

# THE ANTECEDENTS AND CONSEQUENCES OF PSYCHOLOGICAL EMPOWERMENT: THE CASE OF TAIWAN'S HOTEL COMPANIES

Chun-Fang Chiang  
Chinese Culture University

SooCheong (Shawn) Jang  
Purdue University

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*Empowering employees to meet customers' needs or solve their problems can be one of the best ways to satisfy customers. The objectives of this study are to investigate the extent to which the level of psychological empowerment (meaning, competence, self-determination, and impact) is perceived by employees; to examine whether leadership, trust, and organizational culture function as the antecedents of empowerment; and to look into whether empowerment influences job satisfaction and organizational commitment. Using structural equation modeling, this study supports the conclusion that leadership has a positive, direct effect on trust and organizational culture, which are important antecedents related positively to psychological empowerment constructs. The study also suggests that self-determination in psychological empowerment has a significant effect on job satisfaction and is related to organizational commitment.*

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**KEYWORDS:** *psychological empowerment; trust; leadership; organizational culture; job satisfaction; organizational commitment*

In the hospitality industry, frontline employees may be the most important employees in an organization because they are the ones who most often encounter customers. Empowering employees to handle customers' needs or problems immediately, rather than requiring them to wait for managers to take care of customers, may be an appropriate way to satisfy customers. The prerequisite for this empowerment is an appropriate attitude on the part of management and management support. However, empowerment should not mean that management will lose control or power. For the hotel industry, employee empowerment is the process of decentralizing decision making in an organization, whereby managers give more discretion and autonomy to frontline employees. Management should make the commitment to empowerment and create a supportive environment that will develop an empowering culture in an organization

(Honold, 1997). Management's job is to create a culture of participation by providing a compelling mission and a structure that emphasizes flexibility and autonomy, rewards participation, does not punish risk taking, and maintains ongoing involvement programs and support for the integration of employees' work and family lives (Honold, 1997).

Empowerment has been encouraged in the hotel industry (Sparrowe, 1994). The term *empowerment* is not new, and most empowerment practices address how to approach strategic plans to develop an empowered environment (Sparrowe, 1994). This study focused on employees in Taiwan's hotels. Traditionally, organizations in Taiwan have strong hierarchies, which mean employees should wait for orders and follow managers' decisions. Nevertheless, as Taiwan has used modern management techniques and been influenced by the trend of globalization, a constructive culture is becoming more common in work organizations. Furthermore, several international hotel management companies operate hotels in Taiwan and their hotel employees serve international customers more and more. Consequently, frontline workers' immediate decisions to serve customers become more important. In this respect, to understand the status quo of the hotel industry in Taiwan, it is necessary to investigate the extent to which empowerment is being practiced. Two research questions were posed for this study: (a) What antecedents can foster empowerment? (b) Does empowerment have positive effects on employees' job satisfaction and organizational commitment?

Psychological empowerment has received much attention from researchers in many business fields (Conger & Kanungo, 1988; Spreitzer, 1995; Thomas & Velthouse, 1990). Despite the importance of empowerment in practice, little effort has been made to research empowerment in the hospitality field (George & Hancer, 2003; Kim & George, 2005; Sparrowe, 1994). Empowerment is also important for the hospitality industry because of the nature of the work of service providers. To meet higher standards of service—prompt response and a high degree of customer satisfaction—empowering employees to accept additional responsibilities and become more autonomous can be one of the best ways to enhance organizational effectiveness and satisfy customers. Furthermore, when more employees are fully empowered, fewer service failures may occur (Sparks, Bradley, & Callan, 1997). In addition, empowered employees tend to feel that they are happier with their jobs and fulfill the requirements of their jobs to a greater extent; low self-esteem is one of the most important reasons why people do not want to work in the hotel industry (Tannenbaum, 1997). For this study to provide more deeper insight into empowerment in the hospitality academia and industry, its primary objectives were (a) to examine the extent to which psychological empowerment is perceived by employees in the hospitality industry, (b) to identify the antecedent factors influencing the aspects of psychological empowerment, and (c) to examine the consequences of psychological empowerment from the hotel employees' perspective.

According to Thomas and Velthouse (1990), psychological empowerment is intrinsic motivation manifested in four cognitions reflecting the orientation to the work role. Spreitzer (1995) extended Thomas and Velthouse's definition of

psychological empowerment, suggesting four components of psychological empowerment: meaning, competence, self-determination, and impact. Most studies have examined psychological empowerment as a whole (Gagne, Senecal, & Koestner, 1997; Kirkman & Rosen, 1999; Liden, Wayne, & Sparrowe, 2000; Siegall & Gardner, 2000; Sparrowe, 1994). The uniqueness of this study is in the specific examination of each component's relationships with its antecedents and its consequences to provide constructive and specific implications for the hotel industry based on each aspect of psychological empowerment.

## CONCEPTUAL BACKGROUND

### Empowerment

Empowerment is an emerging construct used by theorists to explain organizational effectiveness. Empowerment is often defined as the act of giving people the opportunity to make workplace decisions by expanding their autonomy in decision making (Vogt, 1997). Also, empowerment has been described as the breaking down of traditional hierarchical structures (Blanchard, 1997). From a service perspective, empowerment gives employees the authority to make decisions about customer service. Tschohl (1997) explained that true empowerment means employees can bend and break rules to do what is necessary to take care of customers. Ettorre (1997) added that employees who have autonomous decision-making capabilities can act as business partners who provide oversight on profitability. On the other hand, Geroy, Wright, and Anderson (1998) emphasized the organizational aspect of empowerment, calling it the process of providing employees with the necessary guidance and skills to enable autonomous decision making (including accountability and responsibility for making these decisions within acceptable parameters) that is part of an organizational culture. In industrial and organizational psychology and management, empowerment is the enhancement of the autonomy of employees in their work or increased involvement that results in increased decision making more generally within the wider agenda and interests of the organization (Wall, Wood, & Leach, 2004).

### Psychological Empowerment

The focus of empowerment in management has shifted to social and psychological processes (Conger & Kanungo, 1988; Thomas & Velthouse, 1990). As mentioned earlier, Thomas and Velthouse (1990) considered psychological empowerment as an intrinsic motivation manifested in four cognitions reflecting individuals' orientation to their work roles. The four cognitions are meaning, competence, choice, and impact. This is an experiential or subjective perspective concerned with how empowered employees feel. Sparrowe (1994) supported that definition, claiming that empowerment in the Thomas and Velthouse model is a form of motivation engendered by task assessments of meaning, competence, choice, and impact. Spreitzer (1995) basically agreed with the definition of psychological empowerment offered by Thomas and

Velthouse but redefined the four task assessments as meaning, competence, self-determination, and impact. According to Spreitzer, meaning involves a fit between the needs of one's work role and one's values, beliefs, and behaviors; competence refers to individuals' feeling able to carry out their work tasks effectively; self-determination refers to causal responsibility for a person's actions, or perceived freedom to determine how to carry out work tasks; and impact is the extent to which individuals see that their behaviors produce the desired effects in their work roles. Spreitzer developed a measure of the four components, and many studies have followed Spreitzer's measure to empirically test the antecedents and effects of psychological empowerment (e.g., Gagne et al., 1997; Kirkman & Rosen, 1999; Liden et al., 2000; Siegall & Gardner, 2000). An extensive literature review reveals that leadership, trust, and organizational culture have been frequently examined as the antecedents of psychological empowerment and that job satisfaction and changes in organizational commitment have received consistent attention as consequences of empowerment (Gagne et al., 1997; Kirkman & Rosen, 1999; Liden et al., 2000; Siegall & Gardner, 2000; Sparrowe, 1994). A detailed explanation of the antecedents for and consequences of empowerment is presented in the following section.

## HYPOTHESES DEVELOPMENT

### Leadership, Trust, and Organizational Culture

Leadership fosters empowerment, and an empowered organization is one in which managers supervise more people than in traditional hierarchies and delegate more decisions to their subordinates (Malone, 1997). With respect to leadership theory, a consensus exists among researchers that transformational leadership builds trust because transformational leaders engage in actions that gain the trust of their followers and that in turn results in desirable outcomes (Arnold, Barling, & Kelloway, 2001; Dirks & Ferrin, 2002; Jung & Avolio, 2000). Those researchers defined *trust* as it applied to leaders, but this study attempted to measure trust among employees. Although some literature indicates a possible correlation between leadership and empowerment, many previous studies suggest a possible correlation between leadership and trust as well as leadership and organizational culture (Chen, 2004; Dulewicz & Higgs, 2003; Loene, Vogelaar, & Soeters, 2002; Lok & Crawford, 2004). Supportive leadership is the specific kind of leadership assessed in this study. Supportive leadership, rather than bureaucratic leadership, means that managers trust employees, communicate with employees, share information, support employees in their decisions and what they do, and encourage employees to be more involved in their jobs. Perceived supportive leadership should have a stronger relationship with trust in employees. If employees feel they are trusted, that should encourage them to feel they are more job involved and they will be more willing to be empowered. In addition, supportive leadership creates the culture by promoting decision making and autonomy over and above the levels at which the organization reaches empowerment. Therefore, this study hypothesized that

supportive leadership is positively associated with managerial trust in employees and with an organizational culture that promotes decision making and autonomy. Hypotheses 1 and 2 were proposed as follows:

*Hypothesis 1:* Supportive leadership is positively associated with managerial trust.

*Hypothesis 2:* Supportive leadership is positively associated with an organizational culture that promotes decision making and autonomy.

Studies examining the relationship between trust and empowerment contend that trust is the essential element in improving empowerment (Gomez & Rosen, 2001; Laschinger, Finegan, & Shamian, 2001; Mills & Ungson, 2003). Anderson, Lodish, and Weitz (1987) treated trust as a feature of relationships, in addition to power, communications, and goal compatibility. Trust has a significant impact on important organizational factors, such as group cohesion, perceived fairness of decisions, organizational citizenship behavior, job satisfaction, and organizational effectiveness (Laschinger et al., 2001). George and Hancer's (2003) study confirmed that trust is a central variable that influences psychological empowerment. Gomez and Rosen used the term *managerial trust*, which refers to managers giving employees preferential treatment, such as providing more information to them and giving them greater latitude and discretion in decision making. Because the attitude of managers is the important component influencing the level of empowerment and its success, the transformation of power and authority may depend on managers' beliefs that employees can be trusted. Therefore, managerial trust was adopted from the study of Gomez and Rosen (2001), and the level to which employees feel they are trusted by the managers and supervisors were measurements for managerial trust in the following hypotheses:

*Hypothesis 3a:* Managerial trust is positively associated with meaning.

*Hypothesis 3b:* Managerial trust is positively associated with competence.

*Hypothesis 3c:* Managerial trust is positively associated with self-determination.

*Hypothesis 3d:* Managerial trust is positively associated with impact.

Organizational culture can be accepted as another important factor influencing employee empowerment (Eisman, 1991; Schlesinger & Heskett, 1991). If a hotel has a culture of employee participation and its management emphasizes flexibility and autonomy with rewards for participation, that culture would facilitate employee empowerment. Spreitzer (1996) suggested that future studies should explore the relationships between each of the work characteristics and each of the four dimensions of empowerment to determine which work characteristic affects which dimension. Hence, it may be academically and practically meaningful to check how each dimension, rather than overall psychological empowerment, is related to its antecedents. An organizational culture that promotes decision making, and encourages flexibility and autonomy, should therefore be positively related to empowerment as proposed in the following hypotheses:

*Hypothesis 4a:* Organizational culture is positively associated with meaning.

*Hypothesis 4b:* Organizational culture is positively associated with competence.

*Hypothesis 4c:* Organizational culture is positively associated with self-determination.

*Hypothesis 4d:* Organizational culture is positively associated with impact.

### **Job Satisfaction and Organizational Commitment**

A review of the literature shows that job satisfaction, job motivation, productivity, effectiveness, organizational commitment, and turnover have been studied as potential consequences of empowerment (Gagne et al., 1997; Kirkman & Rosen, 1999; Liden et al., 2000; Siegall & Gardner, 2000; Sparrowe, 1994). In particular, Laschinger et al. (2001) stressed the significance of empowerment because it strongly influences job satisfaction, as well as belief in and acceptance of organizational goals and values. Employees' willingness to exert effort in the workplace and their wish to stay in the organization are important and desirable consequences of creating environments that provide access to structures that empower employees to do their work well. Among many potential consequences of empowerment, job satisfaction and organizational commitment have been identified often (Gagne et al., 1997; Kirkman & Rosen, 1999; Liden et al., 2000; Siegall & Gardner, 2000; Sparrowe, 1994). Employees will be more satisfied with their jobs when they feel that they have been involved in decision making, share information, and assume more responsibilities. Organizational commitment refers to an individual's attachment to, loyalty to, and identification with the organization (Meyer & Allen, 1984). Empowerment could contribute to a sense of commitment to the organization. Therefore, job satisfaction and organizational commitment, as perceived by employees, were examined as consequences of empowerment in this study in the following hypotheses:

*Hypothesis 5a:* Meaning is positively associated with job satisfaction.

*Hypothesis 5b:* Competence is positively associated with job satisfaction.

*Hypothesis 5c:* Self-determination is positively associated with job satisfaction.

*Hypothesis 5d:* Impact is positively associated with job satisfaction.

*Hypothesis 6a:* Meaning is positively associated with organizational commitment.

*Hypothesis 6b:* Competence is positively associated with organizational commitment.

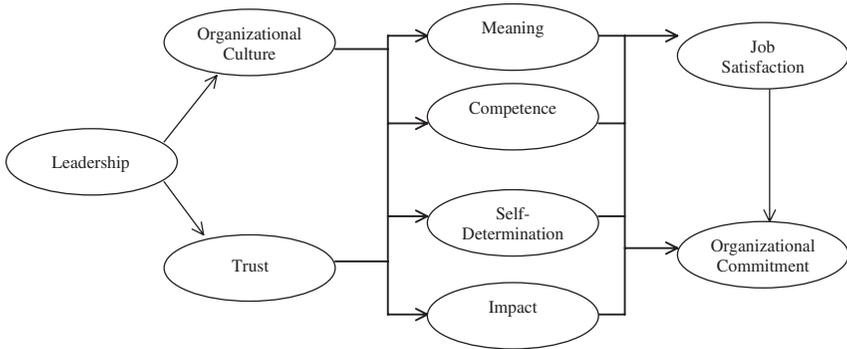
*Hypothesis 6c:* Self-determination is positively associated with organizational commitment.

*Hypothesis 6d:* Impact is positively associated with organizational commitment.

(see Figure 1)

Researchers have generally agreed that job satisfaction enhances the level of organizational commitment (Abraham & Anat, 2004; Porter & Steers, 1973). In the literature, Mowday, Porter, and Steers (1982) suggested that organizational commitment and job satisfaction are different constructs, whereas Cohen (1993) proposed perceiving work commitment and job satisfaction as supplementary concepts. Abraham and Anat (2004) argued that job satisfaction and organizational commitment are interrelated, but a missing link could exist when the relationship is evaluated. Therefore, this study also hypothesized that job satisfaction is positively associated with organizational commitment. To confirm the

**Figure 1**  
**A Conceptual Model of Psychological Empowerment**



relationship between job satisfaction and organizational commitment, the authors of this study attempted to link these two constructs in the following hypothesis:

*Hypothesis 7:* Job satisfaction is positively associated with organizational commitment.

## METHOD

### Measurement

The multiple items of psychological empowerment were adapted from Spreitzer's (1995) 12-item empowerment scale. The items were rated on a 7-point Likert-type scale (1 = *strongly disagree* to 7 = *strongly agree*). Three items concerning trust were from the trust scale (Cook & Wall, 1980), three items concerning leadership were borrowed from leadership measures (Spreitzer, Janasz, & Quinn, 1999), three items concerning organizational culture were culture and Total Quality Management measurements (Zeitz & Johannesson, 1997), three items measuring job satisfaction were from the Job Descriptive Index (Smith, Kendall, & Hulin, 1969), and three items concerning organizational commitment came from Meyer and Allen's (1984) commitment scale. All measurement items were adapted to meet the objectives of the study and revised in light of feedback from participating hotels. Demographic questions on gender, age, education, department, and job title were also included in the questionnaire. The questionnaire was developed first in English and then translated into Chinese using a back-translation method.

### Data Collection and Analyses

Employees working in hotels in Taipei, Taiwan, were selected as samples for the study. Human resource managers in 23 hotels were first contacted to explain the purpose and procedure of the study. An official letter with a survey questionnaire was then faxed or e-mailed to the hotels to obtain their permission for the

study. Seven hotels (30.43%) agreed to participate in the study. Questionnaires with cover letters were delivered to human resources managers in the seven hotels. The managers distributed the survey questionnaire to their full-time employees using a convenient sampling method. Employees then returned the completed questionnaires to the managers. The period for data collection was from December 20, 2004, to January 3, 2005, which was a peak season for the hotel industry in Taiwan. Three hundred and seventy surveys were distributed to employees in the seven participating hotels, and 193 were returned, yielding a response rate of 52.16%. Of the 193 returned responses, 34 were only partly filled out. Thus, 159 (42.97%) responses were used for this analysis.

Data analyses included descriptive analysis, confirmatory factor analysis (CFA), and structural equation modeling (SEM). SEM was used to test hypothesized relationships because the analysis permits simultaneous estimation of all hypothesized paths and estimation of indirect effects among the constructs in the model. The CFA and SEM analyses were performed using LISREL 8.54.

## RESULTS

### Descriptive Analysis

One hundred and fifty-nine employees, consisting of 52 (32.7%) males and 107 (67.3%) females, participated in the study (see Table 1). The age range was 19 to 58. More than half of the respondents (51.57%) were 21 to 30 years old. The second largest group comprised respondents (24.53%) between 31 and 40 years old. More than one third of the respondents (37.7%) had a 4-year college degree, 29.6% of the respondents had a junior college degree, and 23.3% had a high school degree. Fifty-eight respondents (36.5%) were employees in the food and beverage department, 22% worked in the front office, and 15.1% were employed in housekeeping. In terms of their jobs, most respondents were front office receptionists, housekeepers, and office assistants. Average lengths of employment at the current hotel and in the hotel industry were 4.83 and 7.08 years, respectively.

The mean scores for each measurement item, which indicated the extent to which each measurement item was perceived by employees, are presented in Table 2. The mean scores for leadership, trust, and organizational culture were 5.28, 5.42, and 4.66, respectively, based on the 7-point Likert-type scale. Respondents reported that trust from managers is rated better than leadership, followed by organizational culture. When respondents evaluated four components of empowerment, competence (5.45) and meaning (5.26) had higher scores than self-determination (5.13) and impact (4.45). Respondents responded that they were satisfied with their jobs (4.95) and had an organizational commitment to the hotels for which they worked (5.09) at the time of the survey.

### CFA

Before CFA was performed, reliability alphas were checked for internal consistency. The alpha values for the four components of psychological empowerment

**Table 1**  
**Profile of Sample**

Profile	Frequency ( <i>N</i> = 159)			
	<i>n</i>	%	<i>M</i>	<i>SD</i>
Gender				
Males	52	32.7		
Females	107	67.3		
Age				
20 years old and younger	4	2.52		
21 to 30 years old	82	51.57		
31 to 40 years old	39	24.53		
41 to 50 years old	21	13.21		
51 years old and older	8	5.03		
No response	5	3.14		
Education				
Junior high school degree	8	5.0		
Senior high school degree	37	23.3		
Junior college degree	47	29.6		
Four-year college degree	60	37.7		
Graduate degree	4	2.5		
No response	3	1.9		
Department				
Food and beverage	58	36.5		
Front office	35	22.0		
Housekeeping	24	15.1		
Others	40	25.2		
No response	2	1.3		
Time working in the current hotel (years)			4.83	6.20
Time working in the hotel industry (years)			7.08	7.25

were meaning (.82), competence (.91), self-determination (.82), and impact (.89) (see Table 3). The alpha values of all the constructs used in this study exceeded the minimum requirement for reliability of .70. The results indicate these multiple measurement items are highly reliable for measuring each construct. To validate the developed constructs, a measurement model was estimated with CFA in which each measurement item was loaded on its a priori constructs, and the constructs were allowed to be correlated in the analysis (Gerbing & Anderson, 1988). Most items highly loaded on their expected constructs except for two measurement items (Organizational Culture 3 and Self-Determination 3). After deleting the two items, the revised CFA was found to be a good fit model ( $\chi^2 = 471.34$ ,  $df = 237$ ,  $\chi^2/df = 1.99$ , root mean square error of approximation [RMSEA] = .079, Normed Fit Index [NFI] = .96, Tucker-Lewis Index = .97, Comparative Fit Index [CFI] = .98). The factor loadings are presented in Table 4.

**Table 2**  
**Measurement Items**

Measurement Item	<i>M</i>	<i>SD</i>
Supportive Leadership	5.28	1.16
Lead 1	5.35	1.28
Lead 2	5.17	1.29
Lead 3	5.48	1.24
Managerial Trust	5.42	0.96
Trust 1	5.31	1.23
Trust 2	5.50	0.98
Trust 3	5.64	1.08
Organizational culture that promotes decision making and autonomy	4.66	1.20
Orgcul 1	4.49	1.42
Orgcul 2	4.66	1.40
Meaning	5.26	1.17
Mean 1	5.52	1.20
Mean 2	5.18	1.29
Mean 3	5.22	1.35
Competence	5.45	1.04
Compet 1	5.55	1.14
Compet 2	5.62	1.04
Compet 3	5.38	1.13
Self-determination	5.13	1.15
Selfde 1	5.30	1.24
Selfde 2	5.05	1.27
Impact	4.45	1.38
Impact 1	4.61	1.46
Impact 2	4.38	1.51
Impact 3	4.40	1.53
Job satisfaction	4.95	1.19
JS 1	4.92	1.19
JS 2	4.94	1.36

JS 3	Overall, I am happy for working at this hotel.	5.08	1.43
Organizational commitment		5.09	1.35
OC 1	I feel myself to be part of this hotel.	5.20	1.42
OC 2	I am willing to achieve this hotel's goals and values.	5.28	1.39
OC 3	Overall, I am willing to continue work at this hotel.	4.93	1.58

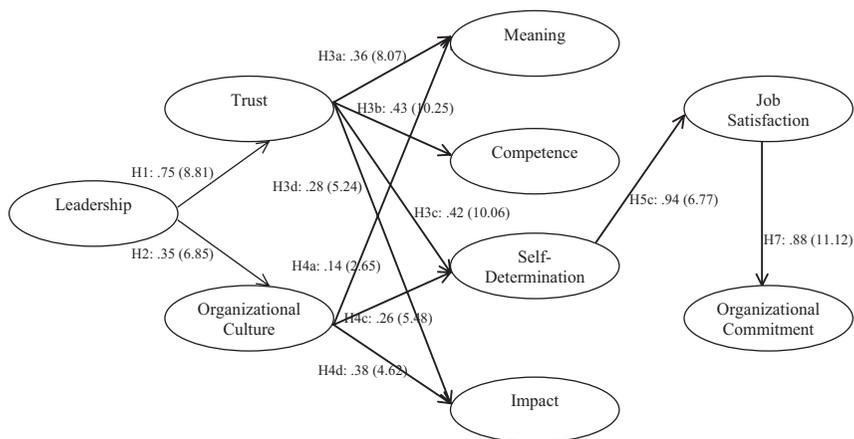
Note: A 7-point Likert-type scale from 1 (*strongly disagree*) to 7 (*strongly agree*).

## SEM

SEM with LISREL 8.54 was used to examine the hypothesized relationships in the proposed model with nine latent constructs. The averages of variance extracted for the constructs were calculated to assess construct validity (see Table 4). The squares of the correlation coefficients were lower than the variances extracted, which suggested that the discriminant validity was valid. All variances extracted were higher than .50, meeting the criterion of convergent validity. Several goodness of fit indices were used to evaluate the overall model fit of the structural equation model. The original model was employed ( $\chi^2 = 595.57$ ,  $df = 256$ ,  $\chi^2/df = 2.33$ , RMSEA = .092, NFI = .95, NNFI = .96, CFI = .97); only RMSEA, among major indices, did not fall into an acceptable level (.08), indicating a possibility that the overall model fit may not be satisfactory (Hair, Anderson, Tatham, & Black, 1998). A revision of the model was then sought. After those nonsignificant measurement paths were removed, the revised model was examined. The fit indices of the revised model were as follows:  $\chi^2 = 566.99$ ,  $df = 261$ ,  $\chi^2/df = 2.17$ , RMSEA = .086, NFI = .95, NNFI = .96, CFI = .97. All the fit indices of the revised model were found to improve. The chi-square value improved significantly to the .001 level of alpha ( $\Delta\chi^2=28.58$ ,  $\Delta df = 6$ ), which indicates the acceptance of the revised model.

Hypothesis 1 and Hypothesis 2, which hypothesized that supportive leadership is positively associated with managerial trust and with organizational culture that promotes decision making and autonomy, were both supported. As support and communication from managers and supervisors increased, the level of trust in employees increased, as did the organizational culture of decision making and autonomy. In Spreitzer's (1996) study, leadership was a significant factor that could enhance psychological empowerment, and Bandura (1986) found that self-efficacy or competence could be influenced by the leadership practices of being supportive, sharing information and encouraging involvement. This current study did not hypothesize that leadership directly influences psychological empowerment; it only hypothesized that leadership affects trust and organizational culture, and trust and organizational culture contribute to psychological empowerment. These findings showed the influence of supportive

**Figure 2**  
**The Revised Model of Psychological Empowerment**



leadership on trust and organizational culture. Tests of Hypothesis 3a to Hypothesis 3d both supported the claim that trust directly influenced the four components of psychological empowerment, which is consistent with George and Hancer's (2003) study. Tests of Hypothesis 4a to Hypothesis 4d revealed that organizational culture had positive influences on meaning, self-determination, and impact, which meant that organizational culture also contributes to psychological empowerment. Sparrowe (1994) reported that organizational culture fostered overall empowerment; that study referred to organizational culture as a constructive culture, which focuses on normative beliefs and shared behavioral expectations. In this present study, organizational culture referred to measures of whether an organization encourages decision making and was willing to permit autonomy and participation, which are more related to meaning, self-determination, and impact than competence. Overall, both trust and organizational culture were shown to be antecedents of psychological empowerment; in particular, trust appeared to be the most influential foundation of psychological empowerment in hotels in Taiwan. Furthermore, supportive leadership still played an important role in influencing managerial trust and organizational culture that allows decision making and autonomy and consequently encourages empowerment in the hotel industry.

As with the consequences of empowerment, job satisfaction had significant and positive relationships with self-determination (Hypothesis 5c) among the four constructs in empowerment, but Hypothesis 6a to Hypothesis 6d were not supported, as organizational commitment had a nonsignificant relationship with any component of psychological empowerment. This study showed that each

**Table 3**  
**Correlations Among Constructs**

Construct	Leadership	Trust	Culture	Meaning	Competence	Self-Determination	Impact	Job Satisfaction	Organizational Commitment
Leadership	1.000								
Trust	0.704**	1.000							
Organizational culture	0.534**	0.364**	1.000						
Meaning	0.635**	0.611**	0.440**	1.000					
Competence	0.528**	0.668**	0.277**	0.651**	1.000				
Self-determination	0.650**	0.656**	0.519**	0.684**	0.710**	1.000			
Impact	0.536**	0.466**	0.515**	0.576**	0.421**	0.586**	1.000		
Job satisfaction	0.675**	0.631**	0.562**	0.658**	0.509**	0.661**	0.585**	1.000	
Organizational commitment	0.453**	0.417**	0.580**	0.515**	0.343**	0.420**	0.361**	0.752**	1.000

Note: trust = managerial trust; leadership = supportive leadership; organizational culture = organizational culture that promotes decision making and autonomy.

\*\* $p < .01$ .

**Table 4**  
**Confirmatory Factor Analysis for the Final Measurement Model**

Constructs and Indicators	Completely Standardized Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
Supportive leadership				
Lead 1	.80	.88	.88	.72
Lead 2	.89			
Lead 3	.85			
Managerial trust				
Trust 1	.87	.81	.79	.56
Trust 2	.71			
Trust 3	.64			
Organizational culture that promotes decision making and autonomy				
Orgcul 1	.91	.89	.89	.80
Orgcul 2	.88			
Meaning				
Mean 1	.81	.82	.90	.75
Mean 2	.91			
Mean 3	.88			
Competence				
Compet 1	.89	.91	.91	.77
Compet 2	.91			
Compet 3	.83			
Self-determination				
Selfde 1	.83	.82	.82	.70
Selfde 2	.77			
Impact				
Impact 1	.86	.89	.92	.80
Impact 2	.91			
Impact 3	.91			
Job satisfaction				
JS 1	.79	.82	.86	.67
JS 2	.77			
JS 3	.89			
Organizational commitment				
OC 1	.94	.92	.89	.80
OC 2	.88			
OC 3	.85			

**Table 5**  
**Factor Loadings in the Revised Structural Model**

Construct Measurement Items	Standardized Factor Loading	<i>t</i>
Supportive leadership		
Lead 1	.81	—
Lead 2	.88	12.62
Lead 3	.85	12.12
Managerial trust		
Trust 1	.79	—
Trust 2	.70	9.28
Trust 3	.63	8.23
Organizational culture that promotes decision making and autonomy		
Orgcul 1	.89	—
Orgcul 2	.90	12.79
Meaning		
Mean 1	.81	—
Mean 2	.91	13.52
Mean 3	.88	12.88
Competence		
Compet 1	.89	—
Compet 2	.91	16.34
Compet 3	.83	13.79
Self-determination		
Selfde 1	.82	—
Selfde 2	.74	10.78
Impact		
Impact 1	.86	15.86
Impact 2	.91	15.94
Impact 3	.92	—
Job satisfaction		
JS 1	.76	—
JS 2	.74	12.59
JS 3	.95	13.45
Organizational commitment		
OC 1	.94	—
OC 2	.88	18.15
OC 3	.84	16.13

Note:  $\chi^2 = 566.99$ ,  $df = 261$ ,  $\chi^2/df = 2.17$ , root mean square error of approximation = .086, Normed Fit Index = .95, Nonnormed Fit Index = .96, Comparative Fit Index = .97.

component of psychological empowerment is not strong enough to be a predictor of job satisfaction, and none of the components of psychological empowerment is related to organizational commitment. The results did not confirm other studies that identified job satisfaction and organizational commitment as consequences of psychological empowerment (Gagne et al., 1997; Kirkman & Rosen, 1999; Liden et al., 2000; Siegall & Gardner, 2000; Sparrowe, 1994). One possible explanation for this discrepancy is that those studies examined overall psychological empowerment, whereas this study examined the specific components

of psychological empowerment. Consequently, no single component can be an indicator of job satisfaction and organizational commitment; only overall psychological empowerment can adequately depict this. However, one finding is consistent with the studies of Liden et al. (2000) and Spreitzer, Kizilos, and Nason (1997): Different dimensions are related to different outcomes (effectiveness, satisfaction, and strain), and no single dimension predicts all three outcomes (Settoon, Bennett, & Liden, 1996). For Hypothesis 7, the result of this study indicated that job satisfaction had a significant positive effect on organizational commitment. Thus, the findings suggest that organizational commitment is directly linked not with psychological empowerment but rather with job satisfaction. As a result, developing trust in employees and creating an organizational culture for empowerment are necessary and important for employees' job satisfaction.

The summaries of standardized path coefficients and *t* statistics for the proposed model and the revised model are presented in Table 6. With respect to the following summary of this study's hypotheses, the letter *S* indicates that the hypothesis was supported and *NS* means that the hypothesis was not supported:

*Hypothesis 1:* Supportive leadership is positively associated with managerial trust. (S)

*Hypothesis 2:* Supportive leadership is positively associated with organizational culture that promotes decision making and autonomy. (S)

*Hypothesis 3a:* Managerial trust is positively associated with meaning. (S)

*Hypothesis 3b:* Managerial trust is positively associated with competence. (S)

*Hypothesis 3c:* Managerial trust is positively associated with self-determination. (S)

*Hypothesis 3d:* Managerial trust is positively associated with impact. (S)

*Hypothesis 4a:* Organizational culture that promotes decision making and autonomy is positively associated with meaning. (S)

*Hypothesis 4b:* Organizational culture that promotes decision making and autonomy is positively associated with competence. (NS)

*Hypothesis 4c:* Organizational culture that promotes decision making and autonomy is positively associated with self-determination. (S)

*Hypothesis 4d:* Organizational culture that promotes decision making and autonomy is positively associated with impact. (S)

*Hypothesis 5a:* Meaning is positively associated with job satisfaction. (NS)

*Hypothesis 5b:* Competence is positively associated with job satisfaction. (NS)

*Hypothesis 5c:* Self-determination is positively associated with job satisfaction. (S)

*Hypothesis 5d:* Impact is positively associated with job satisfaction. (NS)

*Hypothesis 6a:* Meaning is positively associated with organizational commitment. (NS)

*Hypothesis 6b:* Competence is positively associated with organizational commitment. (NS)

*Hypothesis 6c:* Self-determination is positively associated with organizational commitment. (NS)

*Hypothesis 6d:* Impact is positively associated with organizational commitment. (NS)

*Hypothesis 7:* Job satisfaction is positively associated with organizational commitment. (S)

## CONCLUSION

Johns (1996) stated that empowering employees is equivalent to understanding the needs and capabilities of employees, trusting employees, and helping employees to maximize their fulfillment while pursuing organizational goals. In the competitive hotel business environment, managers need to empower employees to become autonomous in their jobs and make decisions to enhance organizational effectiveness. For the condition of empowerment to be realized, employees need to feel trusted and have a strong belief in their ability to assume the responsibilities of their work.

To identify the attributes of psychological empowerment, previous studies have examined its antecedents and outcomes (Conger & Kanungo, 1988; Spreitzer, 1995; Thomas & Velthouse, 1990). Researchers have generally agreed that overall psychological empowerment is positively related to job satisfaction and organizational commitment as well as other outcomes. Spreitzer et al. (1997) demonstrated that different antecedents contribute to empowerment dimensions and that components of psychological empowerment are related to different outcomes. However, no specific dimension of psychological empowerment had been explored. This study specifically attempted to assess each facet of psychological empowerment in the hotel industry setting. The results show that only trust, as an antecedent of psychological empowerment, contributes to all four components, and organizational culture is related to meaning, self-determination, and impact. Only self-determination is a strong empowerment attribute that positively influences job satisfaction, but the other three dimensions and all four dimensions of psychological empowerment are not significant enough on an individual basis to influence job satisfaction and organizational commitment. This study did show that enhancing the knowledge of psychological empowerment and its influences on an organization can encourage the practice of empowerment in the hotel industry. In addition, managerial trust in employees and building an organizational culture that promotes decision making and autonomy are vital to implementing empowerment successfully, and supportive leadership is the prerequisite for building trust in employees and creating organizational culture that promotes decision making and autonomy.

This study makes academic contributions to the literature and practical contributions to the hotel industry. Hotel managers can not only use this study's instruments to assess the level of the four aspects of empowerment, and the antecedents and outcomes perceived by employees, but can also refer to its findings to improve empowerment by identifying dimensions and each dimension's attributes. As found in this study, trust in employees is fundamental in developing empowerment. Gilbert and Tang (1998) indicated a strong positive relationship between organizational trust and organizational communication. Hotel managers can improve trust by communicating more with employees. Creating an organizational culture of empowerment can influence employees' abilities to become more involved in their work and will increase their autonomy. Some suggestions for enhancing the organizational culture of empowerment can include encouraging participative decision

**Table 6**  
**Results of the Proposed Model and Revised Model**

Hypothesized Path	Standardized Path Coefficient	t	Significant
<b>Proposed Model</b>			
Leadership → Trust	.79	9.18***	Significant
Leadership → Organizational Culture	.37	7.14***	Significant
Trust → Meaning	.35	7.97***	Significant
Trust → Competence	.46	9.64***	Significant
Trust → Self-determination	.45	10.17***	Significant
Trust → Impact	.28	5.30***	Significant
Organizational Culture → Meaning	.12	2.22**	Significant
Organizational Culture → Competence	-.12	-1.98**	Significant
Organizational Culture → Self-Determination	.17	3.20***	Significant
Organizational Culture → Impact	.35	4.33***	Significant
Meaning → Job Satisfaction	.20	1.65	Nonsignificant
Competence → Job Satisfaction	-.24	-2.15**	Significant
Self-Determination → Job Satisfaction	.75	4.23***	Significant
Impact → Job Satisfaction	.10	1.54	Nonsignificant
Meaning → Organizational Commitment	.21	.63	Nonsignificant
Competence → Organizational Commitment	.14	.42	Nonsignificant
Self-Determination → Organizational Commitment	-.17	-1.71*	Significant
Impact → Organizational Commitment	-.35	-1.95*	Significant
Job Satisfaction → Organizational Commitment	.54	6.74***	Significant
<b>Revised Model</b>			
Leadership → Trust	.75	8.81***	Significant
Leadership → Organizational Culture	.35	6.85***	Significant
Trust → Meaning	.36	8.07***	Significant
Trust → Competence	.43	10.25***	Significant
Trust → Self-Determination	.42	10.06***	Significant
Trust → Impact	.28	5.24***	Significant
Organizational Culture → Meaning	.14	2.65**	Significant
Organizational Culture → Self-Determination	.26	5.48***	Significant
Organizational Culture → Impact	.38	4.62***	Significant
Self-Determination → Job Satisfaction	.94	6.77***	Significant
Job Satisfaction → Organizational Culture	.88	11.12***	Significant

\* $p < .05$ . \*\* $p < .01$ . \*\*\* $p < .001$ .

making, sharing information, working closely together in a team environment, and showing concern for employees. Supportive leadership was found to be positively associated with managerial trust and an organizational culture that promotes decision making and autonomy, which highlight the importance of managers' roles and leadership styles. Suggestions for developing supportive leadership include managers trusting employees, communicating with employees, sharing information, supporting employees in their decisions and what they do, and encouraging employees to become more involved in their jobs. Successful implementation of empowerment in an organization depends on the managers' efforts. When empowerment is established, managers can use their time more efficiently for strategic planning rather than monitoring employees. Hotel employees would enhance their job satisfaction and organizational commitment because they are more involved in their job and obtain support from their managers.

This study, however, has some limitations. First, given the number of measurement items, the sample size was relatively small. The initial hotel response percentage (30.43%) with the participant usable response percentage (42.97%) results in 13.08% of the initial sample, which is low. Thus, the potential influence caused by double threats to randomization in this study is undeniable. Second, data were collected from hotels in Taipei, Taiwan. Management and organizational culture could differ in other Asian and Western countries. Thus, the findings of this study may not be directly applicable to hotels in countries with different cultures.

Future research can be directed toward the validation of this research. All of the measurement items that are suggested should use original established scales rather than modified and shortened ones to increase convergent and discriminant validity. Because this study tested a few selected antecedents and consequences of psychological empowerment, future studies can examine other antecedents or consequences to see whether any other variables can better explain psychological empowerment. In particular, empowerment can be examined to see whether it is actually related to organizational productivity and effectiveness, which may gain more attention in empowerment practice. Mediation analysis can be another approach that can be used to analyze the antecedents and consequences of psychological empowerment. This study collected data at one time, but longitudinal research might indicate the differences between practices with and practices without empowerment. The findings of suggested future studies may suggest more cause-and-effect relationships with respect to psychological empowerment.

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**Chun-Fang Chiang**, PhD (e-mail: jcf@faculty.pccu.edu.tw), is an assistant professor in the Department of Tourism Management at Chinese Culture University (Taipei, Taiwan).  
**SooCheong (Shawn) Jang**, PhD (e-mail: jang12@purdue.edu), is an assistant professor in the Department of Hospitality and Tourism Management at Purdue University (Stone Hall, 700 W. State St., W. Lafayette, IN 47907-2059).