Empowering the Leadership and Creativity of Vietnam Telecommunication Enterprises’ Employees

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Empowering leadership has been shown to have a positive relationship with employee creativity in many studies. However, this relationship has never been mentioned in respect to telecommunication enterprises in Vietnam. This study was conducted to explore the indirect relationship between empowering leadership and the creativity of Vietnamese telecommunication enterprises’ employees through the mediating variables, which are psychological empowerment, creative process engagement, and intrinsic motivation. Combining both qualitative and quantitative methods with a sample size of 420 employees, the study shows that empowering leadership has a positive effect on psychological empowerment; psychological empowerment has a positive effect upon creative process engagement and intrinsic motivation; and at the same time, creative process engagement and intrinsic motivation have a positive relationship with employee creativity. On that basis, the authors discussed and provided several implications for Vietnam telecommunication enterprises’ leaders to enhance employee creativity based upon focusing on empowering leadership.

Keywords: Empowering leadership, Psychological empowerment, Creative process engagement, Intrinsic motivation, Employee creativity.

Introduction

Employee productivity is an important factor in the performance and growth of enterprises, especially for service enterprises when employees’ interactions determine consumer perceptions of quality services (Fong & Snape, 2015; Kundu \textit{et al}., 2019). Spreitzer (1995) asserts that employees cannot perform work at the job optimum level when they do not have
complete control or autonomy over their work. Compliance with too many rules and regulations has a negative impact on the quality of service offered by employees (Kundu & Vora, 2004). The era of the traditional hierarchical structure, directing and controlling employees, is gone and replaced by empowering employees (Chen et al., 2011). Empowered employees have the ability to achieve higher levels of productivity because they feel in control of their own work (Koberg et al., 1999). In this context, empowering leadership emerges as an important factor that can actively drive change in the organisation through ideas from employees (Kundu et al., 2019).

Empowering leadership is seen as a driving force to energise, direct, and sustain behaviours that are ultimately related to employee performance (Spreitzer, 1995). Empowering leadership means sharing power that helps employees to develop greater accountability and autonomy, increasing their sense of meaning, competence, self-determination, and impact (Ahearne et al., 2005; Spreitzer, 1995). As a result, empowered employees are willing to make more of an effort to innovate and express a greater desire to participate in creative activities. While empowering leadership has been recognised to influence employee creativity, the importance of this relationship is not fully understood, and the nature of the relationship between them remains elusive and needs further clarification in subsequent studies (Humborstad et al., 2014).

In the digital age, with new technology innovations popping up everywhere, telecommunication enterprises face the constant challenge to maintain their advantages (Andersen & Tushman, 2004) when operating in an increasingly competitive market, and innovation is seen as an important factor for business performance (Begonja et al., 2016). The competition among telecommunication enterprises is in the creativity to respond to customer requirements, and some telecommunication providers in Vietnam are taking action to address this problem (Nham et al., 2020).

This study is conducted to provide a contribution both in theory, and practice. Firstly, the study explores the relationship between empowering leadership and employee creativity through the mediating variables of psychological empowerment, creative process engagement, and intrinsic motivation. Secondly, empowering leadership has never been studied in the telecommunications industry in Vietnam. Most research on empowering leadership has been conducted in Western countries and focuses primarily on areas such as hotels, telecommunications, healthcare, pharmaceuticals, manufacturing, insurance, and education (Ahearne et al., 2005; Albrecht & Andreetta, 2011; Humborstad et al., 2014). Thirdly, the study has demonstrated suitability when applying the models of Zhang and Bartol (2010) in the context of Vietnam telecommunications enterprises.
Theoretical background and hypotheses

**Empowering leadership**

Among leadership styles, empowering leadership is of particular importance in providing self-management and increasing the autonomy of employees (Townsend & Bennis, 1997). Empowering leadership is viewed from two complementary perspectives (Spreitzer, 1995). Firstly, empowering leadership is the set of behaviours performed by a leader to help employees gain self-management. In this view, power shifts from leaders to employees (Burpitt & Bigoness, 1997). However, some researchers have argued that the power-sharing perspective does not encompass the entire nature of the notion of empowerment. Thus, using the self-efficacy perspective, a second definition is given, that empowering leadership is a series of behaviours performed by a leader to increase intrinsic motivation relating to the duties of employees and reducing their sense of a lack of power (Conger & Kanungo, 1988; Thomas & Velthouse, 1990).

Empowering leadership refers to a set of leadership behaviours that require sharing of power or assigning additional responsibility and autonomy to one’s employees, thereby increasing the motivation of employees (Özarallı, 2015). Arnold et al. (2000) argue that empowering leadership has five aspects: coaching, informing, instructing by example, expressing concern and/or interaction, and participatory decision-making. According to Ahearne et al. (2005), empowering leadership is concerned with enhancing the meaning of work, fostering participation in decision-making, demonstrating confidence in high performance, and providing authority. Pearce and Sims (2002) cite representative behaviours of empowering leadership, such as: encouraging, independent action, opportunity thinking, teamwork, self-development, self-reward, and encouraging participation in goal setting.

**Employee creativity**

Creativity is the creation of new and useful ideas by an individual or a small group of individuals working together (Amabile, 1996). Creativity refers to employees generating new and useful ideas related to the improvement of individual or team performance in the workplace (Hirst et al., 2009; Oldham & Cummings, 1996).

From the above concept, it shows that the two main factors that make up creativity are novelty and usefulness when applying new ideas into practice (Shalley & Zhou, 2008). Firstly, novelty is the act of combining existing things in a new way or developing completely new things (Oldham & Cummings, 1996). Novelty is expressed in three forms: creating absolutely new things from what was previously in the organisation; combining or synthesising existing things to create a new product that is not available in the organisation; and improving or changing existing things (Kreitner & Kinicki, 2004). Secondly, usefulness is the direct or indirect value that the creative idea brings to the organisation in the short term, as well as in the long run.
Usefulness is shown in the practicality and feasibility of implementing, applying that idea of creativity into practice, and creating value. The value of the idea of creativity is shown primarily in the ability to solve the problem that the organisation is facing, and at the same time, helping individuals perform assigned tasks and achieve work goals. Once applied successfully, the innovative idea can bring greater and longer-term value to the organisation, such as reducing costs, increasing product or service quality, streamlining production processes, improving working efficiency, increasing competitive advantage or creating new surplus value for the organisation.

**The effects of empowering leadership on employee creativity**

Empowering leadership allows employees to take control of their own affairs (Srivastava et al., 2006), and helps increase your intrinsic motivation to take risks and try new things (Zhang & Bartol, 2010). Li and Zhang (2016) affirm that empowering leadership is related to employee creativity. Firstly, empowering leadership by emphasising the meaning of work convinces employees to love their work and strive for better results. Secondly, the awareness of autonomy and participation in decision-making by employees is especially important in promoting creativity (Amabile et al., 2004). Thirdly, empowering leadership means removing constraints related to performance that create an environment in which employees are encouraged to be creative when solving problems.

Empowering leadership has a direct and indirect effect upon employee creativity. The direct relationship is proven in the studies of Byun et al. (2016), and Slåtten et al. (2011). The indirect relationship is proven in the research of Amundsen and Martinsen (2015) through the mediating variables of psychological empowerment, and self-leadership; in Zhang and Zhou (2014) through the mediating variable of creative self-efficacy; and Zhang et al. (2018) adopted the mediating variables of access to resources, access to information, and organisation-based self-esteem.

Psychological empowerment is defined as a psychological state expressed through four cognitive factors: meaning, competence, self-determination, and impact (Spreitzer, 1995). Psychological empowerment is the state of the employees, and the mentality of experiencing power in their work (Spreitzer, 1995). Psychological empowerment is related to employees’ perceptions of their ability to handle events, situations, and problems (Thomas & Velthouse, 1990). Psychological empowerment is a continuous variable that reflects the perceived level of empowerment (Spreitzer, 1995). While empowering leadership refers to actions taken by the leader to delegate decision-making power to employees, psychological empowerment considers the response of employees to that empowerment (Amundsen & Martinsen, 2014).

Empowering leadership will not be unsuccessful if it is not based on psychological empowerment (Raub & Robert, 2010). Several studies have found a positive association
between empowering leadership and psychological empowerment (Albrecht & Andreetta, 2011; Özaralli, 2015). Amundsen and Martinsen (2014) claim that empowering leadership is more effective than transformational leadership when it comes to the psychological empowerment of employees. In fact, psychological empowerment is the mechanism through which empowering leadership influences attitudes and behavioural outcomes at the individual, and group levels (Amundsen & Martinsen, 2014; de Klerk & Stander, 2014). At the group level, research by Chen et al. (2011) found that empowering leadership has a direct and positive impact on psychological empowerment. From there, the proposed hypothesis is as follows:

\[ H1: \text{Empowering leadership has a positive effect on the psychological empowerment of Vietnam telecommunication enterprises’ employees.} \]

Creative process engagement is defined as the employee’s participation in creative-related methods or processes, including problem identification, information searching and encoding, and idea generation (Reiter-Palmon & Illies, 2004). Psychological empowerment has an important influence on an employee’s willingness to participate in a creative process (Zhang & Bartol, 2010). When an employee realises that his or her work has personal meaning and the importance of the job, the employee will exert more effort to understand a problem from different angles, looking for a solution in many ways and from multiple sources, and creating a significant number of alternatives by linking diverse information sources (Jabri, 1991; Gilson & Shalley, 2004). Therefore, the authors propose the following hypothesis:

\[ H2: \text{Psychological empowerment has a positive effect on the creative process engagement of Vietnam telecommunication enterprises’ employees.} \]

An intrinsic motivation is the degree to which an individual is interested in a task and participates in it for their own benefit (Utman, 1997). Psychological empowerment is empowered to contribute to employee creativity by positively influencing employee’s intrinsic motivation (Amabile, 1996; Spreitzer, 1995), but empirical evidence of this relationship has been lacking (Zhang & Bartol, 2010). Therefore, the hypothesis is given as follows:

\[ H3: \text{Psychological empowerment has a positive effect on the intrinsic motivation of Vietnam telecommunication enterprises’ employees.} \]

Much of the creative research undertaken has focussed on the results of creativity. Such focus on the creative outcome does not explain the activities that lead to creative results (Gilson & Shalley, 2004). These activities form the creative process and precede creative results (Gilson & Shalley, 2004). This view has been demonstrated in empirical research, showing that employees tend to be more creative when they are involved in the creative process (Zhang & Bartol, 2010). Therefore, it is possible to claim participation in the creative process represents the first step required for creativity (Gilson & Shalley, 2004). Employee creativity is influenced
by the process of engaging in creative activities (Amabile, 1996). The proposed hypothesis is as follows:

**H4**: Creative process engagement has a positive effect on the creativity of Vietnam telecommunication enterprises’ employees.

Previous studies have suggested that psychological mechanisms, such as intrinsic motivation, are the primary driving force of creativity (Amabile, 1996). Some scholars have pointed out that intrinsic motivation plays a key mediating role between leadership and creativity (Shin & Zhou, 2003; Zhang & Bartol, 2010). Intrinsic motivation is considered to be one of the factors that shapes creativity (Amabile, 1996). The studies in intrinsic motivation are becoming increasingly important, especially when intrinsic motivation has been shown to have a positive effect on learning, creativity, perseverance, and happiness (Ryan & Deci, 2000). Therefore, the final hypothesis is proposed as follows:

**H5**: Intrinsic motivation has a positive effect on the creativity of Vietnam telecommunication enterprises’ employees.

**Method**

**Sample and procedures**

After researching the secondary data, the authors conducted in-depth interviews with two groups of subjects: managers, including boards of directors, and heads of departments; and employees of several Vietnam telecommunication enterprises to clarify empowering leadership and the creativity of employees at work. Based on the research overview, and the results of in-depth interviews, the authors proceeded to develop a survey to serve the investigation. There are five scales in the research model, with items inherited from previous studies.

To collect accurate data, the authors went directly to the Vietnam telecommunication enterprises to distribute and collect questionnaires. The survey questionnaire is divided into two parts: the first part explores respondents’ feelings about empowering leadership, psychological empowerment, creative process engagement, intrinsic motivation, and employee creativity; and the second part explores personal information, such as gender, age, education level, and work experience.

The questionnaire was surveyed from 500 employees in 21 telecommunication enterprises in Vietnam. After conducting the screening, 420 questionnaires were used for the study. Sample statistics showed that 188 male and 232 female employees participated in the survey, at rates of 44.8 per cent, and 55.2 per cent, respectively. Out of 420 questionnaires, 64.5 per cent of the employees were between 20–30 years old; 30.2 per cent of employees were between 31–40 years old; and the number of other age groups was not significant. A proportion of 79.8 per
cent of the sample has college and/or university degrees; 55.6 per cent have one to five years’ work experience; and 17.9 per cent have six to ten years’ work experience.

To test the model’s suitability and the research hypotheses, the authors conducted a Cronbach’s Alpha analysis, exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modelling (SEM) by using the SPSS 22.0, and AMOS 24.0 tools.

**Measurements**

**Empowering leadership (EL)** was measured by using the 12 items given by Ahearne et al. (2005). These items were divided into four groups with three items per group: (1) enhancing the meaningfulness of the work, (2) fostering participation in decision making, (3) expressing confidence in high performance, and (4) providing autonomy from bureaucratic constraints ($\alpha$’s = 0.856, 0.777, 0.867, and 0.860, respectively). Confirmation factor analysis (CFA) was conducted for the scale and the results demonstrated consistency with the model ($\chi^2 (50) = 121,146, p <0.001; CFI = 0.969, GFI = 0.955, RMSEA = 0.058$).

**Psychological empowerment (PE)** was measured by using 12 items given by Spreitzer (1995). These items are divided into four groups with three items per group: (1) meaning, (2) competence, (3) self-determination, and (4) impact ($\alpha$’s = 0.829, 0.798, 0.762, and 0.808, respectively). Confirmation factor analysis (CFA) was conducted for the scale and the results demonstrated consistency with the model ($\chi^2 (50) = 67,303, p <0.001; CFI = 0.990, GFI = 0.987, RMSEA = 0.029$).

**Creative process engagement (CPE)** was measured by using 11 items given by Zhang and Bartol (2010). These items are divided into three groups: (1) problem identification, (2) information searching and encoding, and (3) idea generation ($\alpha$’s = 0.793, 0.770, and 0.866, respectively). Confirmation factor analysis (CFA) was conducted for the scale and the results demonstrated consistency with the model ($\chi^2 (41) = 45,712, p <0.001; CFI = 0.997, GFI = 0.980, RMSEA = 0.017$).

**Intrinsic motivation (IM)** was measured by using three items adjusted by Amabile (1985) and Tierney et al. (1999) ($\alpha$’s = 0.758).

**Employee creativity (EC)** was measured by using 13 items developed by Zhou and George (2001) ($\alpha$’s = 0.885).
Analyses and results

Factor analysis

In order to group the initial items into the significant factors and discover the latent structure among the research concepts, the authors conducted exploratory factor analysis (EFA) with 51 items. The KMO coefficient that was calculated from the survey sample is 0.847, which is greater than 0.5, showing that the sample size is suitable for factor analysis. To determine the main factors, the authors used the factor extraction method based on eigenvalue values. The factors that have an eigenvalue value greater than ‘one’ can be kept in the analytical model. Using Kaiser’s criterion, the eigenvalue value is 1.104, which is greater than one and consistent with all 13 groups of factors, explaining a 69.790 per cent of variance.

To ensure the distinguishing value among the factors, and to test the theoretical structure of the scales, as well as the relationship between a research concept, the authors conducted a confirmation factor analysis (CFA) with five factors: empowering leadership, psychological empowerment, creative process engagement, intrinsic motivation, and employee creativity. The results show that the model is consistent with the data ($\chi^2 = 1480.886; \text{df} = 1106; \text{CFI} = 0.958; \text{TLI} = 0.955; \text{RMSEA} = 0.028$).

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<th>CR</th>
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<tbody>
<tr>
<td>1. EC</td>
<td>0.918</td>
<td>0.505</td>
<td>0.711</td>
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<tr>
<td>2. IM</td>
<td>0.758</td>
<td>0.511</td>
<td>0.381***</td>
<td>0.715</td>
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<tr>
<td>3. EL</td>
<td>0.842</td>
<td>0.644</td>
<td>0.413</td>
<td>0.628</td>
<td>0.801</td>
<td></td>
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<tr>
<td>4. PE</td>
<td>0.802</td>
<td>0.576</td>
<td>0.145</td>
<td>0.260**</td>
<td>0.609***</td>
<td>0.759</td>
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<tr>
<td>5. CPE</td>
<td>0.811</td>
<td>0.554</td>
<td>0.490***</td>
<td>0.788</td>
<td>0.967</td>
<td>0.465**</td>
<td>0.744</td>
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The Table 1 shows empowering leadership has a positive relationship to psychological empowerment ($r = 0.609 ***$). Moreover, psychological empowerment is positively correlated with creative process engagement and intrinsic motivation ($r = 0.465 **$, and 0.260 **), and creative process engagement and intrinsic motivation are positively correlated with employee creativity ($r = 0.490 ***$, and 0.381 ***, respectively). The composite reliability (CR) and the average variance extracted (AVE) are also given in Table 1. In which, CR is between 0.758 and 0.918, and AVE is from 0.505 to 0.644. The results of CR and AVE are in the acceptable range, showing that the scales used in the study are reliable and convergent values are achieved.

Hypotheses analysis

The results of structural equation modelling (SEM) show that the research model is consistent with the data ($\chi^2 = 1584.561; \text{df} = 1111; \text{CFI} = 0.947; \text{TLI} = 0.943; \text{RMSEA} = 0.032$). The
Figure 1 shows the overall structural model with standardized path coefficients. Hypotheses H1, H2, H3, H4, and H5 are accepted. Empowering leadership has a positive relationship with psychological empowerment ($\beta = 0.979$, $p < 0.01$). Psychological empowerment has a positive relationship with creative process engagement and intrinsic motivation ($\beta = 0.942$, and 0.667, respectively, $p < 0.01$). Creative process engagement and intrinsic motivation have a positive relationship with employee creativity ($\beta = 0.314$, and 0.175, respectively, $p < 0.01$).

![Path coefficients diagram]

Note: **$p < 0.01$

**Figure 1.** Results of structural equation modelling

**Discussion and implications**

**Discussion**

The purpose of the study is to explore the effect of empowering leadership on employee creativity through the mediating variables. All the research hypotheses are accepted with $p < 0.01$.

The research results demonstrate that empowering leadership influences employee creativity through the mediating variables. Firstly, empowering leadership has a positive relationship with psychological empowerment. This result is consistent with several previous studies, such as Amundsen and Martinsen (2015), Chen *et al.* (2011), and Zhang and Bartol (2010). Secondly, psychological empowerment is positively related to both creative process engagement and intrinsic motivation, in which the impact of psychological empowerment on creative process engagement is stronger than the level of impact on intrinsic motivation. Research by Zhang and Bartol (2010) found consensus on the proportional relationship of psychological empowerment with creative process engagement and intrinsic motivation, however, according to these authors, psychological empowerment has a stronger impact on intrinsic motivation than creative process engagement ($\beta = 0.31$, and 0.19). Thirdly, creative process engagement and intrinsic motivation have been shown to have a positive effect on employee creativity. This conclusion is in agreement with the research results of Zhang and Bartol (2010), but creative process engagement and intrinsic motivation are believed to have a
stronger impact on employee creativity than the results of this study ($\beta = 0.55$, and $0.32$ compared to $\beta = 0.314$, and $0.175$).

**Implications**

Firstly, leaders in enterprise must pay attention to their favored style because leadership style positively affects employee creativity through the mediating variables. For leaders in telecommunication enterprises, an industry associated with technological innovation, choosing a leadership style becomes even more important.

Secondly, employee creativity is motivated when leaders influence psychological empowerment, creative process engagement, and intrinsic motivation. Changing leadership styles will affect psychological empowerment, and psychological empowerment will affect creative process engagement and intrinsic motivation, thereby affecting the creativity of employees. The research results confirm that empowering leadership has a positive effect on psychological empowerment. Therefore, telecommunication enterprise leaders can consider applying these leadership styles to enhance employee creativity.

Thirdly, empowering leadership increases employee creativity, allowing organizations to fully perceive their employees to seize opportunities and overcome challenges in volatile business environments (Zhang & Bartol, 2010). Therefore, decisions to appoint and recruit a leadership position should be considered to choose a leader with an empowering leadership style by the positive influence of this style upon employee creativity through the mediating variables.

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