied separately however in terms of a conceptual

framework, these variables are not modeled together before. This study is conducted to model these variables on how Empowering leadership affects employee creativity with mediating role of employee engagement and moderating role of proactive personality. This concept has not been tested in the domain of project based organizations. Employees often fear of approval when they communicate their ideas and passion while talking to their leader or manager because they are lacking willpower. Furthermore mediating role of employee engagement with the relationship of empowering leadership and employee creativity has not been tested during previous studies particularly. The main emphasis of this study is how much leader of every company is motivated to allow his employees self-confident and improve employee effectiveness; such encouragement increases the creativity of the employees which is vital for the sustainability of the organization.

1.4 Research Questions

This research answers the following questions based on the problem statement:

Research Question 1

To what extent the empowering leadership influences the employee creativity?

Research Question 2

Does employee engagement mediates the relation between empowering leadership and employee creativity?

Research Question 3

Does proactive personality plays moderating role between empowering leadership and employee creativity?

1.5 Research Objective

The study aims at establishing and evaluating the model and exploring the relationship between empowering leadership, employee creativity, employee engagement and proactive personality outcomes.

Research Objective 1

To investigate the association between empowering leadership and employee creativity.

Research Objective 2

To analyze the mediating role of employee engagement on the relationship between empowering leadership and employee creativity.

Research Objective 3

To explore the moderating effect of proactive personality on empowering leadership and employee creativity.

1.6 Significance of the Study

Today's age is the age of innovation and creativity that allows project teams to incorporate creativity within themselves. This study seeks to enable project managers to get to know the value of empowering leadership and creativity of employees in projects. In today's world, we may claim that empowering leadership impacts the projects strongly.

In Pakistani context, and especially in project-based organizations, empowering leadership is somewhat seen as an inspiring idea. This study examines the relation between empowering leadership and employee creativity with an analysis

of leadership empowerment. This study will fill the existing theoretical gap in previous literature because the study on empowering leadership effect on employee creativity through employee engagement had never been discussed in the field of project management.

A leader's creative behavior leads to an increase in their employees' motivation level in the form of greater employee engagement. As this study has not done in last previous ages, so it will add more positivity in a creative manner towards the individuals' creativity by the involvement of empowering leader through proactive personality, so that useful and novel ideas can be originated by employees in the organization. Employees are always directed by their effective leaders for productive end result.

Empowering leaders empower their employees by creative methods that include problem-overcoming, resolving certain challenges and applying the latest approach (Schoemaker, Heaton, & Teece, 2018). This research will reveal the positive effect towards employee creativity through empowering leader.

It is essential for the organization to design and implement such leadership that allow employees the freedom of choice, to think outside of the box and provide them with healthy atmosphere in which employees can feel more relaxed and appreciated and therefore more inspired to find new ways out of challenges and creative ways for employees to achieve goals. This study would be a significant step to encourage the creative environment for employees and also inspire employees to do their utmost by creating relationships of confidence between employees and leaders.

This specific study would also allow managers to better build a safe atmosphere for employees such that they can exercise various creative ideas by utilizing this study in their programs, similarly this study can enable them reduce the distance between employees and managers as a consequence of a trustworthy relation between the both parties. Through recognizing labor force demands and the value of creativity required, leaders can ensure organizational competitive advantage. This research

also evaluates how empowering leadership is affecting performance and creativity of employees.

It is significant towards creativity and novelty of employees in organization (Simonin, 1997). Creativity-carrying environment and employee stimulation significantly affects the creative performance of the employee (Bammens, 2016). Organizations ability to compete is particularly reliant on employee's creativity that introduces new and effective ideas which are momentous for the creation of advanced products and services (Wang & Rode, 2010).

But leadership is considered as the most important factor that increases employee performance and creativity (Zhou & Oldham, 2001). This is the different scope which is not experienced until now with all variables (Empowering Leadership, Employee Creativity, and Employee Creativity and Proactive Personality) in project based organizations.

In addition, this study has considerable managerial implications. This model helps out management to better understand how empowering leader supports employee creativity, and how through help of employee engagement, employee creativity can be enhanced.

Finally, how the proactive personality of employee moderates these relationships in project based organizations. The primary focus of this study is how much leader is empowered in every organization to allow his employees self-confident and improve employee productivity; such encouragement stimulates employee creativity which is critical for the organization's success.

This study is also useful for project-based organizations. This study also serves as a potential guide for researchers on the issue of leadership empowerment, as more progress on this leadership style is anticipated in Pakistan And most notably, this study educates leaders to create such a creative atmosphere for employees that enhances their development and success.

1.7 Supporting Theory

1.7.1 Reciprocity Theory

Reciprocity theory was introduced by Falk and Fischbacher (2001). The norm of reciprocity theory is the supporting principle which affects the attitude and behavior of employees in an organization because it is a cultural practice that is commonly called reciprocity rule and this standard in an organization stresses the essence of the relationships between the leaders and their followers. The concept of reciprocity theory often focuses on returning favor if an entity does anything for another person, also contributing to an organization's interpersonal efficiency and success. This theory also gives insight into how leaders should encourage creativity amongst employees and how leaders should play their role in enhancing employee efficiency (Atwater & Carmeli, 2009).

According to the principle of reciprocity, certain leading actions affect subordinate actions, and certain subordinate activities may force the leader to change behaviors. Seeing organizations as areas of mutual interaction of leaders and followers, each trying to exert reciprocal impact on the other, is rational. Reciprocity standard is essentially expectations that people will react to each other in a positive manner. Through this study, trustworthy relations between leaders and employees originate reciprocity law within an organization. For instance, as workers are given equal incentives and benefits from leaders, performance of employees has increased.

Empowering leader keep influencing their employees which increase their creativity. Their self confidence in their employees made them grow and cultivate (Mantzaris, 2016). Leaders must encourage employee engagement strongly and foster their participation towards their work and effort. Employee engagement serves as a driving power for creative person. Leaders make their employees to think creative that enhance their creativity (Heo & Cheon, 2009). Seibert, Crant and Maria Kraimer (1999) showed that empowering leader motivates the employees having

proactive personality which tend to propose different methods of meeting targets and coming up with innovative efficiency changes.

The reciprocity principle standard should also be used to examine whether the relation between the leader and the employees inside an organization will be developed, and how this relation will contribute more to the growth of an organization and to the sustainability of the employees. Leaders have the ability to inspire and reassure employees, and therefore naturally build up the creativity of employees. Leaders may use this principle to repair relationships with their employees whose job output is not satisfactory or not expected, by supplying them with equal growth and development opportunities. For this purpose empowering leaders should educate employees by building a mentoring and coaching relationship with them.

Chapter 2

Literature Review

This research model describes the impact of empowering leadership on employee creativity with the mediating role of the employee engagement and the moderating role of proactive personality backed by reciprocity theory. This research paper will help to explain the direct effect, mediating effect and moderating effect of the above-mentioned variables. Literature is to be provided in the section below. Literature will be provided regarding the relationship between variables.

2.1 Empowering Leadership

There are several ways to consider how leadership is described from various interpretations, as it relies on the people who have described the word in context of their study. We may clearly infer that the meaning of leadership focuses on three principles that are a leader, a follower and a specific target they want to accomplish. Leadership and followership is a correlated phenomenon. Leaders and followers are interrelated, hence none of them can exist alone. The loyalty of the followers towards leaders represents the impression of good leadership. Through empowering leadership, an output is operational success emerging from increased ability and effectiveness of the followers. According to Bryman et al. (1996) leadership is a very contentious topic and most analysts suggest that a transition in difficult conditions will create a difference for leaders. One approach that would

do best to turn circumstances and change things for the better is empowering leadership amongst other leadership styles.

2.2 Employee Creativity

In a rapidly evolving world and global economy the role of employee creativity in the workforce is recognized as a critical factor. With continued market development and social change, creativity of employees in the form of creative concepts, strategies, processes, products or services is regarded as essential for the growth of the organization (Liu et al., 2016). Creativity was developed in ancient times on the theory of the creative process, in which outcomes were rated as creative. Creativity is a dynamic and flexible concept or behavior, which can be viewed in various ways to understand it.

Since employee creativity is considered a legitimate cause of strategic progress and lays the foundation for strategic advantage as well. Organizations are now more concentrated on employee creativity. The efficient learning process for an organization to be more effective is its ability to absorb, which represents the business' capacity to be inventive and the creative intrinsic value in an organizational environment which promotes creativity, creativity is a key aspect.

2.3 Proactive Personality

Proactive personality is described as 'relatively steady ability to change the environment' (Bateman & Crant, 1993: 103). This refers to the propensity of the desire to participate in proactive conduct in specific circumstances. People having a proactive personality are prone to deliberately change their situations and their physical atmosphere. People are often not compliant recipients of social limitations on their actions instead they can change their present situation purposefully and explicitly. Proactive personality is seen as a healthy positive behavioral tendency. Those who are highly constructive recognize possibilities and act upon them, take

the initiative and achieve success before real progress is brought forward (Diener, Larsen, & Emmons, 1984).

2.4 Employee Engagement

Employee engagement with vigor, determination and absorption is a healthy, rewarding, work-related state of mind. This refers to an intuitive condition that is more permanent and intangible and does not rely on any event, situation, person or action rather than on a specific momentary state (Nelson, 2008). Most significantly, workers who are engaged are not only inspired, but also recognize the business goals of the company, the steps necessary to achieve those goals and how to achieve them (Hyuna, 2008). Erickson (2005) Reports that people have a growing intuitive sense of work motivation, and in particular leaders within organizations. The concept that employee work engagement is a positive state, has an organizational purpose, and represents dedication, participation, zeal, excitement, determination and resources is similar to these concepts, thus having both behavioral and attitudinal aspects.

2.5 Impact of Empowering Leadership on Employee Creativity

In organizations, empowering leaders are expected to help employees find significance and connection at work, so that they can cope with the new, unpredictable and actively evolving work climate by creating a critical difference of organizations. Leaders play a significant role in promoting and fostering individual employee efforts to pursue new resources, create new goods or enhance the organization's work procedures (Afsar, Badir, & Saeed, 2014). Empowering leadership is important for creativity, development and organizational success (Saeed, Wang, &

Peng, 2014). Creativity can come in the form of end result and a process (Litchfield, Gilson, & Gilson, 2015). Creativity, the creation of novel ideas, is essential to employee performance with organizations success and innovation (Zhou & Su, 2010). Creativity is primary step for innovation (Zhang & Bartol, 2010). Novel ideas help out organization to enhance their performance. A productive approach of resolving problems leads to increase competence and effectiveness (Kucharska & Wildowicz-Giegiel, 2017). The core role of empowering leader is to motivate people to take risks and to enhance their proactive and creative skills (Yukl, 2002). Creativity is a high-risk operation having failure of high probability, that's why the employees who have eagerness to take risk show more creativity (Duan, Liu, & Che, 2018). Researchers suggested creativity is a recurring and repeated process of idea creation and implementation as it not only takes place in initial phase of innovation process (Paulus, Dzindolet, & Kohn, 2012). Innovation includes both generation of creative ideas in rst phase and their execution in the second phase (Shalley, Zhou, & Oldham, 2004).

It's been a main area in the eld of research to explore the accuracy that creativity and innovation are two distinct differences (Hlsheger, Anderson, & Salgado, 2009). Innovation and creativity turn out to be progressively major motive of organizational achievement and success. Obviously the idea creation and implementation become the foundation of individual competitive edge (Anderson, Potonik, & Zhou, 2014). Organizations needed to unify with leaders who can suggest creative solutions. This will foster innovation and creativity (Fairbank & Williams, 2001).

Creativity in project teams plays a role of bridge between project employee creativity and organizational creativity (Chen, Himsel, Kasof, Greenberger, & Dmitrieva, 2006). Employee creativity can grow when leader offers self-inspiration, establishes a business norm, working environment and mutual performance (Jaussi & Dionne, 2003). A study shows participation of leaders and workers will have some effects of leadership on creativity of employees (Gong, Huang, & Farh, 2009). Employee

creativity has an essential contribution in improving the effectiveness of the organization (Zhou & Hoever, 2014).

Researchers indicated that creativity of employee could be influenced in both cases i.e. explicitly and implicitly. Explicitly, the leader gives their supporters or followers inner encouragement and fast emerging desires which brings creativity. Implicitly, the leader provides them with a secure and trustworthy atmosphere that guarantees, employees seek to evaluate multiple solutions without being ashamed to deny results. That kind of environment improves employee creativity (Jung, Chow, & Wu, 2003). Leadership is a function which empowers employees with the proper feedback to foster creativity and innovation (Muceldili et al., 2013). Managers encourage creativity among employees through a leadership style.

It is therefore very important to consider the impact of multiple styles of leadership on employee creativity (Cai, Lysova, Khapova, & Bossink, 2019). According to (Ahearne et al., 2005) empowering leadership involves emphasizing the importance of the work, requiring decision-making, demonstrating faith that performance would be high, and removing administrative restrictions. Such conducts are of great conceptual relevance to creativity. An effective Leadership style starts and ends with value basis. Values control the leader's relation with employees and proved to be helpful for creating a close environment with respect to one another. Literature suggests that values are important for establishing successful innovative style of leadership within the organizations (Sen & Eren, 2012). Empowering leadership is practice of giving direction that leads to create and implement something novel that is significant for the organization (Ailin & Lindgren, 2008).

Leader knows very well how to maintain the employee's morale, enthusiasm and creativity towards the goals of the organization. Employees believe in leadership which enhances their creativity (Chow, 2018). Empowering leadership reflects inspiration, assistance and commitment. Therefore, when leaders' action is constructive and encouraging, they will demonstrate concern in the perception and expectations of their employees, inspire them to speak up, give them trust, enlighten them with sensitivity and cultivate competence and skills for employees

(Deci & Ryan, 1987). Empowering leadership has some specific shared vision which helps employees to achieve their objectives. Employees are seen as the foundation of every organization whose success will bring about or break the fate of the organization. When empowering leadership is extended ideally to every organization it directly impacts the creativity of the employee. Creative individuals play a prominent role in any organization.

Literature indicates that empowering leadership will further positively impact employee creativity so that core rewards mediate the relationship between empowering leadership and creativity of employees (Egan, 2005). Current data reinforce the idea that employee creativity is encouraged by promoting non-controlling feedback behavior, constructive mentoring and employee remarks that creativity is valued. Creative acts are tied to creativity of employees (Basadur, 2004). One study also reveals that the project leaders who care for their staff or employees are more successful and have better outcomes (Hirak, Peng, Carmeli, & Schaubroeck, 2012).

Few studies have shown that employees could be less creative if they think about assessment (Shalley & Oldham, 1985). Empowering leaders who monitor creativity and innovation face the challenges of setting the lines of action and inspire employees to support their achievement (Ruvio, Rosenblatt, & Hertz-Lazarowitz, 2010). Empowering leadership in particular serves as guide for employees (Jausssi & Dionne, 2003). They allow employees to take into consideration the urges to participate in creative activities (Gong, Kim, Lee, & Zhu, 2013). By emphasizing on value generation, empowering leaders empower staff to take creative actions (Chen, 2007).

A new research demonstrated that the leadership framework precisely tests employee creativity. That's why growth and practices are driven in collaboration with employees and their leaders (Williams, 2001). The empowering leadership thus actively enables their workers to take part in new and diverse events, thus challenging them to behave creatively (Gupta et al., 2004). Amabile (1996) suggests that three components, i.e. integrity, creative concepts and internal motivation, are important in improving and growing employee creativity. In order to

foster and extend creativity, inner motivation is necessary because even experience will not work in the absence of inner motivation (Zhou & Shalley, 2011). People thought they would become more innovative as they came across a large degree of inner motivation (Shalley, 1991).

All employees are not likely equally creative. Some employees have higher level of creativity than other employees. Each employee has capacity to generate creative ideas that enhance the innovation (Fairbank & Williams, 2001). Empowering leaders improve employees' good feelings by creating encouraging, optimistic, rational and open relationships with them, which increase their creativity as a result (Peterson et.al, 2012). Employee creativity is vital factor for any organization to sustain a definite competitive advantage in the marketplace (Anderson et al., 2004). Employee creativity depends on both leader's behavior and employee engagement. Employee and creativity of an employee are consequences of their culture, public relation and education (Abdelmotaleb, Mohamed Metwally, & Saha, 2018). Employee creativity has an important role in promoting the organization effectiveness in today's climate (Zhou & Hoever, 2014). The literature on employee's creativity gives understanding of creativity performance (Gong et al., 2009). Employees with a risk-taking attitude display greater creativity (Duan, Liu, & Che, 2018). Empowering leader keep influencing their employees which increase their creativity. Their self confidence in their employees made them grow and cultivate (Mantzaris, 2016).

Creativity is not just the catalyst for the creativity of project employee, it is the product of the social influence that results from employees' creative acts (Li & Lin, 2019). Leadership style focuses on the internal work to enhance employee creativity. Empowering leader prioritizes the development, design and adjustment of performance, benefits and methods (Makri & Scandura, 2010). Empowering leader supports courtesy and admired sharing of suggestions.

Leader is aware of new employees in the team and makes them feel that their ideas are important as of other team members. He supports his employees throughout

whole organization (Kremer et al., 2019). Besides, creative performance of employees may be influenced by the environmental factors like type of leadership (Wang, Tsai, & Tsai, 2014). In this fast competitive world, Innovation and employee creativity are most essential factors towards success in the organizations. Leaders know very well how to keep their employees motivated and creative towards their goals. Employees trust on their leader, which promotes the employees' creativity (Chow, 2018). Leader's goal is strongly linked to the creativity of project employees and their proposals, and it is believed that top-level managerial reinforcement for employees encourages their creative self-motivation and outcomes more creatively (Koseoglu, Liu, & Shalley, 2017).

Employee creativity may be described in terms of developing new and successful concepts for delivering new programs, mechanized techniques and processes that contribute to organizational promotion in a competitive environment (Woodman, Sawyer, & Griffin, 1993). Leading creativity requires both recognizing employees with creative abilities and understanding how the work atmosphere impacts the productivity of the employee at various temperaments (Hirst, Van Knippenberg, & Zhou, 2009).

In addition, the creativity of the employee is deemed important for the success of the organization (Egan, 2005). Various factors influence the creativity of the employees, including leadership styles, constructive atmosphere and organizational development (Madjar, Oldham, & Pratt, 2002). Researchers are promoting employee creativity through definite leadership (Gupta, Singh, Kumar, & Bhat-tacharya, 2012). Studies demonstrated a positive connection between empowering leadership and creativity (Amabile, Schatzel, Moneta, & Kramer, 2004). Given the literature (Zhang & Bartol, 2010) indicates that empowering leaders by promoting their employees' autonomy will make them profoundly more empowered. Studies by Carson and Carson (1993) and Shalley (1995) reinforced the belief that the existence of creativity among employees strengthens the expected achievements. The study has flourished that employees lean toward creativity when they have adequate guidance. Our first hypothesis therefore pursues that:

H1: *Empowering Leadership is positively and significantly related to the Employee Creativity.*

2.6 Mediating Role of Employee Engagement between Empowering Leadership and Employee Creativity

Kahn (1990) explained the employee engagement as a display of whole personality of individuals, including physical, intellectual and emotional roles in their jobs. To be precise, employee engagement is seen as a result of how employees understand their jobs (Bakker et al., 2008). Employee engagement is the degree of emotional and intellectual dedication to their projects as well as employee willingness to "go the extra mile" to help their projects achieve its goals (Richman A, 2006). Employee engagement has been of great interest in recent years as many studies have shown that employee engagement can contribute to project success and progress and financial performance (Baumruk, 2004). Furthermore, employees that are committed to their work perform relatively 20 percent more and are 87 percent less willing to leave the jobs will result in higher levels of employee satisfaction, task productivity and profits as a result of employee work engagement (Luthans & Peterson, 2002). High employee engagement is associated with high job efficacy (Amran Rasli et al., 2012). A survey conducted by Towers Perrin in 2005, an international service firm with more than 800 employees in Malaysia, found that one in four Malaysian workers are employed compared to one in five worldwide. In other words, the workforce in Malaysia is more engaged than the rest of the world (Hamid & Survey, 2008). Furthermore, the survey also found that Malaysians are closely identified with the concept of 'engagement' in which 69 percent of them are more involved because they believe in the goals of an organization and the culture of that firm believes in a healthy and creative workplace. It has also been

hailed as the secret to the success and profitability of an organization. Engagement requires a high energy level and affiliation with one's work, in comparison to burnout. When engaged people become physically active in their activities, they become cognitively aware and passionately related to others in ways that reflect their personality (e.g., emotions, feelings, beliefs, etc.). Engagement allows individuals to communicate their ideal selves at the same time and completely fulfill their job requirements. By committing employees emotionally and physically to their company, employee engagement leads to higher job results and more positive work outcomes (Kumar & Pansari, 2015).

Researchers and experts are continually paying attention to empowerment as it provides the opportunity to provide the constructive impact on results that not only favor individuals but also organizations (Liden, Wayne & Sparrow, 2000). The idea of empowerment was well thought of as a strong tool for enhancing organizational effectiveness. Giving people the right to make choices is viewed as empowerment (Randolph, 1995). Wang et al. (2008) described leadership empowerment as conducts which encourage followers to achieve an excellent level of performance. Empowering leadership needs a reasonable amount of flexibility for jobs, which would make employees more accountable for their performance and empowered to accomplish their objectives (Vecchio et al., 2010). In specific, delegating power and taking part in decision-making would boost employee commitment to self-determination and employees' sense of dominance, which will enhance employees' desire to take part in work (Zhang and Bartol, 2010). Empowering leadership can offer sufficient incentives for employees to invest in their jobs (Bakker 2011). Empowering leadership style improves the creative employee engagement and due to that employee's tends to show more creativity (Tierney & Farmer, 2004). Empowering leader develops self-assurance of their employees and makes them feel that they can perform creative work as they hold self efficacy (Afsar, Badir, Saeed, & Hafeez, 2017). Leadership keeping innovative nature motivates the employees by focusing on their intrinsic needs and expressing sense of work (Nguyen, Dang, & Nguyen, 2015). Particularly, impression of employee engagement in creative

endeavor assists to take away barriers towards innovative commitment (Gist & Mitchell, 1992). Employee engagement positively persuades the creative practice but also influence the employee's creativity (Meral, Colak, & Zereyak, 2012).

Bedarkar and Pandita (2014) studied employee engagement drivers influencing employee performance and they conclude that an organization's most valuable resource is its employees, they have to be given good room and time to create an optimal mix of work and fun at their workplace, this is the only way to create a sense of employee engagement. Employee engagement reflects about individual self-belief to sort out the problems in a creative and different way as it is an element of innovation. Employee engagement extremely boosts the inner motivation of an individual's cognitive practice (Baghaei Daemei & Safari, 2018). Employee engagement serves as a driving power for creative person. Leaders must encourage employees' creativity strongly and foster their participation towards their work and effort. Leaders make their employees to think creative that enhance their creativity (Heo & Cheon, 2009). Creativity demands individuals to be courageous and confident while working on their objectives unless they are facing problems (Shalley et al., 2004). Thus, if employees are having strong self-belief on their creative capacities and activities, this will make them to do work more successfully (Bryman, Stephens, & Campo, 1996). Employee engagement and motivation is compulsory required for employees' creative performances from their eagerness to identify opportunities for creativeness and to generate ideas and implement them in the organization (Amabile & Pillemer, 2012).

Research show that Leader holds creative expectations from employees' and this motivation tends to increase their creative engagement (Tierney & Farmer, 2011). Leader's confidence in one's own abilities endorses leader support towards creativity which enhances the engagement of employees in creative activities and at last increases their creativity (Martens, 2011). Empowering leader being creative in nature promotes the idea generation and support employees to work with confidence. Employee engagement directly influences the project employee creativity (Ibrahim

& Haron, 2016). Employee engagement behaves like a basic medium among related factors as well as with individual's innovativeness (Liu, Jiang, Shalley, Keem, & Zhou, 2016). Employee's creative performance is increased by enhancing the employee engagement (Chang, Chen, Chuang, & Chou, 2019). High level of employee engagement boosts the chances of creative performance because employee engagement brings the ability to take initiative, difficult tasks like the consistency to go for complex task (Organ Dennis W., 1997). Employee engagement endorses adoption of high standards lead toward creative performance because when leader provides support and motivation to employees' then they actually believe and have capacity to perform up to that level (Vancouver et al., 2001). Empowering leaders who grow the employee engagement of their followers may have a positive effect on their creativity. Employees with higher level of engagement are more likely to be inspired to come up with fresh concepts and strategies (Tierney et al., 1999). Several studies have also found that employees display the best job outcomes in demanding, resourceful work environments, because these circumstances inspire their commitment to work (Demerouti and Cropanzano, 2010). This ensures that organizations can give their employees adequate work services, including suggestions, social encouragement and a range of skills (Piccolo and Colquitt, 2006). Research shows that management can affect job demands and services of employees and can impact employee engagement and efficiency indirectly (Nielsen et al., 2008).

Engagement is closely related to creativity; employees with a higher degree of job engagement were able to consider a range of ways to solve challenges and issues in their working atmosphere (Bakker et al., 2006). Empowering leaders may foster employee engagement successfully by articulating the desire for creative work outcomes, Defining corporate values and reflecting on the value of engaging in processes likely to contribute to creative results (Scott & Bruce, 1994). Leader creativity motivation is defined as the degree to which a leader emphasizes being highly creative and dedicated in processes that can contribute to creativity for employees (Wyer & Srull, 1980). Carson (1993) suggested that people have a

better likelihood of becoming creative in practice when they realize the value of creativity in their work. Shalley (1995) found that creativity thresholds allocated significantly improved employee creativity. A strong correlation between empowering leadership and engagement can be accurately predicted. It was concluded that followers who operate under empowering leaders are more likely to be active, because leaders seek to inspire the interest and actions of their followers such that their followers are willing to be evident, moral, ethical and decent in their position in the job (Giallonardo, Wong & Iwasiw, 2010). Through developing a common special sense of "us" leaders are capable of fostering employee engagement and reducing tension among team members. Employee engagement results in productivity of employees as a consequence of this interaction and several other positive outcomes (Robertson-Smith & Markwick, 2009). Findings recommend that when people are interested in their jobs emotionally, they have a better probability of devoting more of their time to the challenges they face. Such compassion drives employees to a creative cycle (Kanfer, 1990). Employee creativity publications suggest that if the leaders demonstrate encouragement and display motivating actions then employees would be more efficient and creative (Makri & Scandura, 2010). So it could be hypothesized that:

H2: *Employee Engagement mediates the relationship between the Empowering Leadership and Employee Creativity.*

2.7 Moderating Role of Proactive Personality between Empowering Leadership and Employee Creativity

Proactive personality is characterized as the relentless tendency of an entity to proactive actions with the intention of seeking opportunities and acting on them to have a significant effect on the environment (Crant, 2005). Proactive personality is linked to people's desire to take active tasks, such as facilitating change and

influencing their climate (Bateman & Crant, 1993). Proactive people are largely influenced by the powers of the situation and recognize incentives, act upon them, display commitment and persevere before substantive progress takes place (Crant, 2000). Researches revealed that proactive personality has beneficial effects on individuals and organizations such as job development, creativity, innovative output and team productivity (Seibert et al., 2001). Additionally, empowering leaders influence employees to act proactively (Wang et al., 2008).

Employee creativity relates to people working together in a dynamic social structure producing creative, effective new goods, programs, concepts, procedures or processes (Woodman, Sawyer, Griffin, Sawyer, & Griffin, 2007). Seibert, Crant and MariaKraimer (1999) found that proactive people appear to propose different methods of reaching targets and generate fresh strategies for enhancing results. Proactive individuals are more inclined to leverage the chance to meet typical job standards (Bryan et al., 2016). Zhou and George (2001) found that workers displayed the greatest degree of creativity when they were available to work and performed complicated heuristic activities, and obtained constructive input from their superiors. Similarly, Zhou and Oldham (2001) found that an organizational leadership approach coupled with a creative personality would increase creative output of the employees.

It is likely that the employees who have proactive personality would propose suggestions and recommendations about how to change the way job is performed, recognize possible challenges and learn of how to cope with them (Williams et al., 2010). We claim that when their leaders participate in empowering leadership activities, proactive employees are more likely to identify high-person-job success and individual-group output than inactive ones. Specifically, for many factors employees who have high level of proactive personality would usually experience good person-job match under empowering leader. Previous research found that individuals who are proactive are more inclined to perceive opportunities and take actions (Fuller et al., 2012). An employee's proactive personality brings positive results, such as increased motivation, job satisfaction and creative performance (House &

Howell, 1992). Employees with a proactive personality vary from those by their capacity to devise and express an optimistic vision and by displaying acts that generate the illusion that they and their task are exceptional (Conger & Kanungo, 1994). Employees having proactive personalities regularly implement improvements to hit their objectives (Mokgahla, Jansen, & Dhanphat, 2004). Thompson (2005) examined the relation between proactive personality and employee creative performance. He discovered that the relation between proactive personality and creative success on the part of the employee was influenced by network building and initiative.

H3: *Proactive Personality moderates the relationship between Empowering Leadership and Employee Creativity, so that increasing the Proactive Personality strengthens the relationship.*

2.8 Research Model

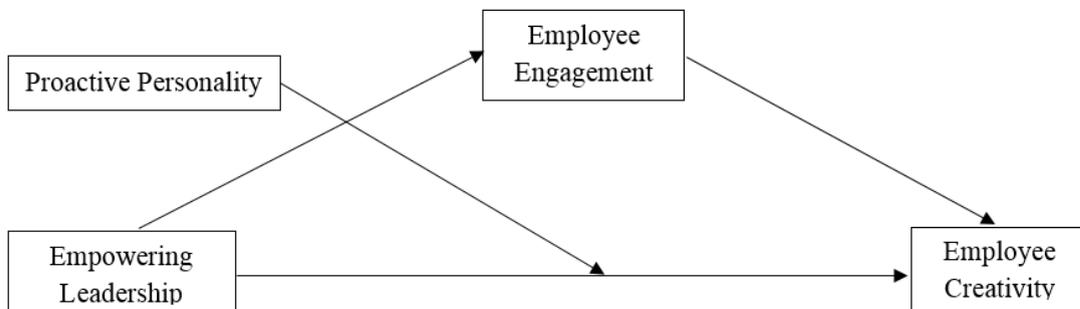


FIGURE 2.1: Research Model

The research is being carried out with the goal of defining the impact of empowering leadership on creativity of employees. The main aim of this study involves empowering leadership and how it will deliver the successful outcome of employee creativity. It also gives an overview of how employee engagement mediates the relationship between empowering leadership and employee creativity. Independent and dependent variables are shown in the above framework. Empowering leadership is the independent variable and employee creativity is the dependent

variable. There is a relationships exists between variables. The primary purpose of this study is to conduct and identify the link between these variables.

2.9 Literature Review Summary

The primary objective of this study is to create and recognize ties between the effect of empowering leadership and employee creativity. Key results indicate the relation between independent and dependent variable is positive. Mediation increases the relationship and moderation strengthens the relationship. Following hypothesis concluded from the model.

H1: *Empowering Leadership is positively and significantly related to the Employee Creativity.*

H2: *Employee Engagement mediates the relation between the Empowering Leadership and Employee Creativity.*

H3: *Proactive Personality moderates the relationship between Empowering Leadership and Employee Creativity, so that increasing the Proactive Personality strengthens the relationship.*

Chapter 3

Methodology

This section represents the methodological structure followed for performing this study analysis. This section includes the population of study, research principles, time horizon, and sample size, nature of study, instrumentation, method of data analysis, and statistical methods used for the analysis. Each of the characteristic is defined below.

3.1 Research Design

Rubin, (1987, p. 85) explains that the research design as a fundamental strategy for testing the theory. The main objective is to design and organize research study in such a way as to improve its validity (Mouton & Marais, 1996). It is a systematic framework in which the research process and its related aspects are handled.

Research design is an action plan structure for the research. Zikmund (2003) defines research design as a researcher's plan which defines the procedure and the ways for gathering and analyzing the required information. Research design involves the following aspects including time horizon, setting forms, and unit of study described below.

3.1.1 Research Philosophy and Quantitative Research

Research is carried out by using hypothetic-deductive approach. In this method first a problem is observed that in the contextual setting of the population what is the problem and what gap must be filled in. This question is clearly explained by what problems are found and what is the insufficient research void in the population in which the study is being performed. Then, preceding data and literature was collected through study by various researchers. Even providing supporting theory which supports our model. Hypothesis is developed for model evaluation.

Statistics are deduced from data collected by population and study sample. After the data measurement tools are used to deduce the results, and these results are compared with the hypothesis to test whether or not our findings support the developed hypothesis. If the findings support the hypothesis, the results would be right otherwise the hypothesis would fail.

To attain population results, quantitative research methods are used. This work is therefore focused on a hypothetic-deductive approach for obtaining the findings. After the creation of the hypothesis the findings have to be deduced according to the process name.

3.1.2 Time Horizon

For this analysis, the data was gathered in one month, the data is cross sectional type and collected at once.

3.1.3 Study Setting

The subject is from the field study because both the project manager and the employees were contacted in a public and private Ngo in a usual job setting to fill out the questionnaires.

3.1.4 Nature of Study

The study was of a causal nature, designed at evaluating the impact of workplace fun on the project task performance through a mediating process of employee engagement. The moderating role of Positive Humor between workplace fun and project task performance is also assessed.

Data was collected in this field study via Ngo's located in Pakistan (Rawalpindi and Islamabad). The data was collected in a month. The data was only obtained at once, therefore the analysis in its tendency is cross sectional.

3.1.5 Unit of Analysis

An important part of an empirical research is an object or individual that is under review called the unit of analysis. Each participant in an organization or project is called a unit and is considered a unit of analysis by one element of the population. Analysis unit can be dyad, person, community, business, organization, and nation or cultural from which data is gathered. Selecting the analytical unit depends on the duration, purpose, intent and description of the analysis. The person, groups or organization can be an analysis unit. The research unit is an individual all the way through the micro-level research, while it focuses on groups at a wider level. The research at the Macro-level is focused on social structure, social procedures and their interconnections and organization are emphasized. Macro level research is people and systems synthesis.

According to the selected research model and variables unit of analysis is carefully decided. Perception about any variable varies from individuals to individuals and specially in order to find correct data it is necessary to find right individuals for data sampling. As we are finding the impact of empowering leadership on employee creativity so our main focus is on the employees working in the project-based organizations.

The unit of analysis was dyad for this study i.e. project manager and employee from public and private project-based Ngo's employees. The unit of research in this study was one who worked in different Ngo's in two cities (Islamabad, Rawalpindi) of Pakistan. This research model is dyadic relationship in which information about employee creativity is provided by Project Manager/Supervisor. Information about Empowering Leadership, Employee Engagement, and Proactive Personality is provided by Employees/ Team Members.

3.2 Population and Sample of the Study

A population in the research is defined as the group of persons or objects having similar characteristics (Castillo, 2009). The research population was focused on employees who currently work in the Ngo's in the two major cities of Pakistan i.e. Rawalpindi and Islamabad. The Ngo's includes; Institute of Rural Management IRM, CSW, Taleem Foundation, Global Peace Pioneer, Indus Heritage. National Rural Support Programme NRSP, and Aurat Foundation. The sample size that was used for this study consist of almost 305 employees from these Ngo's.

Among these Ngo's 400 questionnaires were distributed. The questionnaires that were found complete in all respect out of these were 305. The overall response rate remains 76 percent.

The data collection methodology used in this analysis was the method of survey. This approach is convenient, and it helps to simultaneously gather the data from the number of respondents compared to other approaches. This approach was mostly used in research studies to generalize the result on the entire population. Because of limited time and resource constraint the specific technique was chosen for this analysis. Questionnaires adopted from different sources were used to gather data. The questionnaire contained all elements of variables i.e. empowering leadership, employee creativity, employee engagement and proactive

personality were answered by employees and project managers. Responses were collected by a measure of 5 Likert points varying from 1 to 5 (strongly disagree to strongly agree). The questionnaire consisted of five demographic variables with respect to the respondent Gender, Age, Qualification and Experience and Marital status.

Name of NGO's:

- IRM
- CSW
- Global Peace Pioneers
- Indus Heritage
- Taaleem Foundation
- NRSP
- Aurat Foundation

3.3 Sampling Technique

Convenience sampling technique was used for data collection in this study, in which data was collected from the Ngo's of Islamabad and Rawalpindi. There are various methods to collect data but here questionnaire method is most appropriate. The data was gathered using questionnaires adapted from various sources. This sampling method is widely used in social science research studies since it saves time and energy, as well as with little effort the necessary information and data could be collected. We believe the data gathered by the community was a real reflection of the employees in Pakistan working at the Ngo. For data collection,

survey questionnaires have been distributed to employees and project managers at Rawalpindi and Islamabad Ngo's.

3.4 Characteristics of Sample

The demographics used in this research are; gender, age, qualification, experience, marital status. Following shows the demographic characteristics of the employees

3.4.1 Gender

Data is gathered from both genders to avoid gender discrimination. Due to a lot of new job opening a lot of females are heading towards the Ngo sector. Gender plays an important role in demographics, since both male and female employees work in various fields. Frequency with percentage of the male and female respondents is given in the table below. Table 3.1 shows the ratio of male respondents is higher

TABLE 3.1: Gender Distribution

Gender	Frequency	Percent
Male	160	52.5
Female	144	47.2
Others	1	0.3
Total	305	100

than the female respondents. The frequency of male respondents is 160 out of 305 having percentage of 52.5 while the frequency of female respondents is 144 out of 305 having percentage of 47.2.

3.4.2 Age

Also, age is one of the important demographics as it is difficult to ask and respondent about their age and they feel irritated in disclosing it so that for their

convenience age groups are listed so that we can divide into groups which also help us in the study.

TABLE 3.2: Age Distribution

Age	Frequency	Percentage
18-25 years	188	61.6
26 to 33 years	91	29.8
34 to 41 years	21	6.9
42 and above	5	1.6
Total	305	100

According to the frequency of age 188 people out of 305 in this sample i.e. 61.6% belongs to the age group of 18 to 25 years, while 91 respondents met the age limit of 26 to 33 years, which is 29.8%. The number of respondents was 21 in the age brackets of 34 to 41 years which is 6.9 percent of the overall survey. Whereas 5 respondents were from the 42-year-old age group, i.e. 1.6 percent, which is the lowest.

3.4.3 Qualification

Education is one of the significant factor in any population. Respondents represent the standard of that population for different experiences and qualifications. Education is very necessary for the employees and this gives an opportunity to grow more to the next generation. So we divided all qualifications according to the context of Pakistan to more accurately analyze the data.

TABLE 3.3: Qualification Distribution

Qualification	Frequency	Percent
Matric	6	1.9
Fsc	22	7.2
Bachelors	165	54
Masters	99	32
MPhil And Above	13	4.2
Total	305	100

Table 3.3 shows that another aspect of demographics is the qualification of the respondents that indicates that a total of 165 respondents, i.e. 54%, belong to the Bachelors category, which is the higher qualifying level percentage. The level of Matric, Fsc, Masters and MPhil and higher is 7.2%, 32%, 1.9% and 4.2%.

3.4.4 Experience

Experience is such a metric that allows us to determine how much the respondent has in relation to the profession. Groups are made with the intervals, so that a respondent who fills out the questionnaire is not unclear. Thus, groups are provided in the following table is provided the number of respondents in each group with their percentage.

TABLE 3.4: Experience Distribution

Experience	Frequency	Percentage
Less than 1 year	117	38.4
1-5 years	145	47.5
6-10 years	26	8.5
11-15 years	8	2.6
16 and Above	9	3
Total	305	100

The Table 3.4 shows that the survey has collected the information regarding the work experiences of employees also. Here 38.4 percentages have been recorded as employees having less than 1 year of work experience. There are 145 workers with work experience ranging from 1 to 5 years i.e. 47.5 percent. 26 of the respondents i.e. 8.5 percent have work experience ranging from 6 years to 10 years. However, in experience category of 16 years and above 9 respondents (3%) are found.

3.4.5 Marital Status

The table 3.5 reflect that the survey gathers the data regarding marital status of the respondents. Here, 78.7 percentages were identified as single respondents.

TABLE 3.5: Marital Status

Marital Status	Frequency	Percent
Single	240	78.7
Married	63	20.7
Divorce	2	0.7
Total	305	100

There are 63 of the respondents who are married. 2 of the respondents i.e. .7% that are divorced.

3.5 Instrumentation

To gather data from the respondents, multiple different sources were used to tailor the questionnaire for each element. Using convenience sampling methodology, questionnaires were distributed among different individuals of different firms.

For each variable different point Likert scale was used to collect the data. All items of variables included in the questionnaire i.e. empowering leadership, employee creativity, employee engagement and proactive personality was answered by employees. Responses was obtained through 5 point Likert scale including the options (strongly disagree, disagree, neutral, agree, and strongly agree) Questionnaire comprised of five demographic variables related to respondent Gender, Age, Qualification and Experience and Marital status.

3.5.1 Empowering Leadership

Empowering leadership is the independent variable which was calculated by the scale of 12 things developed by Zhang, Xiaomeng, and Kathryn M. Bartol (2010). A five-point Likert scale is used to gather responses where 1 represents “Strongly Disagree”, 5 represents “Strongly Agree” and 3 as “neutral”. The sample items include “My manager helps me understand how my objectives and goals relate to

that of the company.”, “My manager makes many decision together with me.”, “My manager believes that I can handle demanding tasks.” etc.

3.5.2 Employee Creativity

Employee Creativity is dependent variable and has been assessed by scale of 7 items developed by Gong, Yaping, Jia-Chi Huang, and Jiing-Lih Farh (2009). A five-point Likert scale is used to gather responses where 1 represents “Strongly Disagree”, 5 represents “Strongly Agree” and 3 as “neutral”. The sample items include “Often use creativity to develop new relations through different means and channels”, “Often develop creative methods to motivate the colleagues to complete task on time” etc. are included in this questionnaire in order to acquire the data.

3.5.3 Employee Engagement

Employee engagement is the mediator between empowering leadership and employee creativity and was measured by 12 items scale developed by Avery, Derek R., David C. Wilson, and Patrick F. McKay (2007). A five-point Likert scale is used to gather responses where 1 represents “Strongly Disagree”, 5 represents “Strongly Agree” and 3 as “neutral”. The sample items include “At work, I have the opportunity to do what I do best every day.”, “There is someone at work who encourages my development”, “This last year, I have had opportunities at work to learn and grow” to gather the data from the employees.

3.5.4 Proactive Personality

Proactive personality the moderator between empowering leadership and employee creativity was measured by 10 items scale developed by Seibert, Scott (1999). A five-point Likert scale is used to gather responses where 1 represents “Strongly Disagree”, 5 represents “Strongly Agree” and 3 as “neutral”. The sample items

include “I love being a champion for my ideas, even against others’ opposition”, “I am always looking for better ways to do things”, “I can spot a good opportunity long before others can” etc. to collect the data.

TABLE 3.6: Instruments

No	Variable	Source	Items
1	EL (IV)	Zhang , Xiaomeng , and Kathryn M. Bartol (2010)	12
2	EE (Mediator)	Avery, Derek R., David C. Wilson, and Patrick F. McKay (2007)	12
3	PP(Moderator)	Seibert, Scott (1999)	10
4	EC (DV)	Gong, Yaping, Jia-Chi Huang, and Jiing-Lih Farh (2009)	7

3.6 Covariates

A One-way Anova check is performed to classify the control variables. Demographics is correlated with dependent variable one by one and its value is tested for significance. If any of the demographic is significant we need to control it because it can have an effect on the result as a whole. But there is no control variable in our case because all demographic values (p) are insignificant which is greater than 0.05. So, in this situation, there’s no need to control any variable.

TABLE 3.7: Covariates

Covariates	Sig.
Gender	.474
Age	.686
Experience	.288
Marital Status	.465
Qualification	.103

Demographics has an insignificant relationship with the Empowering Leadership.

3.7 Scales Reliability

Cronbach's alpha shows the accuracy and precision of the measuring scale used. The worth will exceed 0.7 (Nunnally & Bernstein, 1994). The reliability of the scale needs to be checked, so we need to know that the scale we are using for our reason is accurate or not. The reliability of things is used to measure Cronbach's Alpha's value, which tells how interrelated the items are. If there is a great deal of variation in questionnaire items when filling out, then there is a greater chance that the reliability check will fail which indicates that the questionnaire used for our purpose is not reliable. If the respondents filled out the questionnaire and all of them are strongly interrelated, then typically the reliability comes in well. The reliability range between 0-1 is important.

Reliability is often assumed to be high if the value of Cronbach's Alpha is greater than 0.7, but 0.6 is also considered acceptable if the number of items in question is less than 10. But it is not a statistical test for reliability. The higher the Cronbach's alpha value the greater is the reliability of the questionnaire objects. So, here we run this test to check the reliability of each variable's questionnaire. Table 3.7 displays the reliability value for the items of each variable which is Cronbach's alpha.

TABLE 3.8: Scale Reliabilities

Variables	Cronbach's Alpha	Items
EL (IV)	0.899	12
EE (Mediator)	0.904	12
PP (Mod)	0.907	10
EC (DV)	0.868	7

Table 3.7 shows value of reliability of each variable is given with its number of items displayed in the next column. Reliability on an internal scale means that all objects will calculate the same thing in a way that corresponds with each other. Reliability checks are used to verify the accuracy of the results produced by any

measuring procedure, using the same test twice or after some time. Cronbach's alpha ranges from 0 to 1. Higher Scale Reliability is shown by 1. The above Alpha values are generally considered to be above 0.7 and are considered reliable. The table above describes the internal consistency of the scales and indicates that it is considered reliable that all variables have Alpha above 0.7. The highest Alpha value is 0.907 and is used to measure proactive personality.

3.8 Data Analysis Techniques

After the data collection, several measures were carried out using convenience sampling. 400 questionnaires were issued, 305 of which were taken into account and filled out accordingly.

1. I separated those questionnaires in the first step that were not properly filled out or they were not up to the mark. The filtered questionnaires were then selected in SPSS for the data entry.
2. In the second step Data Entry software was used. Each variable was developed, and data was entered in the program for each questionnaire. So, we tested it again to check whether or not it is filled in correctly.
3. Then for the analysis the mean and standard deviation of all variables is calculated.
4. The numeric values were used to calculate descriptive statistics.
5. Reliability test was conducted, and used to calculate the Cronbach's Alpha value.
6. Pearson Correlation was used to test the significance of the relation between variables. How much effect of one variable has on the other variable, and whether it is significant or not.

7. Single linear regression test was conducted between IV and DV to verify whether there is any impact of IV on DV.
8. Process was used to check the Mediation and Moderation. Model 4 was used mainly for mediation. Model 5 was then used to check the moderation and as a whole it was tested at the end Model 5 to check mediated moderation.
9. Hypothesis decision was taken after complete analysis.

The collected data was analyzed using SPSS tools. Data analysis was performed using correlation, regression, mediation, and moderation methods. Examination of the correlation has been used to test the relationship between independent variable and dependent variable. Analysis of regression was used to investigate the dependency among variables.

3.9 Analytical Techniques and Tools Used

Reliability analysis, descriptive, correlation and regression tests were carried out using statistical testing techniques and method. Version 20.0 of the SPSS program supported the necessary statistical tests and calculations. To measure the internal reliability of scales Cronbach's alpha was calculated. Mediation and moderation were studied using the Preacher and Hayes process method.

Chapter 4

Results

This chapter contains all of the results information. Whether the hypotheses are being dismissed or accepted. It will tell us about the mean variables and the standard deviation. On the data set collected in SPSS for the results, linear regression test, mediation, and moderation analysis will be done. Results will be calculated against each hypothesis, and displayed with proper explanation. This chapter is entirely concerned with performance. The method used to perform all of these tests is SPSS. This study focuses on discovering the impact of empowering leadership on employee creativity with the mediating role of employee engagement and moderating role of proactive personality. The study of variables is represented in this chapter by running the following functions that includes; descriptive statistics, correlation, and regression analysis of data.

4.1 Descriptive Statistics

It is very necessary to find descriptive statistics and very important for a study as the whole analysis includes descriptive statistics for further processes. Mean is the sum of all the values representing the entire data set. Standard deviation is the mean-point variance. The number of respondents, the variable's minimum value and the variable's maximum value with mean and standard deviation.

This analysis provides the mean information of all variables. That which is the mean answer for questionnaire items for each variable. These statistics provide a concisely summary of the variables standardized values. The sample size, minimum and maximum values, mean values and standard data deviation values are expressed in this analysis.

Table 4.1 shows the specifics of the research variables, second column shows the number of respondents, third column shows the minimum value while maximum data values recorded by respondents in the fourth column while fifth and sixth columns display the mean and standard data deviation of each variable.

TABLE 4.1: Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	Standard deviation
Empowering Leadership	305	1.17	5.00	3.75	0.73
Employee Creativity	305	1.00	5.00	3.96	0.73
Employee Engagement	305	1.00	5.00	3.92	0.69
Proactive Personality	305	1.40	5.00	4.04	0.71

This table depicts the value for questionnaires filled by 305 respondents. For data collection the technique used was convenience sampling as described in previous chapters.

The table contains details regarding the descriptive statistics for the variables being analyzed. Of variables understudy, the information represented in the table are mean and standard deviation minimum, maximum, and the average values. Detail of variables, research sample size, Information for the minimum value, maximum value, mean values and standard deviation for the collected data are given in the columns in the above table.

N is showing the number of respondents which is 305. Mean value for empowering leadership is 3.75 with standard deviation of 0.73. For Employee creativity, the table indicates the mean value 3.96 and standard deviation of 0.73. Employee Engagement is observed to have mean value of 3.92 with standard deviation of

0.69. Whereas proactive personality has mean value of 4.04 & Standard deviation 0.71.

4.2 Correlation Analysis

Study of correlation analysis is used to demonstrate the essence of the relation between two variables. It also investigates whether the two variables shift in the same or the opposite direction. This analysis varies from the regression analysis so that the variables being analyzed do not recognize causal linkages. The relationship is evaluated in terms of variables moving in the same or opposite direction, without the zero-correlation used.

Negative values denote the degree to which increase is being analyzed in either of the variables varies with the other. The correlation analysis employed in this study is the commonly used coefficient for measuring correlation between variables. The most common method for calculating dependence between two quantities is the Pearson correlation analysis.

There are two types of relationship, positive and negative relationship. The value of the coefficient of correlation ranges between -1.00 and +1.00. +1.00 values show a positive correlation while negative values indicate a negative correlation between variables. But if the correlation value is 0 this means that there is no correlation between the variables.

Table 4.2 shows the correlation between the variables which are studied in this research. It also indicates that whether the relationship is positive or negative between these variables.

TABLE 4.2: Correlation

	1	2	3	4
1. Empowering Leadership	1			
2. Employee Creativity	.740**	1		
3. Employee Engagement	.652**	.714**	1	
4. Proactive Personality	.578**	.690**	.814**	1

*p < 0.01, ***p < .001 N=305**. Correlation is significant at the 0.01 level (2-tailed).*

Table 4.2 shows the values of correlations between all the variables. Empowering leadership is positively related with Employee creativity and has a significant relationship ($r=0.740^{**}$, $p<0.05$). Empowering leadership is significantly related to employee engagement ($r=0.652^{**}$, $p<0.05$).

Proactive personality is also positive and significantly related with empowering Leadership ($r=0.578^{**}$, $p<0.01$), EC ($r=0.690^{**}$, $p<0.01$) and EE ($r=0.814^{**}$, $p<0.05$). Employee creativity has positive and significant relationship with employee engagement ($r=0.714^{**}$, $p<0.05$). These result shows that all the values are significant and has positive relation. It is according to our hypothesis and we will continue with further processes.

4.3 Regression Analysis

There is a need to conduct regression analysis after the correlation analysis. Regression analysis is conducted to verify that how much the effecting variables effect response variable.

It is a powerful tool and is used to evaluate the relationship between two variables or more. We need linear regression analysis between variables that are independent and dependent. We also have to do regression analyses for mediation and moderation.

We need to run Preacher and Hayes Process for linear Regression for that reason. Model 4 and Model 5 are to be used respectively for mediation and moderation. Analyzing regression is used to forecast and estimate the relation between variables.

The study of regression analysis shows the assumptions about Y from X values. It helps in making the decisions about one variable's dependency on another.

4.3.1 Linear Regression Analysis

Hypothesis 1: EL has direct positive relation with EC.

TABLE 4.3: Linear Regression

Employee Creativity			
Predictor	β	R ²	Sig
Empowering Leadership	.740***	0.548	0

P < 0.05, **p < 0.01, *p < .001 N=305 Unstandardized regression coefficient*

Table 4.3 shows the results related our first hypothesis. According to our first hypothesis IV is positively and directly relating to our DV. So according to our results the vale $\beta = 0.740$ and value of $p = 0.000$ which shows that relationship is significant. Our results also indicate that the there is a significant relationship between IV and DV.

The value of R square = 0.548 which shows that IV is bringing a change of 0.548 units in the DV. The value of β shows that there is a positive relation between both of the variables. Value of p is also significant which shows that the relation is significant. IV is bringing and change of 0.548 units in DV. So according to our Linear Regression test our first hypothesis is accepted. For this purpose, in SPSS, we go to regression and perform linear regression test by adding our IV and DV.

As there is no control variable so we will not add any control variable. Visual representation of the relationship between IV and DV is given below. IV is denoted by X and DV is denoted by Y. C shows the direct relationship between both of the variables. So this is the pictorial view of our first hypothesis which is accepted according to results.

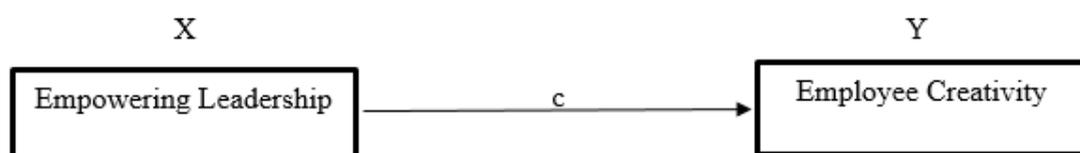


FIGURE 4.1: Effect of IV on DV

4.4 Mediation Analysis

Mediation Analysis will be conducted against Hypothesis 2 to test the outcomes. The relation will be studied from IV to mediator, and from mediator to DV. Since mediator converts direct effect into indirect effect, creating a path between IV and DV. We will use Hayes' Process macro to mediate on model 4.

It needs to be important for mediation path from IV to M and M to DV. If any of those paths are insignificant then this model has no mediation effect. So, we're going to check all the paths to see if our theory is denied or approved and the hypothesis we developed are accepted or rejected.

Following is the visual representation of mediation in which employee engagement mediates the relationship between empowering leadership and employee creativity

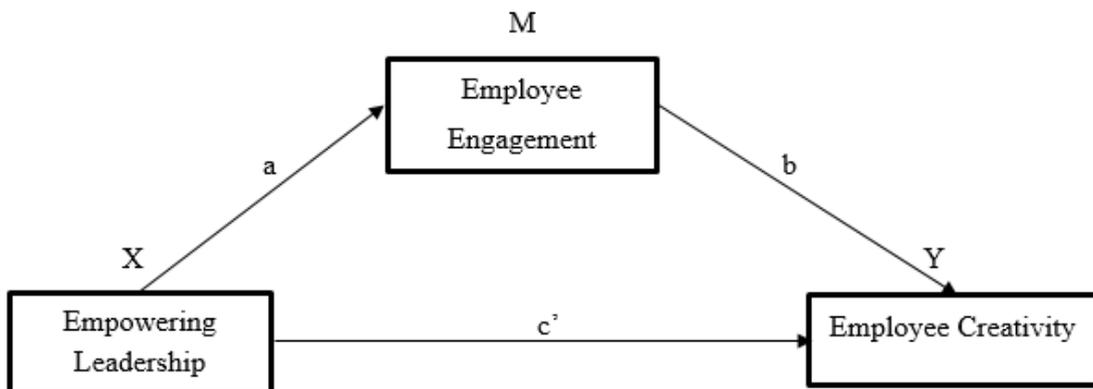


FIGURE 4.2: Mediation Analysis

Effects of Mediator that is employee engagement between the empowering leadership and employee creativity

TABLE 4.4: Mediation Analysis

IV	Effect of IV on M	Effect Of M on DV	Direct Effect Of IV on DV	Total Effect Of IV on DV	Bootstrapping result for indirect effects	
	β	β	β	β	LL95%CI	UL95%CI
Employee Creativity	.615**	.425**	.477***	.739**	0.1688	0.3576

Note. Un-standardized regression coefficient stated. Bootstrap sample size 5000. LL = lower limit; CI = confidence interval; UL = upper limit. N=305, *P < .05; **P < .01

In this table IV represents the independent variable, while DV represents dependent variable, M is for mediator, and Confidence interval is represented by CI.

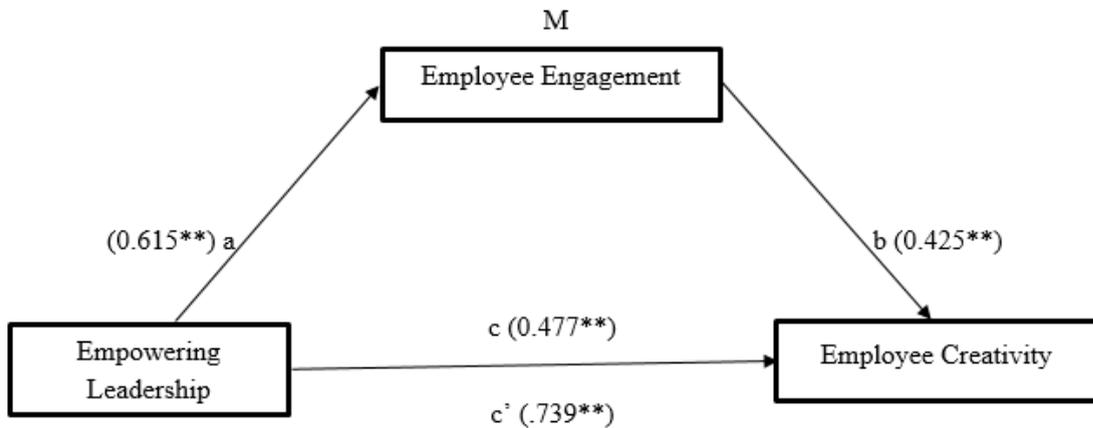


FIGURE 4.3: Mediation Analysis (With Path and Values)

According to this figure we have to check the hypothesis. Three paths are represented in this figure a, b and c.

4.4.1 IV to Mediator

To check hypothesis 2, we need to test the significance of IV-Mediator relationship. Using Model 4, we do regression analysis using Hayes 'process macro. The value for $\beta = 0.615$ showing that it has a positive effect between two variables as results are displayed in the table. $P = 0.0000$ which shows a significant relationship, which is the most important result to check for. R^2 value is .4246 which indicates that IV on Mediator causes a shift of 0.4246 units.

Thus, it is cleared from these findings that the first prerequisite for mediation is acknowledged which is the meaningful and constructive relationship between the IV and Mediator.

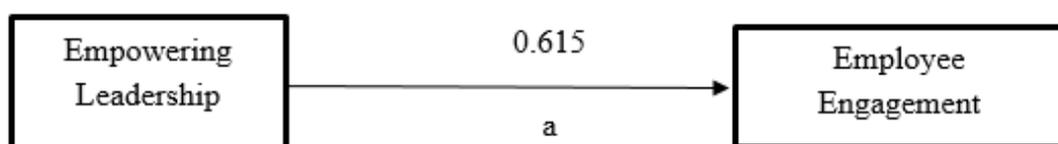


FIGURE 4.4: Effect of IV on Mediator

4.4.2 Mediator to DV

The second condition for acknowledging mediation is to test the essence of the Mediator-DV relationship. Since we've written results in the tables, we need to test this relationship against this data. M's effect on DV is written in 3rd column of the table for mediation review.

As it shows the value of β is 0.425 which shows a positive relationship. The value of $p=0.000$ that shows the significant relationship. Currently we are testing path b that whether or not this relationship is important and what kind of impact it creates.

The value of R^2 is 0.6416. This value means that 1 unit increase in Mediator value induces a change in DV value of 0.6416 unit. So, the value of β is positive according to our hypothesis condition and the value of $p=0.000$ which is the significant value. This result shows that path b is important and can be forwarded to check the results for further processes.

Below figure 4.5 shows the path b and the value of B for Mediator to DV relationship.

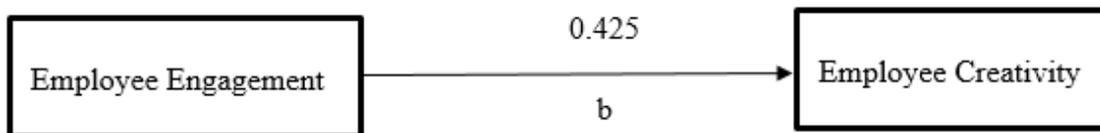


FIGURE 4.5: Effect of Mediator on DV

Now as we have stated in our hypothesis that the employee engagement mediates the relationship between the IV empowering leadership and DV employee creativity. As we have the other two mediation conditions, this indicates that the ' a ' and ' b ' routes are important and have a positive effect. So, we need to look at the final effect of mediation.

Those results can be shown from the mediation table. We need to test the indirect effect of X and Y which is IV and DV for mediation. Mediator eliminates the direct effect and communicates indirectly between IV and DV. The values of the Indirect effect of X and Y are obtained while running model 4 and we will test LLCI and

ULCI which is the upper and lower limit confidence index. We'll verify if the two limits are zero or not. If between two thresholds there is zero then there is no mediation. If both the ULCI and LLCI signs are the same then that means there is no void and mediation is agreed. So according to our results value of LL 95% CI = .1688 and UL 95% CI = .3576. These both values are with same sign and there is no zero between them. So, our Hypothesis 2 is accepted which is the mediation between IV and DV.

4.5 Moderation Analysis

The moderation is used to determine whether the relationship between empowering leadership and employee creativity depends on the proactive personality. We used the PROCESS macro model 5 from SPSS to check our last hypothesis, which states that Proactive Personality moderates the relationship between the empowering leadership and employee creativity.

TABLE 4.5: The Moderating Effect of Proactive Personality

	β	se	t	p	LL 95% CI	UL 95% CI
Int term	-.0772	.0404	-1.909	.0572		
Bootstrap re- sults for indi- rect effect					-.1567	.0024

N=305, * P <.01

The third and the last hypothesis is about Moderation. To test the moderation, we ran the Model 5. The table shows that the moderation hypothesis is rejected and its does not strengthen the relation between empowering leadership and the employee creativity. As we check the value of interaction term in the table that value of β is -.0772 which shows a negativity in relation. The value of P = .0572 > .05 which is also insignificant. For moderation effect we check the LLCI and ULCI value that if it contains zero between both the limits or not. The value for LL95% CI = -.1567 and the value for UL95%CI = .0024, which shows that there is zero between both limits. So, from these results we can conclude that there is

no moderation effect. Hypothesis 3 is rejected that there is moderation between IV and DV.

4.6 Summary of Hypothesis

Table 4.6 represents the summary of results for the proposed hypothesis.

TABLE 4.6: Summary of Hypothesis

No	Hypothesis Statement	Results
H1	Empowering Leadership is positively and significantly related to the Employee Creativity.	Supported
H2	Employee Engagement mediates the relation between the Empowering Leadership and Employee Creativity.	Supported
H3	Proactive Personality moderates the relationship between Empowering Leadership and Employee Creativity, such that increasing the Proactive Personality strengthens the relationship.	Not Supported

Chapter 5

Discussion and Conclusion

5.1 Discussion

This section deals with the thorough discussion of the hypothesis produced in favor of the research model being proposed in light of the theory and empirical evidence with the help of literature and the interpretation of the findings. The goal of the study was to see the effect of empowering leadership on employee creativity; employee engagement was taken as mediator while proactive personality was taken as moderator in that relationship. The section discusses the implications of the theory review, utilizing relevant sources from prior studies specific to the research field. This chapter is split down into three major sections, in which part 1 discusses the findings of the experiment, hypothesis results, second part discusses the consequences for the theory and practitioners and last part discusses the limitations and future work. This chapter gives an outline of our findings.

The core significance of present study was to investigate the understanding of interaction among empowering leadership in project based organizations on employee creativity. Our research also centered on testing the mediation method of employee engagement between empowering leadership and employee creativity. The conceptual model study explored the moderating effect of proactive personality among empowering leadership and employee creativity in non-governmental

organizations working in two major cities of Pakistan i.e. Rawalpindi and Islamabad. Conceptual framework was developed, on the basis of which we hypothesized unique relationships among research variables. The study serves evidence from Pakistan's development sector and the findings can be used for effectiveness in the fields of the project by policy makers and project managers. The research established 3 hypotheses, and all of the hypotheses were also backed by results from data and theory.

Our study results show that empowering leadership has a beneficial effect on the creativity of employees, denoting that empowering leadership plays a significant part in organizational success. Studies also demonstrate that the employee engagement mediates the relationship between empowering leadership and employee creativity. Nonetheless, according to the findings, it has been noticed that proactive personality may not play a significant moderating factor between empowering leadership and employee creativity classified as insignificant moderator of the model since the correlation between two variables is not effected by the existence of proactive personality.

All hypotheses are discussed in detail as below:

5.1.1 Hypothesis H1: There is positive relationship between empowering leadership and employee creativity.

According to our first hypothesis IV is positively and directly relating to our DV. So our results shows that relationship is significant. Our results also indicate that the there is a significant relationship between empowering leadership and Employee creativity. So according to our Linear Regression test our first hypothesis is accepted. Leader's vision is closely related to the creativity and proposals of project employees, and it is believed that top-level managerial opportunities and encouragement for employees help their creative self-motivation and lead in a more creative way (Koseoglu et al., 2017). Empowering leader keep inuencing their employees which increase their creativity. Their self condence in their employees

made them grow and cultivate (Mantzaris, 2016). Given the literature (Zhang & Bartol, 2010) indicates that empowering leaders by promoting their employees' autonomy will make them profoundly more empowered. The study has flourished that employees lean toward creativity when they have adequate guidance. Our first hypothesis therefore pursues that empowering leadership is significantly and positively related to employee creativity.

5.1.2 Hypothesis H2: Employee engagement mediates the relationship between empowering leadership and employee creativity.

Hypothesis 2 in current study shows that employee engagement mediates the relationship between empowering leadership and employee creativity. So Hypothesis 2 is accepted that is employee engagement positively mediates the relationship between empowering leadership and employee creativity.

There is enough literature for the study's accepted hypothesis stated above. Employee engagement serves as a driving power for creative person. Leaders must encourage employees' creativity strongly and foster their participation towards their work and effort. Leaders make their employees to think creative that enhance their creativity (Heo & Cheon, 2009). Empowering leaders have ability to think outside of the box, allow employees the freedom of choice, and offer them a healthy atmosphere in which employees will feel more relaxed and respected, and therefore more driven to find new ways out of challenges and creative ways for employees to achieve goals (Bedarkar & Pandita, 2014). Leaders know very well how to keep their employees motivated and creative towards their goals. Employees trust on their leader, which promotes the employees creativity (Chow, 2018). The concept that employee engagement is a positive state, has an organizational purpose, that involves dedication, loyalty, zeal, excitement, concerted attention and it has the components of attitude and behavior. Employee engagement positively persuades the creative practice but also influence the employee's creativity (Meral, Colak, & Zereyak, 2012). Leader's confidence in one's own abilities endorses

leader support towards creativity which enhances the engagement of employees in creative activities and at last increases their creativity (Martens, 2011). So we concluded that employee engagement mediates the relationship between empowering leadership and employee creativity.

5.1.3 Hypothesis H3: Proactive personality moderates the relationship between empowering leadership and employee creativity.

Hypothesis 3 of our study stated that proactive personality moderates the relation among empowering leadership and employee creativity, in such a way that it strengthens the relationship between empowering leadership and employee creativity. Given this, the findings of hypothesis 3 are unaccepted on unstandardized regression study basis. Therefore H3: Proactive personality moderates the relationship among empowering leadership and employee creativity, in such a way that it strengthens the relationship between empowering leadership and employee creativity is rejected. It is concluded that proactive personality won't impact empowering leadership and employee creativity to the nation sense. So we can suggest that having a proactive personality or not having a proactive personality will have no impact among the relationship between empowering leadership and employee creativity.

There might be a series of explanations for the hypothesis being rejected. Before stating the reasons for rejection of this hypothesis first look at the some of the past researchers idea of what proactive personality is. Seibert et al. (2001) stated that proactive people were seeking to improve their employment chances rather than responding unconsciously to the work situation when it was introduced. They also leaned more towards proposing innovative approaches to achieve their objectives and developed new ideas to enhance efficiency compared to passive ones. Additionally, by meeting the usual working standards, proactive people are more inclined to recognize and respond to opportunities (Crant, 1995). Proactive people continued to constantly develop their expertise and understanding, and identify new

work procedures. Showing interventions and meeting conventional job standards, normally carried out by proactive people, the creativity seemed to have beneficial effects.

The reason behind the aforementioned argument is culturally related, and therefore, cross-validation may be performed across countries. For instance in Pakistani context the third hypothesis i.e. proactive personality moderates the relationship between empowering leadership and employee creativity, such that increasing the proactive personality strengthens the relationship, is rejected and the explanation for its rejection is that the project's success came in not just because proactive people are working but also because they require a welcoming atmosphere to succeed. For instance, if there is no work flexibility, proactive people would be too constrained to operate at their best that is why an encouraging environment must be developed that allows workers the room and the opportunity to work to their fullest. Proactive behavior in the workplace is not always productive, and depends on culture and atmosphere (Durbin, 2014). For example, voicing one's opinions might backfire, and certain proactive people may develop a negative reputation for attracting attention to areas of underperformance.

Bolino et al. (2010) explicitly focused on the 'dark side' of proactivity in a recent article. They recommend some adverse effects for employees, and for the organization as a whole, in often asking employees to behave proactively. In particular, they claim that proactive personality of employees may contribute to stress among employees, raise conflict among employees and even affect the whole organization by growing their coping potential, hindering socialization processes and undermining their willingness to produce leaders. Firstly, having a proactive personality is likely to test employees' energy, emotional and physical abilities. Proactive personality also includes undertaking duties or accepting roles that go beyond what employers traditionally need and thus sometimes introduces anything additional to their normal job specifications, this can lead to a higher work pressure and higher levels of stress for employees. Secondly, proactive personality on the part of one employee can jeopardize existing or future resources of other employees. For instance, enforcing the recommendations provided by proactive employees will result

in extra work for their peers who have studied how to take advantage of current processes in ways they are now missing out. They may need to invest some more time getting used to a new system. As a result, proactive employees are sometimes perceived as 'doing too much' or being ingratiated by their colleagues. This may harm their image among peers and sometimes also contribute to backlash and retribution, such as attempts to disrupt the job of the proactive employee or attempts to eliminate the proactive individual from the work team. Employees that are not proactive themselves might feel endangered by proactive employees that shake the boat constantly.

Research has shown that proactive behavior generally yields beneficial results. Yet employee proactivity may also often contribute to adverse consequences, such as elevated tension. That's why employees need to understand the trade-offs between incentives and possible consequences of proactive personality. In Pakistan's corporate sector the employees are not given the culture or environment in which they can work proactively without concerning their leaders or team leads or colleagues. They do not have these diverse working conditions, where they may adjust to evolving circumstances. Proactiveness can be a sword with double edges. Being proactive can occasionally appear beneficial but being proactive can sometimes sound irritating, or even unpleasant. We also found it a risky endeavor to engage in proactive behavior within an organization. Perform it right, and you are praised. Do this wrong, and you will be humiliated. Employees with good communication skills have been able to turn their proactivity with their superiors through more positive performance reviews. But the less communication skilled employees, when got engaged in more proactive conduct, were still ranked worse by their superiors. Our study highlights that asking employees to be proactive is not always a good thing for managers. Don't presume that the employees know how and when to take the initiative. Some people may need additional support to understand when such behavior is appreciated and when it's not appreciated. In reality, certain managers may also have to remind their workers to change their enthusiasm if the work atmosphere does not accept their ideas or whether they first need to learn unique communications skills. Our study indicates to employees that keeping out

of the crowd when they don't have the requisite social expertise doesn't seem to be the best choice. Being proactive can do more damage than good without having clear awareness of when personal effort is valued.

The great English author George Orwell once wrote, "Nothing like 'holding out of politics' is there. The same happens to our workplaces: even though we have the highest motives and wish to express our specific commitment towards a cause that we care for, our actions may be backfired. Being proactive requires a comprehension of when appreciated and if you don't have that skill, it is a skill you need to learn. In most modern workplaces, to react and adapt to changes in the given environment is not enough for the employees; instead, by taking the initiative today, they need to plan ahead and prepare for potential threats and hazards in the future. Expecting employees to be proactive will therefore increase stress and conflict if this process is not well handled. Therefore, contrary to the foregoing argument, we should say that proactive personality does not automatically help employees contribute to creativity. We end up claiming that proactive personality has an insignificant relation, employee engagement mediates the relationship among empowering leadership and employee creativity and ultimately proactive personality does not moderate the relationship among empowering leadership and employee creativity.

5.2 Research Limitations

Every research has its limitations so there are some limitations to this research as well. By incorporation of enlightened knowledge in literature, this study has filled some gaps. This study only proves the positive relationship between empowering leadership and employee creativity but negative relation can also be explored for further research. Hence this can be a limitation of the study and future authors can address it to identify the negative aspects regarding empowering leadership and employee creativity in projects. Gathering data from various organizations is complicated because due to current pandemic, i couldn't reach out to them for data gathering and was unable to fill them the details related to this study, due

to which some people might fill in data incorrectly. Acquiring data through online resources is bit complicated because there are only some number of organizations that are currently working, so it was quite challenging for me to gather data. Time was limited so the data collection is very small for a very large population. There were only 400 questionnaires circulated and 305 of which were useful for the analysis of the results.

This research has yet another limitation, which is the usage of convenience sampling. Since it is difficult to collect a lot of data from the population in the current pandemic. Convenience sampling is often used to rapidly obtain data from a wide number of individuals, which restricts the generalizability. This study does have some methodological limitations. The data was only obtained once. I only collected data by cross-sectional design using survey questionnaire. Therefore, the study would not be able to provide clear causality between empowering leadership and employee creativity. In particular, I have investigated only the employees working in the NGOs so other sectors can also be explored. Additionally, the study was carried out in the Twin cities of Pakistan.

The study was restricted to the nongovernmental sector of Pakistan because of time constraints; more sectors could not be chosen. For future studies, cross-industry and inter-industry analyses of empowering leadership and its impact on employee creativity should be studied with other connected variables. The size of sample is marginally small; the size of sample has significant implications on the properties and findings of the research and review as well as affecting the sample size due to resource inaccessibility in many other cities. Future studies should choose a larger and healthier sample size and test the model to be more generalizable.

5.3 Future Research Directions

Since there is space for improvement in any study, several factors can be further studied in this study. Further researchers should go into this particular domain. They can study different leadership styles on employee creativity. This study has showed that empowering leadership had beneficial effects on the employee

creativity. However, future study can look at the negative impacts of empowering leadership. Additionally, it focuses on individual level empowering leadership in this study. In the optimistic corporate scholarship umbrella empowering leadership can be examined. Because it's an intrinsically positive idea and yet somehow lacks work on empowering leadership in the projects. Investigating empowering leadership at a collective level (i.e., team) is critical. Researchers therefore have a great advantage in going into this domain. They can also study the effect of transformational leadership on employee creative performance separately which can help many organizations to boost their status and rankings.

Hypothesis 3 i.e. proactive personality moderates the relationship among empowering leadership and employee creativity, in such a way that it strengthens the relationship between empowering leadership and employee creativity is rejected but it was found through literature that proactive personality has a positive relationship among empowering leadership and employee creativity. A lot of work on this approach should also be done in order to examine the ways in which proactive personality plays a critical role in enhancing employee creativity.

Although this study presented empirical evidence of the relation between the selected variables, but limitations cannot be avoided in a sample. Secondly, the study's spectrum is subtly restricted and more aspects related to the empowering leadership cannot be analyzed at once. Future researchers should investigate this limitation by exploring different aspects, both formal and informal, with the moderating role of another variable in Pakistani settings. In addition, work on empowering leadership and creativity of employees needs more researchers' focus as these variables may also be explored in many fields where employee engagement is much required. As a consequence, this thesis can be further improved and developed by following multiple potential research orders.

5.4 Conclusion

The present research was aimed at exploring the empowering leadership influence on employee creativity which is the most desired and crucial sector of modern

times. The study's main aim is to expose the influence of empowering leadership on employee creativity. In addition, this study shows the role of employee engagement as a mediator between the relationship linked to empowering leadership and employee creativity. Furthermore this study has explored the impact of proactive personality as a moderator between the relationship of empowering leadership and employee creativity. This study focused on non-governmental organizations (NGOs) operating in Pakistan (Islamabad, Rawalpindi) and tried to find empirical evidence of empowering leaderships positive relationship to employee creativity. The project managers in this industry are responsible for delivering the expected outcomes in time, but this research will help managers to manage their employees in a better way by increasing their employee engagement that in effect contributes to increased creativity of employees in their respective projects. By identifying the relationship, it is also important to explore the different aspects of the empowering leadership that effects the employee creativity that future researchers should take into consideration regarding specific projects in this industry. The study also shows that culture and values play an important role in such relationship that project managers need to take into consideration. The society of Pakistan is more collectivistic and managers tend to avoid focusing on providing the empowering environment for their employees and are more focused on getting the work out of them which effect their creativity and hence becomes the reason of project failure. Hence it can be said that this study provides a detailed research and practices that can be followed by the empowering project managers in bringing out the creativity, employee engagement, and better performance of their employees. This research comprises three hypotheses which are evaluated and analyzed within the Pakistani context. Hypothesis H1 and H2 are accepted which implies employee engagement as mediator between empowering leadership and employee creativity. H3 is rejected in the context of Pakistan, with the support of results. Therefore, it is established that moderation of proactive personality is insignificant.

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Appendix

Survey Questionnaire

Dear Participant,

My name is Ezzah Bint-e- Shaukat. I am gathering data for MS thesis as a research scholar at the Capital University of Science and Technology (CUST), Islamabad. I am conducting a research on “**The Impact of Empowering Leadership on Employee Creativity in Project-Based organizations with the mediating role of Employee Engagement and moderating role of Proactive Personality**”. You can help me by completing the attached questionnaire; you will find it quite interesting. It will take your 15-20 minutes to answer the questions and provide the valuable information. I appreciate your participation in my study and I assure that your responses will be held confidential and will only be used for academic purposes.

Thanks a lot for your help and support!

Sincerely,

Ezzah Binte Shaukat

MS (Project Management) Research Scholar

Faculty of Management and Social Sciences

Capital University of Science and Technology,

Islamabad

Section 1: Demographics

Gender:	1 (Male), 2 (Female)
Age:	1 (21-30), 2 (31-40), 3 (41-50), 4 (51-60)
Marital Status	1(Single), 2 (Married), 3 (Widow), 4 (Divorce)
Qualification:	1 (Matric), 2 (Intermediate), 3 (Bachelors), 4 (Master), 5 (MPhil and above)
Experience:	1 (Less than 1 year), 2 (1-5), 3 (6-10), 4 (11-15), 5 (16 and above)

Section 2: Empowering Leadership

The scale ranges from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

1	My manager helps me understand how my objectives and goals relate to that of the company.	1	2	3	4	5
2	My manager helps me understand the importance of my work to the overall effectiveness of the company.	1	2	3	4	5
3	My manager helps me understand how my job fits into the bigger picture.	1	2	3	4	5
4	My manager makes many decisions together with me.	1	2	3	4	5
5	My manager often consults me on strategic decisions.	1	2	3	4	5
6	My manager solicits my opinion on decisions that may affect me.	1	2	3	4	5
7	My manager believes that I can handle demanding tasks.	1	2	3	4	5
8	My manager believes in my ability to improve even when I make mistakes.	1	2	3	4	5
9	My manager expresses confidence in my ability to perform at a high level.	1	2	3	4	5
10	My manager allows me to do my job my way.	1	2	3	4	5
11	My manager makes it more efficient for me to do my job by keeping the rules and regulations simple.	1	2	3	4	5
12	My manager allows me to make important decisions quickly to satisfy customer needs.	1	2	3	4	5

Section 3: Employee Creativity

The scale ranges from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

1	Often develop creative custom-made process for project as per scope.	1	2	3	4	5
2	Often use creativity to develop new relations through different means and channels.	1	2	3	4	5
3	Often use creativity to increase effectiveness of processes and to increase efficiency.	1	2	3	4	5
4	Often develop creative methods to motivate the colleagues to complete task on time.	1	2	3	4	5
5	His work is creative.	1	2	3	4	5
6	His work is original and practical.	1	2	3	4	5
7	His work is adaptive and practical.	1	2	3	4	5

Section 4: Employee Engagement

The scale ranges from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

1	I know what is expected of me.	1	2	3	4	5
2	I have the materials and equipment I need to do my work right.	1	2	3	4	5
3	At work, I have the opportunity to do what I do best every day.	1	2	3	4	5
4	In the last seven days, I have received recognition or praise for doing good work.	1	2	3	4	5
5	My supervisor, or someone at work, seems to care about me as a person.	1	2	3	4	5
6	There is someone at work who encourages my development	1	2	3	4	5
7	At work, my opinions seem to count.	1	2	3	4	5

Section 5: Proactive Personality

The following section concerns with proactive personality. Please indicate the response that describes your proactive personality in general. The scale ranges from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

1	I am constantly on the lookout for new ways to improve my life.	1	2	3	4	5
2	Wherever I have been, I have been a powerful force for constructive change.	1	2	3	4	5
3	Nothing is more exciting than seeing my ideas turn into reality.	1	2	3	4	5
4	If I see something I dont like, I fix it.	1	2	3	4	5
5	No matter what the odds, if I believe in something I will make it happen.	1	2	3	4	5
6	I love being a champion for my ideas, even against others opposition.	1	2	3	4	5
7	I excel at identifying opportunities.	1	2	3	4	5
8	I am always looking for better ways to do things.	1	2	3	4	5
9	If I believe in an idea, no obstacle will prevent me from making it happen.	1	2	3	4	5
10	I can spot a good opportunity long before others can.	1	2	3	4	5

Thank you for your time and cooperation!