# Empowering Leadership and Team Creativity: An Examination of Direct and Indirect Path

Samreen Batool<sup>1</sup> Ahmad Adeel<sup>2\*</sup>

1.College of Public Administration, Huazhong University of Science and Technology, Wuhan, 430074, China 2.School of management, Huazhong University of Science and Technology, Wuhan, 430074, China

#### Abstract

In this research, we investigated how empowering leadership is related with team level creativity of employees. Integrating theory of group behavior with componential theory of creativity, we found that empowering leadership behavior affects the team level creativity of employees directly and indirectly through the mediation of team learning behavior and team psychological empowerment as team process and team emergent states. For this research we collected data from two sources (Subordinates, and Supervisors) by temporally dividing data collection process into two points in time for independent, dependent, and mediating variables from employees of a bank operating in Pakistan. Preliminary analysis and analysis with mediation and indirect affects performed to check the direct and indirect effects. Mplus 7.0 was used with random model techniques to analyze hypothesized model for employees' sample (N = 343). Mediation was analyzed using indirect effect of random models and further confirmed the confidence using bootstrapping procedure. Further research findings, implications, and future research directions also discussed in this research.

Keywords: Empowering leadership; Team learning behavior; Team psychological empowerment; Team creativity

#### **INTRODUCTION**

In contemporary, dynamic, and competitive marketplace, organizations need to exploit their potential to enhance their ability to produce more creative solutions for survival (e.g., Erdogan et al., 2015; Cho & Pucik, 2005). Organizational innovative outputs are consistently linked with higher rate of their grown, sustainability, and profitability (e.g., Subramaniam & Youndt, 2005). Given its practical importance, researchers have largely investigated the factors which can affect and contribute to creativity of the employees. Team level research of creativity suggested that individuals in teams bring diversified knowledge, skills, and expertise to produce more creative solutions (e.g., Taggar, 2001; Zhou & George, 2003). The diversified knowledge and expertise which team members bring forward for the team enhance their overall divergent thinking and flexible problem solving (Granovetter, 1982).

Leaders' behavior is one of the most investigated behaviors in creativity research; researchers found that leaders can affect the potential of individuals and teams for creativity (e.g., Cho & Pucik, 2005; Subramaniam & Youndt, 2005; Druskat & Wheeler, 2003). Among these studied behaviors, empowering leadership behavior has been given special attention in management literature. This behavior is closely related to the recent trend of providing autonomy to the organizational employees (Lawler, Mohrman, & Benson, 2001). Researchers found that empowering leadership positively affects the creativity of the employee by enhancing the sense of autonomy among employees (Lawler, Mohrman, & Benson, 2001). Contrary, some researchers questioned this link and found that empowering leadership behavior can hamper creativity of the employees and organizational innovative potential (e.g., Amabile et al., 2014) by inducing inner friction and can negatively affect the exchange of novel and useful ideas (e.g., Lawler, Mohrman, & Benson, 2001; van Knippenberg, De Dreu, & Homan, 2004). A dilemma result, empowering leadership behavior which fosters creativity of the teams by providing autonomy to the other hand hampers the exchange of creative ideas.

Therefore, it is important to investigate the relationship between empowering leadership behavior as structural empowerment property and team level creativity of employees. In this research building on the framework of theory of group behavior (Wegner, 1987) and componential theory of creativity (Amabile, 1996), we proposed here that empowering leadership behavior as an important factor to foster creativity of work teams by effecting the learning behavior of the teams and team psychological empowerment. Developing on these perspectives, both in terms of psychological empowerment and team learning behavior (Amabile, 1996), motivates employees to provide opportunities of learning and developing a collective belief of psychological empowerment. Drawing on the theories of group behavior and componential theory of creativity, we proposed here that team learning behavior along with team psychological empowerment as important team level process and team level emergent states mediate the relationship between empowering leadership behavior and team level creativity.

There are two prime purposes of this research; first, previous research, which examined role of leadership behavior for team performance has not focused team process and team emergent state, in spite of call for such a valuable research (e.g., Spreitzer et al., 2015). In spite of the fact, there have been numerous calls in

the literature about the need for the investigations of team process and team emergent states in a single study (Hirst et al., 2009; Pearsall et al., 2008). Therefore, the basic purpose this research is to investigate these two categories of mediators together which link structural leadership behavior with team creativity: learning behavior of the teams as team process and team level psychological empowerment as an important team emergent state.

Second, most of research on empowering leadership behavior is either on individual level or with the teams which operates on lower level of the management (Spreitzer et al., 2015). Management researchers are consistently calling for the research on managerial level employees for firm evidence to generalize the results if replicated in the study of managerial level employees (Spreitzer et al., 2015). Therefore, the second objective of this research is to investigate the research pertaining to empowering leadership behavior from the perspectives of management teams. In this research the researchers tried to enhance the scope of research by investigating managerial level teams working at controlling offices of organization. Despite the fact, management teams differ in their compositions and are critical for organizational performance (Burris, 2012); the research on leadership specific behavior, team process, and emergent state has lagged behind. Therefore, research on management teams is important, because these are not ordinary teams composed for some specific task or limited number of task with limited scope. Management teams can affect different organizational units and even the whole organization. Thus, investigating management teams is critical for leadership behavior and team performance because findings of other teams cannot be generalized to managerial teams (Cohen & Bailey, 1997).

We are also likely to contribute to management literature into several ways. First, the most important implication for theory is investigating the direct relationship of empowering leadership on team creativity (Liden et al., 2000). Empowering leadership is a form of structural empowering behavior (Liden et al., 2000) which was long conceptualized as having affect on performance related outcomes on both individual and team levels (Chang & Chung, 2011; Ahearn et al., 2004), but team level investigations are very limited to empirically prove the relationship between empowering leadership as structural empowering behavior of leaders to their subordinates, in this research the researchers reinvestigated the direct impact of empowering leadership behavior on team level creativity of the employees.

Second, creativity is an important property of performance for the survival and existence of organizations in this contemporary dynamic environment (Shalley et al., 2004). In this research this recent trend in management studies captured by investigating creativity of teams as an important determinant of performance (e.g., Carnabuci & Diószegi, 2015; Chen et al., 2015; Venkataramani et al., 2016). This research is also likely to contribute to creativity research which is now focusing on others' role in producing creative ideas. Third, organizations foster creativity of their employees by taking initiatives which can affect the resources needed for creativity of their employees (Shalley & Gilson, 2004). Empowering employees structurally and also psychologically is one of the important initiatives which organizations take and foster the creativity of the employees (Zhang & Bartol, 2010). Therefore, by investigating creativity from the more structural and psychological side this research also make contribution to the empowerment literature, as in empowerment literature psychological side is given less attention.

Finally, leaders role was conceptualized and found to affect the creativity of employees (e.g., Chen et al., 2015; Zhou et al., 2009). Two major perspectives have been used by previous researchers while investigating empowering leadership behavior. First, leaders' willingness to share power, increase responsibilities of employees, and autonomy in decisions and actions of employees (Chang & Chung, 2011), second, the response of employees to empowerment specifically, investigating motivation of employees in response to empowerment (Chang & Chung, 2011). With few exceptions, these two perspectives have rarely been investigated in one empirical investigation (e.g., Srivastava et al., 2006). In this research, these two perspectives of empowerment have been integrated to understand the mechanisms through which empowering leadership behavior might influence team creativity at organizations.



**Figure 1. Research Model** 

## LITERATURE REVIEW AND HYPOTHESIS

### CREATIVITY AND EMPOWERMENT: A CONCEPTUAL APPROACH

Creativity: the generation of ideas which are considered more novel and useful as compared to other alternative available for a specific situation in a specific dmain regarding products, services, processes, and procedures (e.g., Shalley, Zhou, & Oldham, 2004; Amabile, 1996) is a critical source for contemporary organizations and needed in almost every job (Shalley, Zhou, & Oldham, 2004). Novelty and usefulness are two main components for an idea to be considered as a creative idea; creative idea is considered novel if presented idea is unique in its characteristics as compared to other alternative ideas available, on the other hand idea is considered useful if it creates value for the organization (Shalley et al., 2004).

Although not distinguished in creativity definition, the usefulness part of creative idea is a little more complex as compared to novel component of employees' creativity. Useful value of creativity can be direct, indirect, short term, or long term. There is a possibility that an idea presented for improved procedures in a work unit has long been used in other organizations or even in other departments or work units of same organization. Also, creativity is not limited to some specific individuals, in almost every job some level of creativity is needed (Shalley, Gilson, & Blum, 2000) and ideas may be generated at any level of organizations (Shalley et al., 2000).

Finally, creativity can be radical in its nature to an incremental advancement adaptation. Incremental creativity refers to minor changes to previous ways of dealing things (Shalley et al., 2004; Madjar et al., 2011). However, radical creativity refers to breakthrough creative ideas, these ideas substantially differs with current processes, procedures, services, practices, routines, and practices at organizations (Madjar et al., 2011; Unsworth, 2001). Therefore, creativity can be radical or incremental with its novelty and usefulness. Radical creative ideas demands a substantial change in current frameworks and structures however, incremental creative ideas are normally accommodated in current frameworks and structure. That's why radical creative ideas are challenged, see more conflict, elicit more challenges at organizations (Janssen, Van de Vliert, & West, 2004) and are resisted more often (Shalley et al., 2004). Irrespective of its nature and type, employee creativity is important for organizations because individual creative idea provide crucial creative inventory for organizational creativity (Shalley et al. 2004; Zhou & George, 2003).

Empowerment as a concept was conceptualized as a characteristic of relational or sharing of authority by individuals and teams who are in control of things at organizations (Burke, 1986) in its early days. The researchers who advocated empowerment previously or today believe that empowerment of employees enhance positive attitude, comfort, and performance (e.g., Hempel, Zhang, & Han, 2012; Spreitzer et al., 2008). Due to advocacy by these researchers, almost 75% of the organizations were found adopting any of the forms of empowered for their employees (Spreitzer et al., 2008; Lawler, Mohrman, & Benson, 2001).

Two major perspectives have been used by researchers while investigating empowering leadership behavior. First, leaders' willingness to share power, increase responsibilities of employees, and autonomy in decisions and actions of employees (Kirkman & Rosen, 1999), second, the response of employees to empowerment specifically, investigating motivation of employees in response to the empowerment (Kirkman & Rosen, 1999; Spreitzer, 1995). With few exceptions, these two perspectives have rarely been investigated in single investigation (e.g., Srivastava et al., 2006). We integrated these two perspectives of empowerment to understand the mechanisms through which empowering leadership behavior might influence team creativity at organizations.

# RELATIONSHIP BETWEEN EMPOWERING LEADERSHIP BEHAVIOR AND LEARNING BEHAVIOR OF TEAMS

Empowering leadership behavior is closely related with recent trend at organizations in empowering their workforce to enhance their performance (Lawler, Mohrman, & Benson, 2001). the purpose of this line of research remained with understating two important aspects here, one leaders role in sharing his/ her authority and independence of subordinates (Mohrman, & Benson, 2001) and on other end, subordinates' response towards this empowerment behavior (Spreitzer et al., 2008; Mohrman, & Benson, 2001) but in these research lines, these two perspectives have been investigated independently, investigating both lines of research in one investigation is very rare (e.g., Bunderson & Sutcliffe, 2003). In this research the researchers made an effort to investigate these relationships in a single study, more specifically the researchers investigated leaders' empowering behavior and employees response towards these empowerment behaviors in a single investigation which have rarely been investigated previously (Srivastava et al., 2006).

Team learning behavior, a behavior of team to collectively participate in thoughtful decision making, questioning for learning, seeking advice for improvements, and arguing mistakes for further improvements (Edmondson, 1999). Team learning behavior was positively related with creativity at organizations (Hirst et al., 2009). Team learning behavior is different from other behavior of the teams like "team climate" and "shared learning orientations" because wenot collective belief of team members (Katz & Kahn, 1978) or the motivational aspects of team learning orientations with encourage mutual learning (Srivastava et al., 2006), wea procedure through which member of the teams learn to resolve issues by discussing. Teams when search for knowledge, discuss diversity in their opinions, and question the offered solutions are called involved in studying behaviors (Spreitzer et al., 2008). Team learning behavior cannot be guaranteed to bring forth good benefits from the network, attract better financial resources and funding, rather it promotes mutual information seeking for problem solving as a team process.

Consequently, overall knowledge and information of teams increase by creating an environment where team members easily learn by eliminating any psychological risk attached with learning, this also encourages people to learn mutually on an ongoing basis and solve problems affectively by initiating social learning process (Rosenthal & Zimmerman, 1978). Knowledge and information exchange are important tenants of team learning behavior. But this information and knowledge sharing is not a self ignited process which starts automatically within work units. Team leaders have important role in sharing knowledge and information beneficial for the teams. Empowering leadership encourage employees to share knowledge and seek for the information (Bunderson & Sutcliffe, 2003) beneficial for collective learning behavior (Srivastava et al., 2006). Supportive leaders (a basic trait of empowering leadership) are beneficial for mutual sharing and knowledge of employees by supporting them, guiding them, recognizing their valuable efforts, and treating them fairly (House & Dessler, 1974).

Therefore, subordinates receive fair and respectful treatment, true recognition for the knowledge and information shared, from the empowering leaders, this encourage them further to share unique knowledge and information reside with them on an ongoing basis. Same as, other behaviors of empowering leadership like, coaching, participating, and encouraging behavior will also motive employees for mutual learning. Participative behaviors of leaders are also related with mutual learning of employees. Researchers found that at team level, opportunities of mutual learning and sharing increase when formal leaders models participative behavior (Locke, Alavi, & Wagner, 1997). Participative leadership may give employees a confidence to voice for the issues, question peer for learning, encourage to seek feedback, and to openly discuss mistakes which may benefit employees for mutual learning as a team. Also, when formal leaders model coaching behaviors, they encourage employees to solve problems collectively with reflective decision making and seek alternatives collectively (Arnold et al., 2000). Therefore, building on all above arguments, this is expected that empowering leadership will promote team learning behavior. Formally:

Hypothesis 1: Empowering leadership relate positively to team learning behavior.

# RELATIONSHIP BETWEEN EMPOWERING LEADERSHIP BEHAVIOR AND TEAM PSYCHOLOGICAL EMPOWERMENT

Leadership behaviors which promote power sharing, influence intrinsic motivation of employees also enhance their self efficacy (Locke, Alavi, & Wagner, 1997). Feeling about psychological empowerment is a state when individuals and teams perceive that they organize and own work (e.g., Spreitzer et al., 2008) which is different from empowering leadership (e.g., Spreitzer et al., 2008; Mills & Ungson, 2003). Psychological empowerment mainly focuses on the employee cognition and perception of empowerment. The key to psychological empowerment is the belief of teams or individuals that they are well in position to perform and control their own work which is quite related with motivational processes (Conger & Kanungo, 1988) of teams.

Taking two dimensional perspectives, previous researchers suggested that, psychological empowerment is perception about delegation of power and responsibilities in teams (Mathieu et al., 2006; Hechanova et al.,

2001). However, researchers found that self efficacy and independence are main premise in psychological empowerment (Dvir et al., 2002). Leaders can affect team level psychological empowerment through different behaviors (Aryee & Chen, 2006; Dvir et al., 2002). Leaders' guidance to employees for how to achieve goals and be effective increases their sense of responsibility and self efficacy (Bandura, 1997).

Participative decision making by formal leaders encourage employees to provide their input for the team decisions which in turn raise their sense of self efficacy (Latham, Winters, & Locke, 1994). Coaching behavior of formal leader encourages them to learn and grow by making them capable of doing independently, increase their sense of self efficacy, independence, power, and responsibility. Researchers found that information about the direction of organization help individuals to set goals in line with organizations' objectives (Spreitzer, 1995). Information to strategic goals, help employees to set their direction and actions (Kirkman & Rosen, 1999), thereby enhancing their self efficacy and sense of responsibility. Therefore, based on above discussion we can expect that empowering leadership behavior will promote psychological empowerment in teams. Formally:

Hypothesis 2: Empowering leadership relate positively to team psychological empowerment.

# RELATIONSHIP OF TEAM LEARNING BEHAVIOR AND PSYCHOLOGICAL EMPOWERMENT WITH TEAM CREATIVITY

Team learning behavior may lead to better team creativity due to two main reasons: first, there is improvement in decision making and second, there is enhancement in inter employee coordination. Researchers found that enhanced team learning behavior lead to more comprehensive understanding of teammates to consider alternative in more appropriate way and better utilize team knowledge resources for further decision making (Stasser & Titus, 1985). Team learning behavior may also lead to improved team creativity at organizations by enhancing inter employee coordination, enhanced decision making in teams, and carefully choosing alternatives for any problem. Here, the researchers argue that team learning behavior will affect shared mental models and collective sharing of knowledge through knowledge management models specifically share mental models which ultimately will enhance inter employee coordination and growth in shared mental models.

These shared models are the collective memory systems of the organization. This is the social process through which employees share, store, enhance, and utilize knowledge stored in social setting of employees at organizations (Mathieu et al., 2000). It is also critical to understand that holders of this knowledge are employees of the organizations. That is also a reason organizations often engage employees in activities of knowledge exchange which ultimately bring the more specific tacit knowledge of employee which reside with employee to bring and make it possible of other employees of the organizations. Timely sharing of information is related with enhanced performance and creativity at organizations (Kirkman & Rosen, 1999). If members of the team develop and share information timely they actually develop a shared ability to utilize shared resource of teams for further performance of the teams (Isenberg, 1988). This can also help to develop a collective intuition of the team which may further help to enhance performance of the team (Isenberg, 1988). Thus team learning behavior enhances the important ingredient of team level creativity: the knowledge resource of employees.

Team learning behavior may also be linked with collective efficacy which is an important predictor of employees' collective motivation. Team learning behavior can also help in development of collective efforts of developing collective memory system which knows who knows what in teams (Wegner, 1987). This collective effort of developing transaction memory system will also enhance a sense of collective caring for the task, the improved efficacy, enhance autonomy, and the influence for the outcomes (Spreitzer, 1995) which may further related to collective motivation of team mates. Collectively team learning behavior is related to improve team knowledge base and also collective motivation of the team members which are ingredients of team level creativity at organizations. Therefore, the above arguments suggest that learning behavior of the team positively relate with creativity at team levels at organizations.

Hypothesis 3: Team learning behavior positively relate to team creativity.

#### RELATIONSHIP BETWEEN PSYCHOLOGICAL EMPOWERMENT AND TEAM CREATIVITY

Psychological empowered employees anticipate problems, act independently, face problems and their consequences, face risk associated with their actions, influence over their goals, and remain persistent and resourcefulness to achieve high performance (Spreitzer, 1995, 2008). From the four dimension of psychological empowerment, meaning and self-determination are found related with performance of employees at organizations (Shalley et al., 2004; Humphrey et al., 2007) based on theory of job characteristics (Hackman & Oldham, 1980). Team level psychological empowerment enhances the feeling of caring about the task (meaning), competence (self efficacy), potency (self determination), and influence on outcomes (impact) (Spreitzer, 1995). Previous researchers found the competency and impact beliefs are related with performance of employees due to enhancement of increased task involvement and persistency (Bandura & Locke, 2003).

Theory of psychological empowerment says that employees who feel psychological empowerment in all dimensions take active orientation towards work performance (Spreitzer et al., 2008). Enhanced sense of

meaning and impact are also related with higher performance at organizations by enhancing sense of identification and involvement among employees. Integral to psychological empowerment is to liberalization of hidden talent and possible attributes of employees to benefit teams and organizations (Block, 1987). Intrinsic motivation is central to employee creativity (Amabile, 1988), meaning and self determination are central to psychological empowerment which are intrinsic motivation part of psychological empowerment of employees. These feelings are also likely to affect competence and self determination dimensions of psychological empowerment which may further relate to generation of raw ideas which are novel and useful in nature at organizations (Amabile et al., 2004). Therefore, we expected that team level psychological empowerment would be positively related to team creativity. Formally:

Hypothesis 4: Team psychological empowerment positively relate to team level creativity.

# RELATIONSHIP BETWEEN EMPOWERING LEADERSHIP BEHAVIOR AND TEAM LEVEL CREATIVITY

We suggested here that empowering leadership behavior positively relate with team learning behavior and psychological empowerment which are further related with group level creativity at organizations. Based on our previous discussion we are in a position to suppose that empowering leadership behavior also holds direct affect on group level creativity. That is team learning behavior and psychological empowerment mediates the positive relationship between empowering behavior of leaders and creativity of employees at team levels. Previous researchers suggested that empowering behavior of leaders are beneficial for team level performance because it encourage team members to take initiatives, enhance work speed response, and also enhance value of organizational life within work teams (Cohen, Chang, & Ledford, 1997). Researchers also found that the relationship between behavior of leaders to empower their subordinates for team performance is mediated by psychological empowerment of employees (Kirkman & Rosen, 1999).

Hypothesis 5: The relationship between empowering leadership behavior and team creativity is mediated partially by team level learning behavior and psychological empowerment.

### **RESEARCH METHODOLOGY**

### SAMPLE AND DATA COLLECTION

Quantitative methods are most commonly used and considered more reliable in creativity research (e.g., Carnabuci & Diószegi, 2015; Zhou & George, 2003). Therefore, in this research quantitative method to collect data from a commercial bank operating in Pakistan were used. Prime objective of this research was to investigate direct and indirect path for the relationship between empowering leadership and team creativity, therefore, a sample which truly represent the actual empowering structure and performance related outcomes is really desirable (e.g., Carnabuci & Diószegi, 2015). Therefore, on recommendation of early researchers (e.g., Carnabuci & Diószegi, 2015; Shalley et al., 2004; Zhou & George, 2003), representative sampling technique was used where the selected sample demographically and characteristically closely represent the population. For that we choose the organization that had already implemented organization wide empowerment initiatives for the employees depending upon their hierarchical position and responsibilities; creativity of employees is needed in almost every job (Amabile, 1996), therefore, the internal structure, population, and managements' focus best suited the purpose of this study.

The researchers approached the higher management of the bank and explained purpose of this study to them; with their formal approval the researchers started data collection process. Initially it was agreed with the management of the bank that 67 controlling offices teams having members ranging from 5-9 each will provide data for their independent and collective response data. With approval of top management, HR department of the bank will coordinate this process. Selected teams are given two types of questionnaires; one for subordinates and other for the managers. For subordinates data is collected in two phases, in first phase respondents will provide their feedback. Subordinates will provide their feedback on self reporting measures for empowering leadership, team learning behavior, and for psychological empowerment. However, supervisors will provide their feedback for team creativity. Researchers followed these agreed procedures for data collection of this research.

Human resources management department of the bank coordinated the whole data collection process. One officer from Human resources management department coordinated this data collection process, with help of that officer the researchers identified branch offices with multiple teams and 5-9 team members per team. After identifying the researchers randomly selected (Muller et al., 2005; George & Zhou, 2001, 2002) 67 teams for the data collection, for further identification and secrecy of data the researchers assigned dummy codes to teams, team members, and team supervisors (Carnabuci & Diószegi, 2015; Zhou & George, 2003). Human resources coordinator then tagged relevant questionnaire to the relevant persons. Response for supervisors, and subordinates were separately tagged to all of the 421 subordinates and their respective 67 supervisors. The researchers asked the respondents to provide their individual response for all the questionnaires tagged with their IDs. Data was collected in two phases; the researchers temporally divided data collection process into different

#### points in time.

With help of HR coordinator the researchers first tagged IDs of subordinates only for their individual response and after the researchers received response from 397 subordinates, the researchers then approached their respective supervisors after 2 weeks of their subordinates' response. Two sources of data were used so that any chances of common method bias can be eliminated. The researchers with help of HR coordinator tagged subordinates' IDs with empowering leadership (EL), Team learning behavior (TLB), and Team psychological empowerment (TPE), and supervisors' IDs with Team creativity (TC). Subordinates provided their independent individual response for the measures tagged with their IDs and supervisors also provided their individual independent response for the creativity of the team.

All measures of this study were team level measures with already checked validity. As we stated above that employees of the bank were already aware of the data collection process, therefore, the researchers receive higher response rate from both subordinates and supervisors. Employees were also aware of the individual v/s collective response for the questionnaire. Initial response rate for subordinates' provided data was 94 % and supervisors' provided data was 100%. Therefore, the researchers had data from all of the teams which were initially approached for data collection. Collected data from the subordinates and supervisors was directly emailed by the HR coordinator to the researchers. But as agreed with bank, the researchers did not approach any of the respondents directly nor the researchers communicated the purpose of study with any of the employees of the bank. However, definition of the team creativity including both novelty and usefulness part was sent to the supervisors with the questionnaire by the HR coordinator.

In order to deal with data for missing value cases, the researchers preferred maximum likelihood method instead of other alternatives like list-wise deletion, pairwise deletion, mean replacement, or multiple imputation methods (Chen & Klimoski, 2003; Jung & Sosik, 2002) available in the literature, the reason of selecting maximum likelihood instead of other alternative is that this method of dealing with missing values is more robust in nature as compared with other alternative available in the literature. Following trends of team level creativity and psychological empowerment research (e.g., Carnabuci & Diószegi, 2015; Shalley et al., 2004; Zhou & George, 2003), for subordinates' sample, the researchers initially tagged 421 questionnaires with employee IDs and received response from the 397 subordinates with a response rate of 94 %, the researchers also tagged 67 supervisors for the response about creativity of their team, and received response from all the supervisors.

The researchers then deleted data with missing cases and mismatched with response of supervisors (Carnabuci & Diószegi, 2015; Muller et al., 2005), which yielded final sample of employees to 343 with a final response rate of 81 % for subordinates' sample, and all 67 supervisors for supervisors' sample. The final sample of 343 subordinates and 67 supervisors was used in all simple, direct, indirect, and mediated analysis of this research. In final sample which was used in all analyses, 47.34 % were women and 52.66 were men; average age of subordinates was 39.45 years; average of total experience of banking industry was 10.24 years; average experience of working in current workgroup was 3.54 years; 23.5% held a bachelor degree, 71.5% were master degree holders, and 5 percent were in the category of other education.

In the supervisors' sample, 42.5% were women and 57.5% were men; average age of supervisors was 41.43 years; average of total experience of banking industry was 13.12 years; average experience of supervision of current work group was 4.21 years; 21.8% held a bachelor degree and 78.2% were master degree holders. These demographic variables are used as control variables of this study as sources of personal power for analyzing creativity of the employees as recommended by some researchers (e.g., Carnabuci & Diószegi, 2015; Ibarra, 1993).

#### MEASURES

**Empowering Leadership:** Empowering leadership was measured using 14-items, 7 points likert- type scale (Kirkman & Rosen, 1999). Sample item is "My immediate supervisor uses my suggestions and ideas when making decisions." All employees working under supervision of any supervisor will report the empowering leadership behavior of that specific supervisor. ( $\alpha = .89$ ).

**Team Creativity:** Managers' ratings are most commonly used to measure creativity in field studies (George & Zhou, 2001, 2002; Oldham & Cummings, 1996). In this research researchers used team level creativity of employees of multiple teams working at different offices of the bank. Therefore, following previous research on creativity and as per suggestions of theoretical and practical researches, to measure team creativity the researchers also use supervisors reported measures. So, team creativity is measured using 4-items, 5 points likert-type scale (Janssen, 2001). Sample item is "How creative do you consider your team to be?" supervisors will rank their respective team on this scale. ( $\alpha = .95$ ).

**Team Learning Behavior:** This research used already developed 7-items, 7 points likert-type scale (Edmondson, 1999), to measure team learning behavior. This scale is most commonly and widely used measure of management research (Spreitzer et al., 2008). Sample item for this measure is "In this team, someone always

makes sure that this research stop to reflect on the team's work processes." Self reporting measures are used most widely to measure learning and knowledge access initiatives in field and also in experimental research. learning behaviors are related with motivational aspects of individuals and motivational aspects of individuals cannot be measured by other outsiders. These are internal states of individuals therefore, consistent with previous research this research also used self reporting measures for the learning behaviors of the teams. ( $\alpha = .92$ ).

**Psychological Empowerment:** Psychological empowerment was measured using aggregate method of individual psychological empowerment scale of Spreitzer (1995). This technique has been used previously to measure team level psychological empowerment (Chen & Klimoski, 2003; Jung & Sosik, 2002). There are four dimensions of psychological empowerment of individuals and teams. All of these four dimensions combined to make a psychological empowerment scale for teams (Spreitzer, 1995). These four dimensions are meaningfulness, competencies, self-determination, and impact. A seven point, 12-items likert type scale was used by the researchers to measure psychological empowerment of the teams at organizations (Spreitzer, 1995). This scale contains three items for each of the dimensions of psychological empowerment (meaning, competence, self determination, and impact). Sample items are "I have control over what happens in my department" and "I have significant autonomy in determining how I do my job". Construct validity of these four dimensions of psychological empowerment had already been done in two separate studies of four organizations (Kraimer et al., 1999; Spreitzer, 1995). Employees indicated their individual response on this scale ranging from 1 = strongly disagree to 7 = strongly agree. Using psychological empowerment team scale of self reporting this research measured team level psychological empowerment. Self reporting measures are used because psychological states of individuals and teams cannot be measured by external others (Spreitzer, 1995). ( $\alpha = .87$ ).

**Control Variables:** Management scholars found that personal sources of power which relate to formal learning and experience affect the generation of novel and useful ideas (Ibarra, 1993). Following recommendations of these researchers and also followed trend in creativity research to use demographic variables as sources of personal power (Shalley et al., 2004; Zhou & George, 2003), demographic variables are used as control variables. Data for control variables gender, education, total job experience, and total experience with current team or work units was collected on a self reporting measure of subordinates. Gender, formal education, total working experience, and experience while working with current team as control variables in all of the analyses of this research (e.g., Chen et al., 2015; Venkataramani et al., 2016; Perry-Smith, 2014). Although, these researchers did not recommend gender as source of personal power, the researchers also control for gender due to the heterogeneity in the workgroups.

#### RESULTS

#### PRELIMINARY ANALYSES

Before testing hypotheses of our study, confirmatory factor analysis performed to confirm the validity and statistical discriminate among the key variables using Mplus 7.0, which showed that each variable of our study represent a separate construct. Subscales of psychological empowerment: meaningfulness, competencies, self-determination, and impact served as indicators of the latent construct. For the model fit indicators, Value of  $\chi^2$  should be significant with a p value < .01 or .05, values of CFI and TLI should not be less than 0.96, and RMSEA value should not be higher than 0.05.

This research also found best fit for the overall construct of psychological empowerment with a model fit  $\chi^2 = 10619.768$ , 819, N=343, p < .01, CFI = 0.96, TLI 0.97, and RMSEA = 0.01 indicated a good fit of model to the data. Cronbach alpha as lower bound estimate of the reliability of a psychometric test also performed. The results of cronbach alpha are shown with every measure in the measures section of this research.

Descriptive statistics with mean, standard deviation, and Pearson correlations among all the variables of this study are presented in Table 1. Maximum likelihood method was used to deal with missing value cases (Arbuckle, 1996; Bollen & Curran, 2006; Little & Rubin, 2002), initial sample size was 421, when eliminating cases with missing values, yielded a final sample of 343 subordinates and 67 supervisors, this sample was used in all simple, direct, indirect, and mediated analysis of this research.

Variable	Mean	SD	1	2	3	4	5	6	7
l.Gender	0.72	0.37							
2.Education	2.87	0.65	-0.013						
3.Total Job Experience	10.24	3.65	0.125*	0.031					
4. Total Team Experience	3.54	0.23	0.043*	0.241	-0.146*				
5.Empowering	4.65	1.46	0.060	-0.061	0.272	0.260			
Leadership									
6.Team Learning	4.78	1.37	-0.296	0.204	-0.260	-0.167	0.321**		
Behavior									
7.Team Psychological	4.32	1.43	-0.075	0.323	0.397**	0.065	0.313*	$0.197^{*}$	
Empowerment									
8.Team Creativity	3.47	1.22	-0.061	-0.087	0.156*	-0.183	0.165**	0. 234**	0.439**

Table 1. Descriptive Statistics with Zero order correlation among the study variables

Note. N=343. 0 = Female, 1 = Male. For Education, 1= College Graduate, 2 = Bachelor Degree, 3=Postgraduat Degree, 4=Others. Total Banking Experience and Current Team Experience were measured in years. \*p < .05. \*\*p < .01

In final sample which was used in all analyses, 47.34 % were women and 52.66 % were men; average age of subordinates was 39.45 years; average of total experience of banking industry was 10.24 years; average experience of working in current workgroup was 3.54 years; 23.5% held a bachelor degree, 71.5% were master degree holders, and 5 % were having other educations. In the supervisors' sample, 42.5% were women and 57.5% were men; average age of supervisors was 41.43 years; average of total experience of banking industry was 13.12 years; average experience of supervision of current work group was 4.21 years; 21.8% held a bachelor degree and 78.2% were master degree holders. These demographic variables were used as source of personal power for controlling for analyzing creativity of the employees (Ibarra, 1993) as teams.

### **TEST OF HYPOTHESES**

The base of our hypothesized model is a mediation model, this research used three step procedure to measure the mediation of both team learning behavior and team psychological empowerment independently and collectively on the relationship between empowering leadership behavior and team creativity at organizations (Baron & Kenny, 1986). As outlined by these researchers, first, the IV (Independent Variable) must be significant with mediator variables, second, the IV (Independent Variable) must be significant with DV (Dependent variables), and finally, in the presence of independent variable, the mediating variables must be significant with dependent variable (Baron & Kenny, 1986). If all of these conditions stand true then this research further check for partial or full mediation of the variables. If in the third condition of mediation model, the independent variable reduces its magnitude or remains significant then is a partial mediation otherwise it is case of full mediation.

Following this three step procedure, the researchers regressed all the variables as outlined above and present the results in Table 2, 3, and 4. First, the researchers regressed the mediating variables (Team learning behavior and Team psychological empowerment) on independent variable (Empowering leadership) independently and collectively as present the results of the regression in Table 2.

Table 2.   Mediators Regressed on Independent Variables				
Mediators and Variables	X <sup>2</sup> (df)	Adjusted R <sup>2</sup>	Estimate	S.E.
Mediator: Team Learning Behavior Empowering Leadership	104.30 (11)**	0.030	0.409**	0.057
Mediator: Team Psychological Empowerment Empowering Leadership	107.02 (11)**	0.175	0.253**	0.052
Mediator: Team Learning Behavior Team Psychological Empowerment	221.25 (11)*	0.324		
Empowering Leadership			0.474**	0.051

Note. N=343. S.E. = standard error.  $X^2$  = chi-square test of model fit. df = degree of freedom \*p < .05. \*\*p < .01

Empowering leadership was significant with both team level learning behavior and psychological empowerment of teams, in this table there are three section, first the researchers regressed team learning behavior on empowering leadership, after that the researchers regressed team psychological empowerment on empowering leadership, and finally the researchers regressed both mediators collectively on independent

variable, estimates and standard errors for all of the control variables excluded from the final tables.

With results shown in this Table 2, the researchers fulfilled the first requirement of mediation model. With first requirement of this mediation model the researchers also provided support for hypothesis 1 and hypothesis 2 of this study. As a second step in mediation model, then the researchers regressed the DV on IV, the researchers regressed team creativity on empowering leadership behavior.

Mediators and Variables	X <sup>2</sup> (df)	Adjusted R <sup>2</sup>	Estimate	S.E.
Dependent Variable: Team Creativity Empowering Leadership	173.162(9)**	0.032	0.421**	0.045

# Note. N=343. S.E. = standard error. $X^2$ = chi-square test of model fit. df = degree of freedom \*p < .05. \*\*p < .01

Results of this regression are presented in Table 3 of this research, as shown in the Table 3, empowering leadership was significant with team creativity, with this significant result, as not hypothesized, the researchers fulfilled second condition in the model for the mediation. The researchers then regressed the DV on the mediator variables independently and collectively to see the different in result in presence of other mediator and independent variable. The results are presented in Table 4, the researchers regressed team creativity on team level learning behavior and psychological empowerment of teams in presence of empowering leadership, first the researchers checked whether the dependent variable is significant with mediating variable or not and then the researchers checked for partial or full mediation for the mediating variables.

The researchers found that team learning behavior and team psychological empowerment both were significant independently with team creativity, fulfilling the requirement to support hypothesis 3 and hypothesis 4 of this study; the researchers also checked the significant of both mediators one by one in presences of other. Both mediators showed significant coefficient in absence and presence of other mediator, the results of this regression further strengthened the already proved hypothesis 3 and hypothesis 4 of this research.

Finally, the researchers checked the mediator for partial or full mediation, as shown in the Table 4, the coefficient of the empowering leadership on team creativity remained significant with team creativity but reduced it magnitude independently and in presence of other mediator, these results indicated a partial mediation of team learning behavior and psychological empowerment at team level for the relationship between empowering leadership behavior of the leadership and team creativity, we found support for final hypothesis 5 of this study, in a collective mediation check the coefficient of empowering leadership for team creativity remained significant but reduced its magnitude, with these results the researchers again strengthened the already proved hypothesis 5 of this study.

Thus, fulfilled all the requirements of the mediation model and found support for all hypothesis of this study. The researchers also performed bootstrapping to check the confidence on the mediation with confidence interval of 5000 for the mediation test with bootstrapping. The results replicated when the researchers used bootstrapping with a confidence interval of 5000. Thus, proving the mediating roles team learning behavior and team psychological empowerment plays between empowering leadership and team creativity.

	Table 4.			
Depend Variables Regressed on	Mediators (Independen	nt Variables Incl	uded)	
Mediators and Variables	X <sup>2</sup> (df)	Adjusted R <sup>2</sup>	Estimate	S.E.
Dependent Variable: Team Creativity	232.809 (7)**	0.185		
Empowering Leadership			0.106**	0.052
Team Learning Behavior			0.013*	0.057
Dependent Variable: Team Creativity	253.605 (7)**	0.039		
Empowering Leadership			0.189**	0.058
Team Psychological Empowerment			0.107*	0.067
Dependent Variable: Team Creativity	354.235 (5)**	0.099		
Empowering Leadership			0.228**	0.054
Team Learning Behavior			0.133*	0.058
Team Psychological Empowerment			0.232*	0.071

Note. N=343. S.E. = standard error.  $X^2$  = chi-square test of model fit. df = degree of freedom \*p < .05. \*\*p < .01

In order to check the patter of mediation, the researchers further examined all case of the analysis one by one independently to show how all of these conditions proved in the analyses presented in tables 4, 5, and 6. As shown in table number 6 above, empowering behavior of the leadership was significant with creativity at team level in all of three analyses ( $\beta = 0.106$ , p < .01,  $\beta = 0.189$ , p < .01,  $\beta = 0.228$ , p < .01) all the p values for  $\beta$  are less than .01 indicating ruling out the possibility of full mediation in all of the cases. Therefore, the researchers have partial mediation of team learning behavior and team psychological empowerment for the relation of empowering leadership behavior and creativity at team levels.

This partial mediation existed in the path empowering leadership —» team learning behavior —» team creativity ( $\beta = 0.013$ , p < .05) and empowering leadership —» team psychological empowerment —» team creativity ( $\beta = 0.107$ , p < .05). In both of these cases p value is less than .05 which indicated mediation. Despite lack of full mediation for the relationships, empowering leadership showed a strong impact on team creativity. Thus, the researchers conclude here that team learning behavior and team psychological empowerment as team process also the researchers used here the team emergent state along with empowering behavior of the leadership made significant contributions in explaining the team creativity.

Table 5.   Pattern of Direct and Indirect effects					
Observed Variable	Mediator	Effect type	Significant value	Hypothesis Supported	
<b>Team Learning Behavior</b>		Direct	$\beta = 0.409, p < .01$	Hypothesis 1	
Team Psychological Empowerment		Direct	$\beta = 0.253, p < .01$	Hypothesis 2	
Team Creativity		Direct	$\beta = 0.013, p < .05$	Hypothesis 3	
Team Creativity		Direct	$\beta = 0.107, p < .05$	Hypothesis 4	
Team Creativity	-Team Psychological Empowerment -Team Learning Behavior	Indirect	$\begin{array}{l} \beta = 0.107,  p < .05 \\ \beta = 0.013,  p < .05 \end{array}$	Hypothesis 5	

#### DISCUSSION

Team learning behavior and team psychological empowerment showed relations with team creativity. Supplementing these significant effects for the empowering leadership explained a unique variance for the relationship between empowering behavior of the leadership and creativity at the team levels through the mediation of team learning behavior and team psychological empowerment. Augmenting with empowering leadership, the relationship of team behavior of learning and psychological empowerment of teams both explained a unique variance for team creativity.

The results here showed that, although empowering leadership is directly related with team level creativity, however, the team learning behavior and team psychological empowerment both also serve as a mediator the relationship between empowering leadership behavior and team creativity. The researchers found support for both direct and indirect effect of empowering leadership on team creativity directly from empowering leadership behavior and creativity of teams and also indirectly through the mediating mechanism of team learning behavior and team psychological empowering leadership behavior is directly related with team creativity, but empowering leadership behavior is also salient to explain team learning behavior and team psychological empowerment, which in turn are further related with team creativity at organizations.

The partial mediating role with the researchers found significant was for both team level behavior of learning and psychological empowerment of the teams. The results suggested that team learning behavior and team psychological empowerment play the role to explain the states of team process and team emergent states for team creativity. Consistent with findings of our study, two of the previous studies suggested that creativity at team level is explained by the states of team process and team emergent states (Liden et al., 2000). These researchers the states which effect the collective motivation of employees for the creativity of employees (Gagne et al., 1997) and collective commitment of the teams for the creativity and performance of the team as a collective effort (Kraimer et al., 1999).

However, none of these studies investigated the teams' psychological empowerment and teams' behavior of learning as important team process and emergent state of the teams as a mediating mechanism for empowering leadership behavior affects on creativity at team levels and investigated the direct role of empowering leadership on team creativity directly from the empowering leadership behavior and indirectly through the mediating mechanism of learning behavior of teams and team psychological empowerment as important team processes and team emergent states as the researchers did in this research.

#### THEORETICAL CONTRIBUTIONS

From our result of our study, a number of theoretical contributions can be derived. The most important implication for theory is investigating the direct relationship of empowering leadership on team creativity (Liden et al., 2000). Empowering leadership is a form of structural empowering which was long conceptualized as having affect on performance related outcomes on both individual and team levels (Liden et al., 2000), but team level investigations are very limited to empirically prove the relationship between empowering leadership as structural empowering behavior of leaders to their subordinates, although, researchers have investigated the relationship between the structural empowerment dimensions and performance of the employee.

But an explicit effort for investigating empowering leadership as structural empowerment for the team level creativity of the employees as the researchers did in our investigation, by doing so this research extended previous research on investigating the role of structural empowering behavior for performance related outcome of the employees (Chang & Chung, 2011; Akgun et al., 2007; Langfred, 2007). Additionally, our results are also consistent with the findings of pervious researchers that structural empowerment dimensions affect significantly the performance related outcomes of the employees. This research investigated creativity of employees at team level as an important indicator of performance of employees in contemporary organizations (Hirst et al., 2009; Langfred, 2007; Ahearn et al., 2004).

Creativity is an important property of performance for the survival and existence of organizations in this contemporary dynamic environment. This research captured recent trend in management studies by investigating creativity of teams as an important determinant of performance. This research also captured recent trend in investigating the creativity of employees from the more social and structural dimensions (Shalley et al., 2004). Investigating structural dimension for team level creativity of employees is also consistent with the recent trend in creativity literature (e.g., Carnabuci & Diószegi, 2015; Chen et al., 2015; Venkataramani et al., 2016; Perry-Smith, 2014).

By investigating these important contemporary trends, this research also contributed to creativity literature with the results of our investigation. Our results of this research revealed that, empowering leadership as a structural property of structural dimension of empowerment is related with team level creativity, our results also revealed that the structural dimensions which are related to improve the perceptions of the employees for the structural level empowerment affect the creativity of employees. These structural properties affect directly the team level creativity of the employees and indirectly by affecting the team learning behavior and team level psychological empowerment of the employees. As a direct path structural empowering leadership behavior provided the resources needed for creativity of employees and as an indirect path empowering leadership flourished the overall learning environment in the teams and also affected the overall psychological empowerment of teams for creativity. The results uniquely explained and contribute the literature on team level creativity of employees by focusing the considerable variance which empowering leadership had on team learning behavior and team psychological empowerment for team level creativity of the employees.

Organizations foster creativity of their employees by taking initiatives which can affect the resources needed for creativity of their employees (Shalley & Gilson, 2004; Shalley & Perry-Smith, 2001). Empowering employees structurally and also psychologically is one of the important initiatives which organizations take and foster the creativity of the employees (Zhang & Bartol, 2010; Amabile et al., 2004). Therefore, an investigation of creativity from both structural and psychological side of empowerment initiative was important for the literature. Specifically an investigation that how structural empowerment initiatives affect the psychological empowerment for creativity of the employees. In previous investigations, although, researchers had made efforts to investigate these relationships but researchers found mixed results for structural empowerment initiatives and creativity of the employees.

Previous researchers found direct, linear, or non-linear effects of structural empowerment initiatives on individual and team level creativity of employees (e.g. Chen et al., 2015; Carnabuci & Diószegi, 2015). Consistent with the previous researchers who found direct affect of structural empowerment on the creativity of the employees (e.g. Carnabuci & Diószegi, 2015), this research also found that empowering leadership as an important dimension of empowerment leadership is related with creativity of the employees directly from empowering leadership behavior to team level creativity and indirectly through the mediating mechanism of team learning behavior and team psychological empowerment. Furthermore, in previous investigations, the focus of the researchers mainly remained with investigating the direct effect of empowerment initiatives on the creativity of employees, these researches found linear, u shaped and inverted u shaped relationship between empowering leadership and team creativity (e.g. Chen et al., 2015; Carnabuci & Diószegi, 2015), this research further enhanced the scope of pervious research by investigating the underlying mechanism which linked empowering leadership with creativity of the employees.

Finally, leaders role was conceptualized and found to affect the creativity of employees (e.g., Chen et al., 2015; Carnabuci & Diószegi, 2015). This leadership behavior is closely related with recent trend at organizations in empowering their workforce to enhance their performance (Lawler, Mohrman, & Benson, 2001).

the purpose of this line of research remained with understating two important aspects here, one leaders role in sharing his/ her authority and independence of employees (Mohrman, & Benson, 2001) and on the other end, subordinates' response towards this empowerment behavior (Chen et al., 2015; Carnabuci & Diószegi, 2015; Ohly et al., 2010) but in these research lines, these two perspectives have been investigated independently, investigating both lines of research in one investigation is very rare (e.g., Srivastava et al., 2006). This research made an effort to investigate these relationships in a single study, more specifically this research investigated leaders' empowering behavior and employees response towards these empowerment behaviors in a single investigation which have rarely been investigated previously (Srivastava et al., 2006). By doing so, this research contribute to empowerment literature which was previously lacking support from such collective investigations.

### PRACTICAL CONTRIBUTIONS

Researchers investigated empowering leadership behavior for performance related outcomes. But in previous investigations, researchers used student samples to investigate these important relationships (e.g., Burris, 2012; Erdogan & Bauer, 2009; Ergeneli et al., 2007; Harris et al., 2009), causing a need for empirical support to most of the research on empowering leadership and performance related outcomes of the employees from the perspectives of real life work teams. Therefore, it was important to investigate the relationship between these important relationships from the perspectives of real life work teams. Also, the researchers who previously used employee sample mainly focused employees of lower hierarchical level as their sample (e.g., Burris, 2012; Erdogan & Bauer, 2009; Harris et al., 2009).

However, at organizations, employees with different hierarchical levels perform different task which affect their way of thinking, their response to empowerment, their learning behavior, their psychological states, and their performance (Finkelstein & Hambrick, 1996). These work units are composed for larger span of time with diversified controlling formal and informal tasks and responsibilities, these higher hierarchical level teams perform critical and important controlling tasks for their organizations (Finkelstein & Hambrick, 1996), therefore, the findings of lower hierarchical level employees cannot be generalized employees of the teams who perform and operate at higher hierarchical levels (Cohen & Bailey, 1997).

Therefore, this research cannot directly generalize the previous findings to all hierarchical level employees of the organizations. Our selection and investigation of managerial level employees for the investigation of structural empowerment, psychological empowerment, team learning behavior, and creativity of the employees was significantly critical and worthwhile. Management level sample provided highly worthwhile practical implications. This research further contributed to the management research by investigating the underlying mechanism of team overall learning behavior and team psychological empowerment for the creativity of the employees due to the structural empowerment initiatives which organizations take to increase productivity of their employees.

Creativity of employees is the most desirable behavior of the employees needed by organizations (Amabile, 1988; Zhou & Shalley, 2011) organizations rely on employees' creativity in this contemporary dynamic environment. This discretionary behavior of employees is of great value for the organizations (Zhou & Shalley, 2011). Personal sources of power can enhance creativity of individuals and teams (e.g. Chen et al., 2015; Carnabuci & Diószegi, 2015), and enhance dedication towards job (Chen et al., 2015). In this research the researchers made an effort to link empowering leadership behavior as personal power of source for employees from the structural dimension of empowerment focusing leaders' role with creativity of the employees which are practically significant and meaningful. In some research findings, researchers focused that psychological empowerment is just a fad, contrary; the researchers found that psychological empowerment is more than just a fad (Staw & Epstein, 2000). Empowering leadership affects psychological empowerment and team learning behavior which further affects team level creativity of employees.

Therefore, the researchers recommend organizations who take initiatives of empowering their workforce for higher productivity to take into consideration the role of mutual learning and autonomy perceptions for creativity of employees. Organizational initiatives of empowering employees for creativity will bring more beneficial results if organizations will also take into account mutual learning of employees and their perceptions of psychological empowerment when developing policies for empowering of employees.

Consistent with other researchers we also found support the argument that the organizational initiatives which relate with empowerment of the employees enhance performance related outcomes and desirable work attitude (e.g., Hempel, Zhang, & Han, 2012; Staw & Epstein, 2000), consistent with this line of research, the researchers also recommend organizations, if they want to enhance creativity of their employee collectively, then like other initiative they take to enhance the creativity, they should also implement the empowerment supportive structure along with fostering an environment of mutual learning and psychological empowerment perception for the enhanced creativity of the employees. Socio-political structure affects the creativity of the employees at organizations (Spreitzer et al., 2008), by affecting the psychological dimensions of empowerment, which may further relate to desired organizational outcomes in form of contextual and behavioral performance of employees

as need by organizations.

#### LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

Although, the researchers investigated empowering leadership, team learning behavior, and team psychological empowerment for creativity as a collective behavioral performance of the employees. To eliminate the chances of common method biasness, the researchers collected data from two different sources by temporally dividing data collection process into three points in time. These two conservative steps reduced our sample from 421 to 343 with a final rate of 81% response from the employees. With our empirical findings the researchers also contributed to both academia and practitioners and made some distinctive contributions but this investigation should also be seen with its limitations.

First, although the researchers have strong theoretical reason to expect that empowering leadership would precede learning behavior of the teams and psychological empowerment of the teams, also learning behavior of the teams and psychological empowerment of the teams would precede team creativity but possibility of reverse causation cannot be ruled out directly. Due to our cross sectional research design of our research, the researchers were not able confirm the reverse causation effect of variables if existed. The researchers cannot firmly say that the common perception that empowering leadership would precede team learning behavior and team psychological empowerment, also team learning behavior and team psychological empowerment would precede the team level creativity at organizations.

There is also a possibility that the employees with creativity as teams also affect their learning behavior and also their collective thinking of psychological empowerment. Similarly, there is also a possibility that the team with more psychological empowerment affect behavior of leaders for their empowering behavior also teams with learning behavior provoke empowering leadership behavior at organizations. There is also another possibility that psychological empowerment is a construct with four integral dimensions: meaningfulness, individual competence, self-determination, and impact. There is also a possibility that these four integral dimensions which define psychological empowerment as a single measure, are being affected by the team level creativity and also provoke the empowering leadership behavior at organizations. Also, there can be another explanation that teams with more creative output claim to be high in learning and high in psychological empowerment.

Therefore, for all this, the researchers recommend a longitudinal study to investigate these relationships for firm evidence and reliability on the results. In other words although the researchers used two sources to collect data by temporally dividing data collection process into different points in time, but collecting data at two points in time is no more considered as longitudinal study. Data collection process when temporally divided more than twice and temporally divided into three times is now considered a norm in management research.

The researchers investigated employees of a banking sector, the reason to choose that specific organization and not others is that first, this specific organization was in our approach, it was easy for us to collect data from that organization, and second and more important is that this bank had already implemented organization wide initiatives to enhance creativity of the employees therefore that organization best suited the objectives of our study. But financial sector is overall not considered to be investigated for creativity of the employees, this sector provide financial solutions to individual and corporate customers, this is the reason that some researchers argued that investigating sector which does not directly produce innovative solutions will bring the results which should be reinvestigated in other sectors to confirm the validity of the results.

Therefore, further research should use sector other than financial sector as the researchers choose to collect data and to measure our hypothesized model. The researchers recommend an investigation with data collected from other than financial sector will bring more dynamic picture of the hypothesized relationships. Finally, the researchers investigated underlying mechanism of team emergent state and team process for empowering leadership and team level creativity. There are also more team level properties and states which need to be explored for the relationship between leaders' behavior of empowering and outcomes related to performance of the teams like the researchers investigated creativity in this research. Therefore, the researchers also recommend further investigation with other team level states and process to be investigated for empowering leadership behavior and creativity of employees at team level of analysis.

The researchers recommend more outcome variables not included in this research due to limitation of the scope, like team level citizen behavior, interpersonal facilitation, and turnover in teams. Investigations of these variables with team learning behavior, team psychological empowerment, and empowering leadership will bring more dynamic picture of team process and team emergent state as a underlying mechanism for different outcome variables which are further need in the management research. Also, interaction of team process and team emergent state for creativity of employees is rarely investigated in previous investigations, therefore, the researchers also recommend an investigation with more interactive effects of team emergent state and team process will also be a fruitful area for future research.

#### CONCLUSION

Considerable attention has been given by previous researchers in understanding leaders' behavior and performance related outcomes of the employees. But focus of the previous researchers remained with understanding the individual level outcomes of the leadership behavior, therefore in creativity research, may questions surround the leaders' role in affecting the collective output of the employees and how these behaviors affect the performance related outcomes. Therefore, it was important to understand leaders' behavior for team level creativity of the employees and the underlying mechanism which link leadership behavior with creativity of the team. Similarly, scant literature address the underlying mechanism with team process and team emergent state plays in shaping team level behavior of the employees.

In creativity research focus of researchers remained with understanding leaders' behavior for individual level creative output of the employees. In this research, the researchers made an effort to investigate the empowering leadership as an important leaders' behavior for team level creativity of the employees through the mechanism of team learning behavior and team psychological empowerment as team emergent states and team process. With results of this research the researchers showed that empowering leadership affects creativity of employees as a team. Leaders' empowering behavior also affect the underlying mechanism of team learning behavior and team psychological empowerment which further effects the team level creativity of the employees. Our results revealed important insight among relationship of empowering leadership behavior, team learning behavior, team psychological empowerment, and team creativity. Further research of interactive effect of team process and team emergent state for team level creativity of employees will be fruit full area of future research.

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