

AN INVESTIGATION ON EMPLOYEE CREATIVITY ABILITIES AND LEADERSHIP THEORIES  
EXAMINING THE IMPACT OF EMPOWERING LEADERSHIP ON EMPLOYEE PERFORMANCE.

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## ABSTRACT

This study investigate how does empowered leadership impact employee performance in Chinese administrative settings by examining the relationship between innovative capacities and empowered leadership. Leadership styles that encourage critical thinking and assertive management have the potential to increase innovation and output in the workplace, and this research aims to shed light on how this is achieved. With the use of standardised questions, 857 participants were surveyed quantitatively. Researchers used SPSS and factor evaluation to look at the data. A positive and statistically significant relationship between empowered leadership and employee performance is adjudicated by workers' inventive skills, according to the data. Specifically, leadership that stimulates sovereignty and individual accountability promotes an environment that is conducive to creativity, which ultimately boosts employee productivity. The outcomes illustrate that techniques of empowerment are applicable within the collectivist and hierarchical social norms of China, suggesting that aesthetically customised leadership programmes may be an essential part of organisational success. This study contributes to researcher's understanding of the relationship between management and accomplishment by highlighting the mediating function of innovation talents; it also provides Chinese managers with practical advice for fostering an innovative work environment. The results provide credence to leadership development programmes that prioritise encouraging staff autonomy, creative thinking, and communication as means to sustain advantages over competitors in dynamic consumer marketplaces. In light of China's current dynamic economic situation, the study highlights the need to empower leadership to promote innovation and increase staff productivity.

**Keywords:** Empowering Leadership, Employee Performance, Innovation Skills, Efficiency, Job Duties.

## INTRODUCTION

Empowered leadership has a significant influence on employee performance, with a particular emphasis on the ways in which it may increase motivation, involvement, and creativity across a variety of sectors. There are a number of factors that are proven to have a substantial impact on

employee performance. Some of these factors include feeling empowered, getting involved in the job, and performing well in one's role. It has been underlined that one of the most important factors is the requirement to empower leadership, which can be characterised as the provision of flexibility while simultaneously constructing trustworthiness. It is clear that managerial oversight that empowers employees to take responsibility for their job duties has a discernible impact on productivity (Imam et al., 2020). Again, executive management is a component that is critical to an enterprise's long-term viability, innovation, and flexibility to adapt to new technologies. Additionally, leadership theories and workers' creativity abilities mediate the relationship between inventive abilities and employee performance. This part of the conversation is crucial. It is feasible to argue that implementing leadership strategies that give workers more agency and that promote creative, groundbreaking ideas would increase employee performance and adaptability, which will ultimately help a business succeed in the long run. One technique to distribute authority is to have trust in the workers' ability and judgement. Another is to stress the importance of employees taking responsibility for their errors (Ahmed et al., 2022).

## **BACKGROUND OF THE STUDY**

China is currently acknowledged as a significant consumer market on a worldwide level, thanks to its phenomenal revenue expansion over the last four decades. China now ranks among the world's most populous countries. In response to their customers' ever-increasing expectations, Chinese enterprises have boosted their spending dramatically over the previous several decades. Due to the pervasiveness of an ethic in China that values the avoidance of errors, the amount of work freedom available within teams was found to be substantially limited. The correlation between empowered leadership and autonomy on the job was also negatively affected by this culture. Flexibility in the workplace, according to research out of China, would provide team members more leeway to make decisions on the fly. Alongside this, there ought to be a greater number of options for people to organise their professional lives in a manner that is more adaptable to their needs (Anakpo et al., 2023). Because of this, putting the implementation of adaptive approaches to collaboration as a response to the existing hurdles would be made easier, which will ultimately contribute to an improvement in the team's capacity for creativity. This would be a result of this. Some countries with a socioeconomic level that is somewhere in the centre are exhibiting a suitable level of velocity in a variety of different kinds of innovation, which functions as an innovative booster for the expansion of the global economy. The evolution of this is a favourable one. The Chinese economy is the only one of the top 30 economies in the entire world that is considered to be a lower-income economy. This is because China is the only nation in the world that has a middle-income economy. It jumped from seventeenth place in 2018 to fourth place in 2019, and currently it's in fourteenth place. As of 2018, it held the sixteenth spot. Its trajectory is being confirmed by this (Xu & Zhang, 2022).

## PURPOSE OF THE RESEARCH

This research aims to investigate how empowered leadership influences inventive capacities and total effectiveness in Chinese organisational settings. The rapid economic expansion and increasing emphasis on invention-based development in China are elevating the importance of leadership styles that effectively foster creativity and productivity among personnel. This study aims to explore the significance of different leadership theories, including progressive, participative, and empowered leadership, within the framework of Chinese civilisation, which is defined by collective behaviour, structure of power, and Confucian principles. Examining the impacts of empowering leadership practices on workers' innovation potential is the purpose of this research, which intends to increase individuals' and organisations' accomplishments in Chinese firms. Because cultural variables may moderate the leadership style-employee performance relationship, they are also the subject of investigation. Efforts by Chinese politicians and business leaders to encourage innovation in the workplace, boost employee engagement, and preserve competitive advantages in the dynamic Chinese economy may find this research useful. The research's overarching goal is to present practical recommendations that adapt leadership training to the unique cultural and management setting in China. In the end, researchers want to see more people in the nation understand what it means to be a successful leader, which will spur imagination and effectiveness on the job.

## LITERATURE REVIEW

One thing that visionaries may do is encourage empowered leadership, which lets team members take on greater responsibilities. To help the business attain this goal, staff are given more tasks and the resources and encouragement they need to perform a successful job. Empowering leadership, on the other hand, demonstrates a more creative way to divide up larger work among peers. Job descriptions, on the other hand, typically make it seem like each team member is in charge of their own task. Studies demonstrate that when leaders let their employees have more voice in important choices, those employees are far more inclined to go beyond the ordinary and come up with new ideas (Kanake & Kemboi, 2020). The reason someone is in this situation is due to the fact that leadership is a two-way street. One of the most significant effects that empowered leadership has on the creative output of workers is the current trend of providing employees with a significant amount of liberty and empowerment. This is due to the fact that it is in line with the current trend of providing workers with authority and autonomy. What is indicated by the word "leadership" is the ability to exert influence on other people in order to bring about the achievement of the goals that have been set for the organisation in question. Transformational leadership is a type of managerial behaviour in which leaders motivate their subordinates to adhere to the objectives and needs of the organisation in order to produce outcomes that are superior to those that were expected. The phrase "transformational leadership" implies this kind of leadership (Peng et al., 2024). The

transformational leadership theory places a focus on the human feelings, values, and the significance of leadership that is geared towards encouraging creative thinking among employees. Typically, leaders' actions greatly influence the level of innovation and creativity produced by those working beneath them. Given the prevalence of empowering leadership in the workplace, leadership is a crucial contextual factor that may greatly influence creative production. Though coming up with fresh concepts is the only way to define uniqueness, creative thinking and imaginative thought are not synonymous. Originality is the exclusive way to describe originality. Adding salt to damage, everyone agrees that creative destruction is the process by which new things are imagined and then become a reality. Given this, inventiveness is a necessary ingredient for progress (Gao & Zhang, 2023).

## RESEARCH QUESTIONS

How does empowering leadership influence employee innovation skills? How do employee innovation skills impact employee performance?

## RESEARCH METHODOLOGY

### Research Design

The research work in this study was carried out using the method of quantitative research. Software used for data processing was SPSS version 25. The demographic data set was shrunk by using descriptive statistics. For the objective of identifying the potency and focus of the relationships, investigators used Odds Ratios (OR) with a 95% Confidence Interval (CI). A p-value less than 0.05 is regarded as a statistically significant finding. Because of their capacity to conduct thorough statistical analyses and comprehensive examinations of survey results, quantitative approaches are favoured.

### Sampling

Various subsets of the study population were represented using a stratified random sampling. A minimum number of 826 participants is needed, according to the Rao-soft program. Then 932 questionnaires were sent out. Out of the 895 responses that were gathered, 38 were excluded because they were not fully completed. Consequently, the total sample size was 857 valid responses.

### Data and Measurement

The primary tool for gathering information for the study was a questionnaire. The first part of the survey asked for basic personal information, while the second part asked respondents to rate the

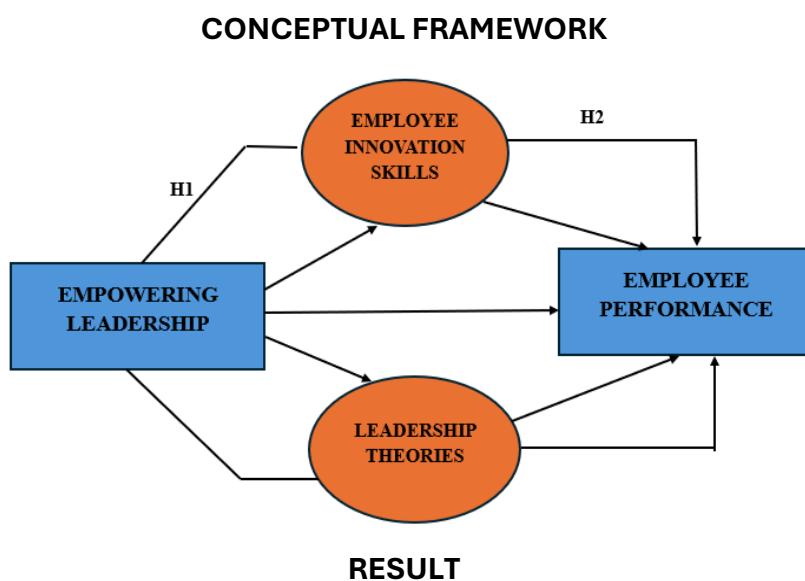
importance of digital and conventional channels using a 5-point Likert scale. The bulk of the secondary data came from various internet databases along with additional sources.

## Statistical Software

The statistical analysis was performed with SPSS 25 and MS Excel.

## Statistical Tools

A strategy based on description was used in order to understand the essential nature of the data. The validity would be evaluated by the individual using factor analysis.



**Factor Analysis:** Confirming the underlying structure of a collection of measuring items is a common approach in Factor Analysis (FA). The common belief is that the scores of the visible variables are directly affected by the hidden factors. One approach that relies on models is precision analysis (FA). A key objective of this work is to establish relationships between observable occurrences, their causes, and measurement mistakes.

The data may be suitable for factor analysis if the Kaiser-Meyer-Olkin (KMO) approach is used. Researchers check that each model component has a sufficient sample size for the overall. The results show that several of the components have a common variance. Data with smaller percentages are well-suited for factor estimation.

The result of the KMO algorithm is a number between zero and one. Testing is considered appropriate when the KMO score is between 0.8 and 1.

A KMO under 0.6 indicates insufficient sampling and necessitates corrective action. Think about what someone think is best; many authors go with 0.5 because of this, thus the range is 0.5 to 0.6.

When a percentage of total correlations, partial interactions become statistically significant when the KMO score gets close to zero, complicating component assessment considerably are substantial relationships.

A bleak range of 0.050 to 0.059.

- 0.60 - 0.69 substandard

The usual range for the middle grade is 0.70–0.79. A quality point value ranging from 0.80 to 0.89. The interval between 0.90 to 1.00 is quite noteworthy.

**Table 1.** Kaiser-Meyer-Olkin (KMO) and Bartlett's Test.

KMO and Bartlett's Test		
<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b>		.937
<b>Bartlett's Test of Sphericity</b>	<b>Approx. Chi-Square</b>	3252.968
	<b>df</b>	190
	<b>Sig.</b>	.000

The Bartlett Test of Sphericity revealed very substantial connections between the matrices. According to Kaiser-Meyer-Olkin, the number of samples adequacy is 0.937. Using Bartlett's sphericity test, the researchers obtained a p-value of 0.00. Based on Bartlett's sphericity study, the association matrix was shown to be incorrect.

## INDEPENDENT VARIABLE

**Empowering Leadership:** Empowerment leadership is a management style that encourages consumers, individuals, or companies to take charge and make choices on their own, which in turn increases participation and efficiency on the job. For instance, this kind of management is referred regarded as “empowerment leadership” in the field of management. It is often believed that the economic return on the investment (ROI) of empowering leadership is mostly beneficial, understanding, and upright as the concept has been developed in line with a great deal of good study. This is carried out due to the fact that the concept of empowering leadership has already been introduced. An important part of empowering leadership involves devolution of authority and giving followers more responsibility. Improving the relevance of work, encouraging engagement in decision-making, displaying confidence in excellent performance, and allowing workers liberty

from administrative limitations are all part of the specific variety of leader behaviours which achieve this. If directors want their employees to be actively involved in their jobs and share what they know, they need to practise empowering leadership. Two factors that are highly related to employee engagement in the workplace are the degree to which individuals share knowledge and their level of creativity. As a natural extension of the preceding concept, there is a strong correlation between the sharing of information and the inventiveness of employees. So far, research has shown that empowered leadership does not significantly affect team members' originality (Martono et al., 2020).

## MEDIATING VARIABLE

**Employee Innovation Skills:** These days, business organisations that are striving to gain a competitive advantage over their rivals are giving innovation a significant amount of thought. The reason for this is that the necessity to find fresh approaches and the changing nature of the business environment are the primary drivers of innovation. Therefore, in order for organisations to be successful in these ever-changing circumstances, they must provide themselves with the creative leadership skills (creative management). It is essential to make investments in the professional development of leaders because of the significant role that they play in assisting organisations in developing a culture that encourages creativity. Therefore, it is essential to make investments in the advancement of future leaders because of this. It will be necessary for these aspiring managers to come equipped with the capacity to instil a spirit of creativity across their whole team. To ensure that managers get adequate instruction in the field, it is essential to establish the major leadership traits that are essential to the procedure of cultivating a mentality that promotes creativity among workers. This is done with the intention of guaranteeing that managers receive the appropriate training (Nasifoglu Elidemir et al., 2020).

## DEPENDENT VARIABLE

**Employee Performance:** The work performance of workers is one amongst the most critical factors that determines whether or not an organisation is successful in achieving its goals. In the framework of an organisation, the term "employee performance" refers to the extent to which a staff person is able to efficiently carry out their responsibilities and duties in a way that is both suitable and economical. Human assets, which are one of the many assets that are accessible inside the company, play a key part in the successful attainment of organisational goals. This is because human resources are one of the kinds of resources that are available. In terms of the development of staff members, the commitment to work of an employee in a company is crucial for attaining employee performance in and of the organisation, as well as for the complete success of the organisation. This is true for both the individual and the organisation as a whole. Not only is it beneficial for the company to enhance the productivity of these employees, but it is also

beneficial for the employees themselves to enhance their performance, mainly due to the fact that, in principle, it is possible for any employee to possibly become eligible for an elevated stage of career development if they adequately fulfil their obligations. There is a possibility that the presence of a poor leadership style might result in a decrease in the performance of the workers, which would then have an effect on the effectiveness of the organisation as a whole. The entire performance of the company will be impacted as a result of this decline in productivity, which will be felt across the organisational structure (Triansyah et al., 2023).

**The relationship between empowering leadership and the innovation skills of employees:**

When it relates to workers, leadership that empowers them could end up in a wide range of positive outcomes across the board. Empowering leadership is widely acknowledged as being absolutely advantageous for workers' innovation skills. The capacity to distribute responsibilities, offer employees freedom of movement, and develop a sense of ownership among their workforce are all examples of empowering attributes that may be recognised and rewarded by organisations. These leaders can be recognised and rewarded for their empowering characteristics. In addition, ensuring the availability of learning, instructing, and development opportunities is another way in which businesses may contribute to the growth of intellectual capital. There is also the possibility that the cognitive assets generated by employees may be enhanced via the sharing of knowledge and the collaboration of persons (Amoroso et al., 2021). Empowering leadership comes with multiple advantages, such as assisting people in feeling better about themselves, encouraging workers to try new things, and pushing them to keep learning. Also, empowering leadership lets employees have a role in corporate choices and offers them a place to share their ideas, thereby giving them the ability to solve problems and making them more motivated. Also, empowered management puts staff health and safety first and makes them feel more connected to the firm by meeting their psychological and communication needs. This, in turn, raises their employment energy (Burhan & Khan, 2024).

In light of the prior debate, the researcher developed the following hypothesis to assess the influence of empowering leadership on employee innovation skills:

*$H_{01}$ : There is no significant relationship between empowering leadership and employee innovation skills.*

*$H_1$ : There is a significant relationship between empowering leadership and employee innovation skills.*

**Table 2.** H1 ANOVA Test.

ANOVA					
Sum	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	34288.280	278	5517.597	1,049.771	.000
Within Groups	475.570	578	5.256		
Total	42491.820	856			

The results of this investigation are noteworthy. An F-value of 1,049.771 and a p-value of .000, which is less than the .05 alpha threshold, indicate that there is statistical significance. The null hypothesis is rejected and the hypothesis ***“H1: There is a significant relationship between empowering leadership and employee innovation skills”*** is accepted.

**The relationship between innovation skills of employees and employee performance:** The capability of organisations to identify and make good use of knowledge, ideas, and technological advancements that have been generated in other places is referred to as absorptive capacity. The importance of skills in this role is well recognised. It is often difficult to discern the precise quantity of education and work experience that benefits the most to the development of employee performance when skill metrics are used as replacements for absorptive ability itself. This is because absorptive ability is a measure of an individual's capacity to absorb information. This is due to the fact that skill measurements are often used in an inappropriate manner (Purwanto, 2020). The process of translating the opportunities regarding knowledge procurement that are made accessible by openness into innovative output requires contributions from both high-level capabilities and upper-moderate (technician-level) skills. Both of these types of abilities play key parts in the process. Not only does the growth of higher-level and upper-intermediate competencies contribute to an improvement in productivity in countries that are on the cusp of technological advancement, but the skills of the workforce as a whole also play a role in this. This is due to the fact that the applications of creative output are used at the final stages of manufacturing (AlTaweel & Al-Hawary, 2021).

In light of the initial debate, the researcher developed the following hypothesis to estimate the influence of innovation skills on employee performance:

***“H<sub>02</sub>: There is no significant relationship between innovation skills of employees and employee performance.”***

***“H<sub>2</sub>: There is a significant relationship between innovation skills of employees and employee performance.”***

**Table 3.** H2 ANOVA Test.

ANOVA					
Sum	Sum of Squares	df	Mean Square	F	Sig.
<b>Between Groups</b>	38298.280	272	5495.597	1033.784	.000
<b>Within Groups</b>	449.460	584	5.316		
<b>Total</b>	44921.750	856			

The results of this investigation are noteworthy. An F-value of 1,033.784 and a p-value of .000, which is less than the .05 alpha threshold, indicate statistical significance. After careful consideration, researchers have decided to accept the hypothesis "***H<sub>2</sub>: There is a significant relationship between innovation skills of employees and employee performance***" and ignore the null hypothesis.

## DISCUSSION

As a mediator, this study's findings show that empowering leadership is crucial for enhancing staff performance via creative talents. The substantial correlation found suggests that an environment conducive to creativity may be fostered by leaders who exhibit trust, autonomous behaviour, and delegation. When executives give their people the freedom to be creative, productivity goes up immediately. This follows on from earlier research showing that effective allocation and cooperative management are critical to encouraging a culture of innovation. Because empowered administration directly affects engagement and autonomy yet influences originality via a medium, it is crucial to focus on enhancing workers' inventive capacities. According to the substantial correlation of dependability and the statistically significant link, leadership styles that put a focus on employee empowerment are associated with increases in creative efficiency. This is shown by the fact that the association is positive. In light of the fact that Chinese culture places a significant focus on collectivism and hierarchy, researcher's findings imply that empowerment tactics that are adapted to the specifics of the local environment may be a successful strategy for accomplishing the objectives of an organisation. According to the findings of the study, leadership development programmes such as those that put an emphasis on employee agency and creativity may be able to assist businesses in remaining competitive in the dynamic consumer markets of today.

## CONCLUSION

According to the findings of the research, empowering leadership is critical for enhancing employee performance, particularly in the area of creative thinking. According to the findings, leaders whose management styles incorporate trust, openness to activity, and decentralisation are able to increase the level of creativity among their staff and, therefore, enhance their performance while they are on the job. According to the results that were statistically significant, the creativity of

employees is an important moderator that connects empowering leadership and worker productivity. Based on the findings of this study, it is recommended that leaders make it simple for workers to communicate their ideas and opinions. Based on the findings, it seems that a combination of progressive and stringent laws, together with inspirational leadership styles, might boost innovation and output. The situation is far more dire in China. A company's leadership should know how to foster an atmosphere that appreciates creativity and collaboration if the organisation is intent on expanding and succeeding. More dedicated, innovative, and productive people are often the outcome of leadership development programmes that place an emphasis on these three factors. By showing how important it is to provide leaders the freedom and resources they need to think creatively, especially in times of economic instability, this research improves researcher's understanding of how managers affect organisational results.

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