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Empowering Leadership and Proactive Behavior: Mediating Role of Psychological Empowerment and Moderating Role of Leader-Follower Distance

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Abstract

This study investigates the effect of empowering behavior of leader on followers' proactive behavior. It was also proposed that such an effect will be mediated by psychological empowerment, whereas, leader-follower distance was proposed to inversely moderate the direct effect of empowering leadership. The setting for this study was the Hospitality industry in Pakistan. Survey data was collected from managerial level employees working in hotels in Islamabad and Lahore, Pakistan. Dyadic data were gathered from 311 1-1 supervisor-subordinate dyads. Data were analyzed in two steps. First, the measurement model was assessed for reliability and validity. Common method variance was assessed with the help of common latent factor method. Second, direct and indirect effects were tested using structural regression. Test of moderation was performed using Process Macro in SPSS. Results show that empowering leadership had a significant effect on proactive behavior. The effect of empowering leadership was partially mediated by psychological empowerment. It was found that leader-follower distance had an inverse moderating effect. In the end, implications for theory and practice have been discussed.

Keywords: Empowering leadership, Proactive behavior, psychological empowerment, leaderfollower distance

Business environment has become highly uncertain. There is a pressure to innovate on a fast and continuous basis and the organizations have departed from centralized structures (Grant & Ashford, 2008). In these circumstances, organizations are relying on their employees to anticipate the problems, foresee opportunities and take initiatives to solve the problems and capitalize on opportunities (Crant, 2000). One of such initiating behaviors is proactive behavior of employees. Proactive behavior, according to Crant (2000), means "taking initiative in improving current circumstances; it involves challenging the status quo rather than passively adapting present conditions". It is an anticipatory action in which employees introduce change in their own work roles and workplace (Grant & Ashford, 2008). Proactive behavior usually includes actions like problem solving, initiating changes, idea suggestions, voicing behavior, issue-selling, and seeking feedback (Parker & Collins, 2010). Given the broader scope of proactive behavior, Crant (2000) believes that "it is not a management fad but a high-leverage concept" and hence, has been an area of investigation since longer.

Evidence suggests that proactive behavior is predicted by factors at individual as well as organizational level (Caesens, Marique, Hanin, & Stinglhamber, 2016; Shin & Kim, 2014). At the individual level, antecedents such as role breadth, proactive personality, goal orientation, selfefficacy, and need for achievement have been studied (Crant, 2000; Parker, Williams, & Turner, 2006). At the organizational level, culture, norms, management support, and work characteristics (Ohly & Fritz, 2010; Wu & Parker, 2012) influence the proactive behavior. In this wave of studies, some researchers have also related leadership with proactive behavior, however, results have been inconclusive so far. Leaders may spark proactive behavior (Den Hartog & Belschak, 2012), however contrarily, may stifle as well as observed by Grant, Gino, and Hofmann (2011). Martin, Liao, and Campbell (2013) observe that there are lesser empirical studies which investigate the influence of a particular leadership behavior on proactive behavior of employees. Furthermore, gap also exists calling for the study of factors operating at organizational level, such as leadership (Namasivayam, Guchait, & Lei, 2014), to understand phenomenon of proactive behavior (Batistič, Černe, Kaše, & Zupic, 2016). From a methodological standpoint, earlier studies on proactive behavior investigated the phenomenon from a unilateral perspective, whereas, such behaviors can more reliably be studied as a dyadic phenomenon (Hwang, Han, & Chiu, 2015). This study deals with this issue also. Therefore, the resolve of the present paper is to test a model which links empowering leadership style with employees' proactive behavior. This would be the first contribution of this study.

A leader shows empowering behavior when he/she highlights the importance of work, facilitates participative decision making, encourages improved performance, and removes obstacles encountering the effective work outcomes (Ahearne, Mathieu, & Rapp, 2005). This conceptualization of empowering behavior of leadership has all those elements which may become a precondition for proactive behavior, theorization of which is to follow in the next section. It is also pertinent here to underline that while empowering leadership may directly influence proactive behavior, certain mediating mechanisms would also ensue. Zhang and Bartol (2010) investigated the impact of empowering style of leadership on creative behavior. They also studied the mediating effect of psychological empowerment. Similarly, Fong and Snape (2015) have investigated that empowering leadership influences employee outcomes by psychologically empowering the employees, also termed as psychological empowerment. It is a feeling of intrinsic motivation as a result of employees' cognitions of themselves in their role and also delineates employees' perception of having influence over the events at the workplace (Spreitzer, 1995). There is a missing link regarding the mediating linkage between empowering leadership, psychological empowerment, and proactive behavior. Shin and Kim (2014) opine that exploration of such a mechanism has been a "critical omission" in the literature on proactive behavior. Hence, the second contribution of this study would be to comprehend the role of psychological empowerment as a mediator.

Zaccaro and Klimoski (2001) assume that the effects of leader behavior on the followers vary whether followers report to the leader directly or indirectly. More formally, this situation may be referred to as leader-follower distance. The degree of exchange of knowledge and the performance of job thereof is also determined by distance which the leader and follower observe between themselves (Dolfsma & van der Eijk, 2016). However, this contention has not been empirically examined earlier. Anand, Vidyarthi, and Rolnicki (2018) argued that leadership is an influencing process. Such an influence strengthens or is weakened by the distance between the leaders and follower, making it a right candidate for investigation. For this study, it is argued that any intervention introduced by the leaders will be moderated by the distance they observe between themselves and their followers. Hence, we posit that higher leader-follower distance will weaken the effect of empowering leadership behavior on follower's proactive behavior. This is the third contribution of present research.

Literature Review and Hypotheses Development

Empowering leadership and proactive behavior

Empowering leadership is a process of sharing powers with subordinates by giving them added responsibilities and decision authority along with the requisite resources and backing to perform the extra responsibilities effectively (Ahearne et al., 2005; Amundsen & Martinsen, 2014). An empowering leader facilitates his/her subordinates through training, coaching, information, and emotional encouragement. Through these actions of leader, employees draw a sense of purpose and meaning in their work (Fong & Snape, 2015). Zhang and Bartol (2010), however, inform that empowering style of leadership is distinct to participative style of leadership. Participative leaders engage team members in the process of decision-making. This is only one of the many facets of empowering leadership. In a recent study, Chow (2018) recommended that the effects of empowering leadership in work environment should be studied further.

One of the aspects of empowering leadership is the delegation of authority. The delegated authority empowers employees to take independent actions and decisions (Zhang & Bartol, 2010). The delegated authority also leads to the creation of such work environment where employees are empowered to follow a novel course of action (Amabile, Conti, Coon, Lazenby, & Herron, 1996). An empowering leader also removes obstacles for their employees to perform at will (Ahearne et al., 2005). These contextual factors make a perfect environment for the proactive behavior to flourish. Similarly, Gkorezis (2016) contend that empowering leaders facilitate sufficient space and discretion to their followers to perform their tasks. The association between empowering behavior of leader and proactive behavior of follower may further be elaborated in the light of self-

determination theory (Gagné & Deci, 2005), and proactive work behavior literature (Parker et al., 2006).

SDT (self-determination theory) posits that intrinsic motivation encourages employees to engage in creative, complex, and self-directed activities (Gagné & Deci, 2005). Proactive behavior is also an initiative behavior. SDT further offers that for the development of intrinsic motivation, need for competence and autonomy are pre-requisites. SDT also suggests that the style of manager is also imperative for the creation of conducive work context, another important condition for employee intrinsic motivation (Gagné & Deci, 2005). In empowering leadership, a leader is frequently engaged in acts such as authority delegation, involvement in decision making, and power sharing. An empowering leader also poses confidence over the abilities of employees to enable them to meet the challenging demands (Ahearne et al., 2005). These empowering tactics of a leader develop a sense of autonomy and competence among people which in turn develops intrinsic motivation and translates into proactiveness (Martin et al., 2013).

Parker et al. (2006) modeled the influencing factors of proactive behavior. They identified job discretion and supportive supervision as important work environment elements. An empowering leader also provides autonomy and supports to his subordinates for the accomplishment of their task. Parker et al. (2006) argued that job discretion influences the proactiveness of employees by increasing the role-breadth. Similarly, empowering leadership increases the role-breadth by autonomizing employees which predicts proactive work behavior. Likewise, supportive supervision is also necessary to stimulate proactive behavior among employees (Crant, 2000). A supportive leader encourages his subordinates to aim higher, set their own goals, and perform better. This kind of support ignites the cognitive state among employees which relates to proactivity. Parker et al. (2006) has empirically proved this proposition. Lastly, authors (Qian, Song, Jin, Wang, & Chen, 2018; Zhang, Ke, Frank Wang, & Liu, 2018) agree that empowering leadership style might have positive influences on employees' proactive and creative behaviors. We argue that the empowering behavior of a leader also stimulates cognitive motivational-states among employees and resultantly the proactive behavior among employees. We hypothesize that:

H1: Empowering leadership will have positive effect on employee proactive behavior.

Mediating role of psychological empowerment

Conger and Kanungo (1988) refer to psychological empowerment as a heightened feeling of self-efficacy generated in employees by the removal of conditions of powerlessness in the organization. Thomas and Velthouse (1990) view psychological empowerment as employees' beliefs of their ability to deal with the problems, events, and situations occurring at their workplace. According to Spreitzer (1995), psychological empowerment is also an aspect of intrinsic motivation which employees draw from their cognitive orientations towards their work. The cognitive orientation toward work is displayed in four aspects: meaningfulness, impact, competence, and self-determination. Meaningfulness means the value which employees ascribe to their work goal in relation to their own standards. Impact indicates the belief of an individual being able to influence the work outcomes. Competence denotes the confidence in one's own capability to accomplish the job. Self-determination involves the perception of liberty to follow work behaviors and processes of own choice. Spreitzer (1995) has also empirically tested, the earlier described, nomological network of employee psychological empowerment. Conger and Kanungo (1988) maintained that psychological empowerment is a driving mechanism for not only task initiation but also persistence.

Psychological empowerment has been viewed as a potential mediator linking various work related antecedent and outcomes (Maynard, Gilson, & Mathieu, 2012). Recently, Maynard et al. (2012) determined that the intervening role of psychological empowerment has been examined in the linkage between contextual factors such as perceived organizational support, leadership, work design, and team characteristics and employee performance and affective reactions. In the studies on leadership, psychological empowerment has been found to intermediate the effect of transformational style of leadership on employee commitment with the organization (Avolio, Zhu, Koh, & Bhatia, 2004). Raub and Robert (2010) suggested that psychological empowerment intervenes between empowering behavior of leader and follower's engagement in extra-roles. Akram, Chauhan, Ghosh, and Singh (2019) believe that empowering leadership has direct consequences for follower's empowerment. Such leaders enhance motivation by delegating responsibilities to their subordinates. Dewettinck and van Ameijde (2011) investigated that the effect of empowering leadership on employees' attitudes and intentions is mediated by

psychological empowerment. Fong and Snape (2015) established that the effect of empowering behavior of leader on follower outcomes such as in-role behaviors, citizenship, satisfaction, and commitment is mediated by psychological empowerment. To our best knowledge, there is yet a missing link in the literature about the intervening effect of psychological empowerment between proactive behavior and empowering leadership.

We maintain that empowering leadership would arouse psychological empowerment among the followers by creating a perception of meaning, impact, competence, and selfdetermination among subordinates (Spreitzer, 1995). An empowering leader is a role model, a coach, and a facilitator. He provides feedback to the subordinates for developing desired behaviors among them. These actions of empowering leader are instrumental in developing self-efficacy and competence beliefs among the followers (Raub & Robert, 2010). Empowering leaders engage their followers in decision making process. By participating in decision making, employees have a larger sphere of influence (Dewettinck & van Ameijde, 2011). Chen and Aryee (2007) assert that the delegated decision making strengthens employees' self-concept by fostering their self-esteem and perceived status in the organization. Those who feel higher levels of self-esteem and believe themselves as insiders, consider that their existence in the organization matters. They believe that they have a respectable and an acceptable place in the organization and can have impact on work outcomes (Raub & Robert, 2010). Furthermore, the way through which empowering leaders create a sense of meaning among subordinates is by putting a faith in both the importance and the quality of employees' work related activities (Grant, 2008). Similarly, Deci and Ryan (2000) believe that supportive leaders enhance self-determination of subordinates and lessen their evaluation concerns while increasing their motivation with the sense of responsibility for the outcomes of their activities.

The association between psychological empowerment and proactive behavior may also be explained through the lens of SDT proposed by Gagné and Deci (2005). SDT proposes that decision supportive style of managers yields many positive outcomes through autonomous motivation. Psychological empowerment also becomes a source of autonomous motivation for employees (Raub & Robert, 2010) Psychologically empowered employees instill in their personality the values which urge them to engage in autonomous and self-directed activities. Proactive behavior is also a self-directed initiative behavior. A sense of self-determination motivates employees to challenge the status quo and improve circumstances around themselves. Self-determination (Gagné & Deci, 2005) would also lead employees to engage in problem solving and initiate change. Contrarily, those low in psychological empowerment avoid engaging in initiative behaviors (Raub & Robert, 2010). Empirically, Choi (2007) has established that psychological empowerment intervenes the linkage between organizational environment characteristics and change oriented behaviors of employees. Park, Kim, Yoon, and Joo (2017) believe that empowerment develops an optimistic mental state. Those with positive orientation towards their work and life are ought to go behind their goals actively. In essence, empowered employees feel themselves capable enough to introduce a meaningful change in their workplace by engaging in proactive behavior (Chen, Liu, Zhang, & Qian, 2018). Hence, the following hypothesis is proposed:

H2: Psychological empowerment will mediate the effects of empowering leadership on proactive behavior.

Moderating role of leader-follower distance

Leadership accompanies distance (Antonakis & Atwater, 2002). Many leadership theories postulate that there always exists (or lacks) distance between followers and leaders. Distance between leader and followers is a dyadic phenomenon. "Distance describes the psychological, structural, and functional disparity, or discord between a supervisor and a subordinate" (Napier & Ferris, 1993). This paper's particular focus is on structural/hierarchical leader-follower distance. van Houwelingen, Stam, and Giessner (2017) imply that the value of distance in our personal and professional lives is growing over, and in particular, cognitive aspects of distance may have very farfetched consequences in the workplace.

Griffith et al. (2018) point out that it is imperative for the leaders to establish more quality and proximal relations with the followers. Low distant leader-follower relation enables the leader to not only win the follower's commitment to the leader's vision but also clarifies the follower about his/her role. Similarly, the construal level theory suggests that smaller distances are related with concrete role conceptualizations, whereas, larger distances lead to abstract role conceptualizations (Trope & Liberman, 2010).

To our best knowledge, there is a little evidence (e.g., van Houwelingen et al., 2017)

available investigating the interaction effect of leader distance on the follower outcomes. Cai, Cai, Sun, and Ma (2018) argue that people do not respond in the similar fashion to the empowering leadership behavior. It may depend upon the factors such as person-organization fit, person-job fit, and person-leader fit as well. In this regard, distance is an important determinant of the leader's influence on followers. Antonakis and Atwater (2002) argue that the leader-follower distance indicates the level of relationship intimacy between the two. The distant leaders cannot monitor and rate the performance of their subordinates. Physically close leaders are not only easily approachable but can also influence desired behaviors among the subordinates. Leader proximity makes the leader appear humane (Yagil, 1998).

Leader-follower proximity enhances the communication quality, while distance reduces the influence of leaders due to lack of communication (Chen & Bliese, 2002). Proximity allows leaders to focus on sensitive and individualized exchanges which are more beneficial than when a whole group is addressed (Yagil, 1998). Dvir and Shamir (2003) maintained that the information which the followers receive from their distant or proximal leaders defines the degree of the differential impact leaders have on their followers. By quality exchange relationship, closer leader can comfortably develop trust among their followers than distant leaders (Howell & Hall-Merenda, 1999). The closer leaders can frequently interact with their followers, establish personal links, and build warm relationships.

Transformational leadership was found to significantly influence follower outcomes from a closer level than from a distant level (Howell & Hall-Merenda, 1999). A closer leader can easily transmit through his behavior the kinds of desired behaviors to be replicated. Transformational leaders are usually more probable to establish performance norms among their followers. Close transformational leaders by providing behavioral cues communicate to the followers that those behaviors are normal and may manifest in employee outcomes (Cole, Bruch, & Shamir, 2009). Closer leaders show individualized consideration, sense follower's feelings and demands, and thus support employee development (Shamir, 1995). Similarly, closer leaders would more easily effectuate proactive behavior of employees. Hence, leader-follower distance would interact with empowering leadership. It is hypothesized that

H3: Higher leader-follower distance will negatively moderate the relationship between empowering leadership and proactive behavior.

Research Methodology

Participants and procedures

The population for this research was the front-line managers employed in the Hospitality industry of Pakistan. The sample was chosen from the employees of five-star hotels in Lahore and Islamabad metropolis. Both cities are provincial and federal capitals respectively and house to major tourist, business, governmental and diplomatic activities. Employees working in these hotels are competitively recruited and extensively trained making them an important organizational asset. While on job they have close contact with the customers, therefore, they are empowered to proactively respond to immediate customer demands. In this situation, style of leadership becomes imperative to contribute to employees' motivation to quality service (Clark, Hartline, & Jones, 2009). Therefore, this setting was considered relevant for the testing of our model.

Dyadic data were collected for this study. In 1-1 supervisor-subordinate dyad, supervisor reported the proactive behavior of the follower, whereas, the follower reported about the empowering leadership style of their leader. They also reported their own psychological empowerment. We sought the help of HR manager in each hotel. In some hotels, HR manager randomly distributed the questionnaires through his office. At other places, the HR manager encouraged the employees for participation in the survey through email with the assurance of anonymity. Through various means, a total of 600 questionnaires were circulated among the supervisor-subordinate dyads. The final usable responses were 311. The sample consisted of 113 female, and 188 male respondents. The mean age of participants were 28.3 years, the experience averaged 6.7 years.

Measures

Proactive behavior. Proactive behavior had two dimensions of voice and personal initiative. The voice dimension was measured with the help of the instrument developed by Van Dyne and LePine (1998). The personal initiative dimension was measured with the instrument of Frese, Fay, Hilburger, Leng, and Tag (1997).

Empowering leadership. An instrument developed by Ahearne et al. (2005) was opted for

measuring empowering leadership. It comprises of 12 items, and encompasses four factors of empowering leader behavior: (1) enhancing work meaningfulness; "My manager helps me understand how my objectives and goals relate to that of the company", (2) nurturing participative decision making; "My manager often consults me on strategic decisions", (3) believing in employee performance; "My manager believes that I can handle demanding tasks", (4) providing independence from administrative hurdles; "My manager allows me to do my job my way".

Psychological empowerment. For measuring psychological empowerment, we used instrument developed by Spreitzer (1995) consisting twelve items. It encompasses four dimensions of psychological empowerment which are: 1) meaning; "The work I do is very important to me", 2) competence; "I am confident about my ability to do my jobs", 3) self-determination; "I can decide on my own how to go about doing my work", and 4) impact; "My impact on what happens in my department is large".

Leader-follower distance. For leader-follower distance, a measure was included in the questionnaire asking: 1) what is your designation, 2) what is your leader's designation, 3) what is the degree of difference between your and your supervisor's designation.

Analytical Strategy

A two-step analytical procedure was followed for data analysis (Anderson & Gerbing, 1988). First, measurement model fit was evaluated. Measurement model was further assessed for construct reliability and validity following the criterion suggested by Hair, Black, Babin, and Anderson (2010). Second, hypotheses were tested in a structural model. The analyses were performed in AMOS 22 using maximum likelihood estimation. For testing moderation, an interaction term was created between empowering leadership and leader-follower distance.

Confirmatory factor analysis was conducted to analyze the factor structure. All the constructs were multidimensional with empowering leadership and psychological empowering both having four factors while proactive behavior had two factors. The hypothesized measurement model exhibited a perfect fit (CMIN/df=1.752, CFI=0.967, TLI=0.951, RMSEA=0.054). In order to find the alternative explanations of measurement model, we also tested another model (Shah & Goldstein, 2006) assuming constructs as unidimensional. The results did not show a perfect fit (CMIN/df=1.549, CFI=0.794, TLI=0.783, RMSEA=0.049).

Further, constructs were tested for reliability and validity. The composite reliabilities were: empowering leadership; 0.913, psychological empowerment; 0.932, proactive behavior; 0.823 respectively. The construct also established convergent and discriminant validity. The average variance extracted (AVE) were 0.581, 0.649, 0.573 respectively, indicating convergent validity. For discriminant validity, AVE was greater than the squared correlation between the constructs (Hair et al., 2010). Lastly, the model was also assessed for method bias using common latent factor method. The result did not show any indication of method bias as the loading did not fall below by more than 0.20 (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

Data Analysis and Results

Descriptive

Table 1 exhibits the descriptive statistics. Empowering leadership was correlated positively with psychological empowerment, proactive behavior, and negatively with leader-follower distance. Psychological empowerment and proactive behavior were positively correlated.

Table 1. Mean (M), Standard Deviation (SD), and Correlations among constructs

	, ,,			, ,,				,		
Constructs	М	SD	1	2	3	4	5	6	7	8
1. Gender	2.67	.345	1	-	-	_	_		-	_ =
2. Age	3.802	.331	.102	1						
3. Exp.	5.98	2.856	.104	.423	1					
4. Edu.	1.78	0.725	.108	.207	.018	1				
5. Tenure	5.24	2.913	.112	.191	.041	.171	1			
6. EL	3.251	1.324	.321	.271	.251	.167	.112	1		
7. PE	2.875	1.834	.307	.323	.221	.098	.102	.413***	1	
8. PB	2.983	1.417	.302	.225	.357	.081	.321	.518***	.513***	1
9. LD	3.091	0.978	.321	.101	.114	.031	.098	.463***	.478***	.467***

Exp.=Experience, Edu. =Education, EL=empowering leadership, PE=Psychological empowerment, PB=Proactive Behavior, LD=Leader-follower distance, ***p<.001

Hypotheses Testing

For the testing of hypotheses, a structural model was run in AMOS. The structural model showed a perfect fit (CMIN/df=2.694, CFI=.991, TLI=.970, RMSEA=.043). Gender, age, experience, tenure, and education were added as covariates in the model. The introduction of control variables did not disturb the model fit.

H1 stated that empowering leadership will have positive effect on proactive behavior. The results proved that empowering leadership shows a significant positive influence on proactive behavior (see Table 2).

Table 2. Test of Direct and Moderating effects

•		Proac	Proactive Behavior		
		Standardized Beta	S.E.	p-value	
Model 1					
	Empowering leadership	0.380	0.050	.001	
	R^2	0.359			
Model 2					
	Empowering leadership (1)	0.274	0.054	.001	
	Leader-follower distance (2)	0.226	0.073	.001	
	(1) x (2)	-0.181	0.042	.001	
	R ²	0.407			

 H_2 stated that psychological empowerment mediates the effect of empowering leadership on proactive behavior. Mediation was tested with 2000 bootstrap samples. The mediation model exhibited a good fit (CMIN/df=2.307, CFI=0.968, TLI=0.959, RMSEA=0.043). Psychological empowerment partially mediated the link between empowering leadership and proactive behavior. A Bias-Corrected (BC) bootstrapped 95% Confidence Interval (CI) showed that the indirect effect (β =0.122, p=0.001), direct effect (β =0.278, p=0.001), and the total effect (β =0.401, p=0.001) were significantly different from zero (see Table 3). Since the direct effect remains significant after the introduction of mediating path, it concludes that psychological empowerment partially mediates the effect of empowering leadership on proactive behavior.

Table 3. Test of Mediating effect

	Proactive behavior BC 95 % CI							
Effects	Point of estimate	SE	Lower	Upper	p-value	Mediation observed		
Empowering leadership								
Total effect	0.401	0.047	0.310	0.493	.001	Partial		
Direct effect	0.278	0.051	0.179	0.375	.001			
Indirect effect	0.122	0.026	0.078	0.179	.001			

Mediator=Psychological empowerment, Bootstrap sample=5000

BC=Bias Corrected, CI= Confidence Interval

 $\rm H_3$ stated that leader-follower distance dampens the effect of empowering leadership on proactive behavior. The results support that higher leader-follower distance lowers the influence of empowering leadership (β =-.181 p < .001) (see Table 2). The moderating effects were further probed by plotting the interaction effects (Cohen, Cohen, West, & Aiken, 2013). The slope of the line shows that as the leader-follower distance increases the impact of empowering leadership decreases.

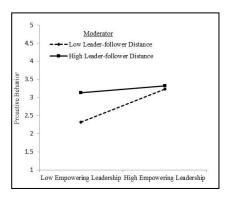


Figure 1. Moderating effects of leader follower Distance

Discussion

The aim of this research was to investigate the effect of empowering style of leadership on follower's proactive behavior. Apart from direct effects; we also hypothesized the mediating effect of psychological empowerment. Similarly, leader-follower distance was proposed to moderate the effect of empowering leadership inversely. The findings have threefold contribution. First, it contributes to the empowering leadership literature. Second, no study has earlier investigated proactive behavior as an outcome of empowering leadership. Likewise, it also contributes to the proactive behavior literature. Third, it adds to our understanding of the leader-follower distance phenomenon.

Theoretical implications

This study is an addition to the few empirical studies on the individual level outcomes of empowering leadership. Our study extends the investigation by Raub and Robert (2010) and Fong and Snape (2015). Both of these studies only relate empowering leadership with in/extra-role behavior(s) and employee attitudes and behaviors (satisfaction, commitment and citizenship). We specifically relate empowering leadership with employee proactive behavior.

In the previous literature, there was an inconclusiveness regarding psychological empowerment as a mediator. Some studies (Fong & Snape, 2015; Zhang & Bartol, 2010) established that psychological empowerment essentially intermediates between empowering leadership and its outcomes. Whereas, Arnold, Arad, Rhoades, and Drasgow (2000) submit that empowering leadership encompasses behaviors which may not necessarily enhance follower's feelings of being psychologically empowered. Ours' is interesting conclusion and a point of convergence for the earlier conclusions. The findings prove that psychological empowerment has a partial mediating effect. Empowering leadership has not only direct effects but also indirect effects.

Furthermore, structural distance proved as a negative moderator of the influence of empowering leadership. To our knowledge this is a novel area to which no earlier study has addressed. Theoretically, our hypothesis was based on the leadership distance theory presented by Antonakis and Atwater (2002), and our results support their proposition that the effects of leader behavior can be best explained by the prevalence of leader-follower distance. It is argued that those near the leadership echelons are more likely to be influenced by their leaders. They might have closer and ongoing interactions (Cole et al., 2009), hence, are more likely to translate into their behavior of what they observe. In a closer leader-follower relationship, there are more chances for the diffusion of leaders' thoughts into the follower through feedback, reinforcement and more importantly through role modelling (Cole et al., 2009). This revelation adds to our understanding on the aspects of leader distance and empowering leadership theory.

Lastly, this study hails from the hospitality context of Pakistan. Hospitality employees were selected because of their direct role in customer satisfaction. They have to be empowered to meet the needs of their customers on an immediate basis. An empowered hospitality employee would more likely engage in independent behaviors (Namasivayam et al., 2014). In this respect, we may argue that with the cumulative evidence, we may also develop a theory of psychological empowerment particularly tailored to the hospitality professionals.

Managerial implications

This study exhibits that the behavior of leaders is instrumental for the establishment of desired follower behavior. If a manager wants his/her follower to observe proactive behavior for organizational problem solving, he/she must practice empowering leadership. Since the results provide that distance affects the influence of leaders on follower outcomes, it is suggested that managers must try to overcome the distance with the followers despite the hierarchical distance. This is not only necessary for the proactive behavior, but also for any other desired follower behaviors. However, our explanation might be criticized as we focus on structural distance, an examination of the psychological distance may advance our explanation.

Further, this study underlines the importance of psychologically empowered employees for the transmission of leaders' attitude to the follower behavior. Certain tactics that are advised for the leaders to follow to enhance psychological empowerment are the clear articulation of vision, clarification of goal, specification of task, and provision of rewards. Leaders should also develop an atmosphere of trust and confidence among them and their followers. Employees having higher level of confidence on their leader would feel more psychologically empowered (Avolio et al., 2004).

Lastly, based on the results suggesting the consequences of empowering leadership for the follower's psychological empowerment, it would be a practical recommendation for the organizations to train their leader about the empowering behaviors (Namasivayam et al., 2014).

Limitations and Future Research

A weakness of this study was the reliance on cross-sectional survey which is a limitation to the establishment of causality as the conditions of temporal order of precedence were not met. In this respect, alternative explanation/model to the one studied may also exist. Longitudinal design is advised for future researchers. The sample for this research comprised of employees employed in the hospitality sector in Pakistan. The generalizability of the results of this model studied would be enhanced if it is conducted in other organizational contexts as well. Despite being at a closer structural distance, leader and follower may observe higher/lower psychological distance among themselves and vice versa. In this study, we focused on structural dimension, future researchers must also integrate the dimension of psychological distance, for which, a reliable measure of psychological distance should be developed first.

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