

# Influence of Empowering Leadership to Employee Performance: Mediating Role of Trust in Manager

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## **Influence of Empowering Leadership to Employee Performance: Mediating Role of Trust in Manager**

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### **ABSTRACT**

This article purposes to investigate the role of trust in manager in influences empowering leadership to employee performance. Drawing on a sample of 217 from bank employees in Indonesia, path analysis was employed to analyze data. Firstly, the finds of a path analysis expressed that influence of empowering leadership have a positive on trust in manager and employee performance. Furthermore, the study examined the mediating influence of trust in manager between empowering leadership and employee performance. The study shows that the empowering leadership is not useable to culture of Western only, but it also suitable in Indonesia culture. The study's limitations are the data have been collected from banking employees. This can cause to common method bias. In the banking case, empowering leadership can increase employee performance through trust in manager. Training should be prepared for banks leaders with a particular train on simplifying the behaviors of empowering in them. The study on investigating the influence of empowering leadership on employee performance via trust in manager as a mediator variable is very limited.

Keywords: empowering leadership, trust in manager, employee performance, Indonesia

### **ABSTRAK**

Artikel ini bertujuan untuk mengetahui peran kepercayaan pada manajer dalam pengaruh kepemimpinan pemberdayaan terhadap kinerja karyawan. Mengambil sampel 217 dari karyawan bank di Indonesia, analisis jalur digunakan untuk menganalisis data, analisis jalur digunakan untuk menganalisis data. Pertama, temuan analisis jalur mengungkapkan bahwa kepemimpinan pemberdayaan memiliki dampak positif pada kepercayaan pada manajer dan kinerja karyawan. Selanjutnya, analisis jalur mengungkapkan bahwa kepercayaan pada manajer memediasi pengaruh kepemimpinan pemberdayaan pada kinerja karyawan. Hasil penelitian menunjukkan bahwa kepemimpinan pemberdayaan tidak hanya sesuai untuk budaya Barat saja, tetapi juga sesuai untuk budaya Indonesia. Keterbatasan penelitian ini adalah data telah dikumpulkan dari karyawan perbankan. Hal ini dapat menyebabkan bias metode umum. Dalam kasus perbankan, kepemimpinan pemberdayaan dapat meningkatkan kinerja karyawan melalui kepercayaan kepada manajer. Pelatihan harus disiapkan untuk para pemimpin bank dengan fokus khusus pada penyederhanaan perilaku pemberdayaan di dalamnya. Kajian tentang pengukuran dampak pemberdayaan kepemimpinan terhadap kinerja karyawan melalui kepercayaan pada manajer sebagai variabel mediator masih sangat terbatas.

Kata kunci: kepemimpinan pemberdayaan, kepercayaan pada manajer, kinerja karyawan, Indonesia

## INTRODUCTION

Employee performance (EP) is crucial to organizational productivity and growth. Especially for the banking organizations, where EP is the important variable for organizational growth, as customers' perceptions of service excellence are affected by their interactions with employees (Kim, Beehr, & Prewett, 2018). Jaiswal and Dhar (2017) have informed that employees may not make at their optimal level sans complete control or autonomy up their job. Furthermore, Scheidt and Chung (2018) have found that too much compliance with “rules and regulations” has the opposite influence on banks’ service excellence. Nowadays, In “the traditional hierarchical structures era, directing and controlling employees is done”(Cui & Yu, 2021). Employees of empowered have the energy to achieve levels of performance excellence because they find a control sense more in their jobs (Tang, Chen, Knippenberg, & Yu, 2020). In this case, empowering leadership (EL) emerges as a notable variable that can actively advance the organizational change, by sounding the constructive ideas of employees’ side.

Nowadays, leaders’ responsibility is not only to give the employees authority, but also they have to examine whether employees trust in managers or not (Allison, 2021). Many studies researches have shown the tight link of several leadership behaviors with trust in manager (TIM) (Lee, Idris, & Delfabbro, 2016; Allison, 2021). Thus, several studies have checked the EL association with EP. But, the finds of these studies are inconsistent with one another (Humborstad, Nerstad, & Dysvik, 2014). Whereas some studies have found a positive influence of EL on EP, several other researches have shown that this association is not significant (Kim et al., 2018). This study aims on explaining the impact of EP and TIM on EP.

“Indonesian banking sector has been considered a contributor to Indonesia's economic growth” (Abubakar & HandayanI, 2019). Indonesian economy with the privatization and globalization, it has become very competitive with a number of commercial (conventional and Sharia), government, private, and foreign banks. Abubakar and Handayani (2019) have observed that their satisfaction depends on EP. Therefore, it is very important for the bank that every employee job at an optimal level. This may be done if the manager give autonomy and control up their job. In these studies’ background, we have selected to focus on investigating the role of EL in improving EP.

This study can contribute to the existing literature in many ways. First, it interlaces EL, TIM, and EP concepts in one study. Prior studies have considered EL as an individual variable than studying the effect of EL dimensions (Ahearne, Mathieu, & Rapp, 2005; Chow, 2018). Again, this is the first study to explain the EL dimensions concept. Another notable case is that

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EL has not been investigated in the Indonesian banking industry yet. Most investigate on EL have been conducted in cultures of Western with a primary focus on industry such as tourism, telecommunications, hospitality, insurance, manufacturing, and education (Lee et al., 2016; Bester, Stander, & Zyl, 2015; Chow, 2018).

In reality, prior studies have not widely studied the EL concept in the banking industry in Indonesia to date. Several studies have evaluated TIM and they find a moderate level of employees' trust (Afsar & Masood, 2018). Several scholar have shown that communities by "high power distance and hierarchical structures" like Indonesia may decrease the influence of human resources management such as "empowerment and self-manage teams" (Scheidt & Chung, 2018). In consequence to verify the impact of these variables in Indonesia banking case, this study purpose to evaluate the influence of EL an EP through mediating TIM at bank employees in Indonesia.

#### *Effect of empowering leadership on trust in manager*

Hassi (2019) has defined EL as leader behavior linked to the empowerment concept. Hence, Ahearne et al., (2005) have emphasized EL in four behavior, namely, "the meaningfulness of work" (MW), "participation in decision making" (PDM), "confidence in high performance" (CHP), and "autonomy from bureaucratic constrain" (ABC). Sharma and Kirkman (2015) have defined TIM as the employee's willingness to be vulnerable to the leaders' actions. TIM may be influenced by their assessment of the ethical principles that underlie leader behavior. Previous studies have found a positive relationship EL and TIM (Jaiswal & Dhar, 2017; Unterhitzberger & Bryde, 2019). Lin, Ling, Luo, and Wu (2019) have proposed that EL is better approach than ethical leadership in increasing TIM. In fact, EL and several attitudes and behavior outcomes influenced TIM at the individual, team, and organization levels (Lin et al., 2019). At the team level, studies Cui and Yu (2021) have found that EL has a direct positive impact on TIM and innovative performance.

Allison (2021) has further found that EL has direct and indirect effects on TIM through transformational leadership. In EL theory, Sharma and Kirkman (2015) have shown that association of EL and TIM works like "a snowball effect". The scholars have explained that managers employ the EL approach when employees feel TIM when their managers involved in the EL approach. When their leaders demonstrate empowering behavior by promoting self-action, chance thinking, and individual development that employees feel more empowered (Hallikainen & Laukkanen, 2018). A positive relationship between EL and TIM have been demonstrated inn all types of research conducted at the individual level (Ahearne et al., 2005;

Allison, 2021), group and team level (Hallikainen & Laukkanen, 2018), and at both levels synchronously (Kim et al., 2018). Thus, the hypotheses can be proposed:

H1. EL has a positive influence on TIM

#### <sup>17</sup>*Effect of empowering leadership on employee performance*

There are two focuses in the literature to quantify EP; one is an objective focus on the job outcomes and the other is a subjective focus centralizing concentrating on task performance (Lee, Cheong, Kim, & Yun, 2016). Lee et al. (2016) have found that employees only have control over task performance, not on the job outcomes. In such situations, subjective quantifies are more appropriate than objective quantifies of employee performance. With this in mind, we have employed subjective quantifies of employee performance in this study.

Several studies have empirically promoted a direct or indirect association of EL with EP (Kim et al., 2018; Knezovic & Musrati, 2018). Although EL has been positively relationship on EP, it is purposed that leader need to caution when exhibiting behaviors of empowering. As several prior studies have shown, skilled employees view empowerment as a positive to increase their autonomy, whereas unskilled employees tend to view it as sufficient leaders' attention (Kwak & Jackson, 2015). Hao, He, and Long (2018) have studied that EL may have positive, neutral, or negative effects on EP based on the behavior of empowering level exhibit by the leader.

Kundu, Kumar, and Gahlawat (2019) have indicated that EL has a direct positive influence on organizational behavior, such as employee performance as well as an indirect effect through mediation of TIM (Govender, 2016). In line with Chow (2018) has also shown that EL increases employees' creativity which can further increase their employee performance. Thus, the hypotheses can be proposed:

H2. EL has a positive influence on EP

#### *Effect of trust in manager on employee performance*

Previous empirical evidence has found the strong relationship between TIM and EP (Bartram & Casimir, 2017; Jaiswal & Dhar, 2017). Bartram and Casimir (2017) have highlighted that the role of employee performance (assessed by their managers) is strongly influenced by the level of TIM. In line with Kim and Beehr (2020) have also indicated a positive relationship between TIM and EP. Allison (2021) has recognized TIM as a mediator between organizational climate and individual performance. Jaiswal and Dhar (2017) have emphasized that employees sense encourages to do better their jobs when they sense of control over their job environment has the necessary abilities to undertake their job tasks, and find a



fit between their wants and job tasks. According to Muafi, Fachrunnisa, Siswanti, Qadri, and Harjito (2019), TIM results in employee quality and readiness to change, both have caused a positive influence on EP.

Tang et al. (2020) have also expressed that TIM is a significant independent variable of employee performance hospitality industry. TIM also has a positive influence on EP through mediating of job satisfaction (Roberts & David, 2020). In the Indonesian case, (Sakapas, Parinya, & Jermisittiparsert, 2019) have shown that TIM affects EP both directly and indirectly through mediating of work motivation. Thus, the hypotheses can be proposed:

H3: TIM has a positive influence on EP.

#### *Effect of empowering leadership on employee performance via trust in manager*

Wooi, Salleh, and Ismail (2017) have recognized LMX theory as one of the approaches in comprehending EL. The stalwarts of this theory emphasize that a good relationship between managers and employees can increase employee performance outcomes mainly in a positive work attitudes form, often displaying commitment organizational, better EP, and decreased intention to leave the organization (Cropanzano, Dasborough, & Weiss, 2016; Chang, Liu, Wang, & Yi, 2020). In their empirical study, Lee, Willis, and Tian (2017) have also stated mediating of LMX between EL and EP. The same can be sustained in the case of this study. Considering the positive influence of EL on TIM in their jobs case, it can be presumed that the EL between managers and employees in the organization enables employees to undertake their jobs more effectively. In this case, Ahearne et al. (2005) have found that EL behavior leads to higher levels of employee adaptability which translates to higher levels of EP.

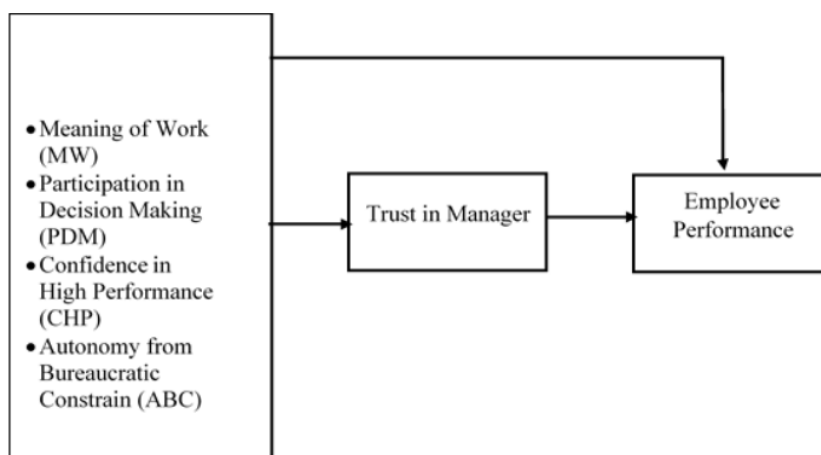
Humborstad et al. (2014) have also shown in their research that high EL from managers leads to higher EP while low or moderate EL negatively influences EP. Another theory that can lead to this study variables is affective event theory (AET). Employing AET Cropanzano et al., (2016) argue that high-quality LMX relationships develop through three stages: "role-taking, role creation, and role routines". They have meant that sharing disparate emotions over time can strengthen or weaken the relationship between the manager and employee. Remembering this, we can discuss that by revealing high EL traits, managers extended the definition of roles of their employees' roles, an important portion of TIM, and this, by turns, helps employees in doing their jobs in a better way.

Furthermore, Islam, Furuoka, and Idris (2020) have argued that TIM had a more positive influence on employee satisfaction when manager social support is high. Kim et al. (2018) have

also found mark of TIM as a mediator in explaining the association of EL and EP. Allison (2021) Allison (2021) has revealed that TIM mediates the relationship between EL and employee innovation which is a significant independent variable of EP. Thus, the hypotheses can be proposed:

H4. EL has influence on EP via TIM

Thus, we proposed a conceptual model EL on EP through TIM (figure 1) as follow:



**Figure 1.** The model of relationship between variables

## RESEARCH METHODS

### *Sample and Data*

The Survey questionnaires were sent by google docs to 390 employees who work in 27 banks in Indonesia. Participants completed their survey by rating their EL behavior and degree of TIM and their EP on “a five-point rating scale”. Of the 173 participants did not answer the questionnaires, but only 217 participants were complete. So, the survey resulted in response rate of 55.64 percent, which is fit for social science study. (Wright & Marsden, 2015). Respondent demographic can be shown in table 1.

**Table 1.** Respondent demographic

Variabel demografi	Katagori	Frekuensi n = 217	Persentase
Gender	Male	144	66,36
	Female	73	33,64
Ages	Under 29	96	44,24
	29-40	69	31,80

	41–50	42	19,35
	Above 50	10	4,61
Work Experience (WE)	1–5	113	52,07
	6–10	56	25,81
	11–15	29	13,36
	Above 15	19	8,76

### *Measurement*

To measure EL (independent variable), we followed Jada, Mukhopadhyay, and Titiyal, (2019) 3-items WM (first dimension of EL) scale (Cronbach's  $\alpha = 0.87$ ). Item sample “I can rely on my supervisor to do what is best at work”, 3-items PDM (second dimension of EL) scale (Cronbach's  $\alpha = 0.91$ ). Item sample “My manager makes many decisions together with me”, 3-items CHP (third dimension of EL) scale (Cronbach's  $\alpha = 0.83$ ). Items include “My manager believes that I can handle demanding of tasks”, 3-items ABC (fourth dimension of EL) scale (Cronbach's  $\alpha = 0.87$ ). Items include “My manager allows me to do my job my way”, with the response choice from "1 (strongly disagree) to 5 (strongly agree)". To measure

TIM (mediating variable), we followed Yang and Mossholder (2010) 4-items TIM scale (Cronbach's  $\alpha = 0.86$ ). Item sample “I can rely on my manager to do what is best at work”, with the response choice from "1 (strongly disagree) to 5 (strongly agree)".

To measure EP (dependent variable), we followed Yilmaz (2014) 3-items EP scale (Cronbach's  $\alpha = 0.89$ ). Items sample “I complete my tasks on time”, with the response choice from "1 (strongly disagree) to 5 (strongly agree)". A number of variables have been added to our model, namely, employee gender (coded as 1= male, 2= female), employee age (in years), and employee work experience (in years).

## **RESULT AND DISCUSSION**

### *Validity and reliability*

We analyzed the data using exploratory factor analysis (EFA) to identify the observed item/variable loading patterns in each variable. The results of the EFA produce six factors, namely MW, CHP, PDM, ABC, trust in managers (TIM) and employee performance (EP). These six factors accounted for the variance of 66.93 percent, resulting in the unidimensionality of the research variables. The computed Cronbach alpha values for this factor/variable ranged from 0.655 to 0.875, indicating support for good internal reliability (Hair et al., 2018). Then, we undertaken confirmatory factor analysis (CFA) to estimate the convergent and discriminant validity of the study variables employing LISREL 8.8. The twelve items of EL were classified into four dimensions (MW, PDM, CHP, and ABC), the four items of TIM, and the three items of EP. The model fit index showed a good fit. The statistics are: Chi-square-fit with degrees-



of-freedom ratio ( $\chi^2/df$ ) = 2,096 < 5 (Tóth-király, Bóthe, & Orosz, 2017); Standardized RMR (SRMR) = 0.051 which is < value of 0.08 (Tóth-király et al., 2017); comparative suitability index (CFI) = 0.98 and Tucker-Lewis index (TLI) = 0,97 which is > value of 0.9 (Tóth-király et al., 2017); and root mean square error of approximation (RMSEA) = 0.073 < 0.08 (Tóth-király et al., 2017). The standard factor loading for all items was statistically significant ( $p \leq 0.001$ ) with values > 0.50. The statistics presented in Table 2 confirm the convergent and discriminant validity of the seven constructs. For each of the seven constructs, the composite reliability (CR) was > 0.70 and the average extracted variance (AVE) was > 0.50 (Hair et al., 2018). These measurement model for latent variables (Table 2).

Table 2. Measurement model results

Variabel	Loading	CR	AVE
<b>EL</b>			
MW1. "My manager helps me understand how my objectives and goals relate to that of the company".	0.88		
MW2. "My manager helps me understand the importance of my work to the overall effectiveness of the company".	0.95	0.93	0.81
MW3. "My manager helps me understand how my job fits into the bigger picture".	0.87		
PDM1. "My manager makes many decisions together with me"	0.72		
PDM2. "My manager listens to my work group's ideas and suggestions"	0.8	0.79	0.55
PDM3. "My manager approaches work with professionalism"	0.75		
CHP1. "My manager believes in my ability to improve even when I make mistakes"	0.59		
CHP2. "My manager expresses confidence in my ability to perform at a high level"	0.91	0.78	0.55
CHP3. "My manager believes that I can handle demanding tasks"	0.74		
ABC1. "My manager makes it more efficient for me to do by keeping the rules and regulations simple"	0.7		
ABC2. "My manager allows me to do my job my way"	0.8	0.86	0.68
ABC3. "My manager allows me to make important decisions quickly to make".	0.9		
<b>TIM</b>			
TIM1. "I can depend on my manager to meet his/her responsibilities".	0.7		
TIM2. "I can rely on my manager to do what is best at work".	0.72		
TIM3. "My manager follows through with commitments s(he) makes".	0.66	0.83	0.67
TIM4. "Given my manager's track record, I see no reason to doubt his/her competence".	0.87		
<b>EP</b>			
EP1. "I make sure that my work meets/exceeds performance standards"	0.93		
EP2. "I meet/exceed my goals".	0.68	0.88	0.65
EP3. "I complete my tasks on time".	0.91		
EP4. "I respond quickly when problems come up".	0.68		

### Descriptive statistic

Table 3 presents the results of descriptive statistic and all variables correlation. We found the variables correlation to support the hypothesized relationship between EL, TIM, and EP. Since most of the variables observed high correlation (Table 3), multicollinearity problems may arise. This case might cause insignificance beta coefficients and can create difficulties in evaluating the individual importance of an independent variable (Hair et al., 2018). To examine the multicollinearity problem in the regression model, VIF (variance inflation factor) and tolerance values were calculated. VIF values for predictors ranged between 1.413 and 2.486, far below the value of 10 (Hair et al., 2018). The lowest tolerance value is 0.402, higher than the confirmed threshold value (0.1) (Menard, 2001). Overall, these values do not lead to multicollinearity.

**Tabel 3.** Results of Descriptive Statistic

Variabel	Mean	SD	Gender	WE	Age	MW	PDM	CHP	ABC	TIM	EP
Gender	-	-	-								
WE	-	-		-							
Age	-	-			-						
MW	2.294	0.933	-0.071	-.133*	-.066	-					
PDM	2.372	0.873	-0.019	-.116	-.038	.690**	-				
CHP	2.509	0.895	-.056	-.068	-.039	.559**	.637**	-			
ABC	3.064	0.829	-.12	-.109	-.099	.309**	.401**	.382**	-		
TIM	2.188	0.791	-.005	-.09	-.03	.619**	.616**	.532**	.515**	-	
EP	2.476	0.851	-.031	-.111	-.034	.681**	.673**	.596**	.577**	.828**	-

Notes: \*\*\*p ≤ 0.001, \*\*p ≤ 0.01, \*p ≤ 0.05; N= 217

### Hypotheses Results

The hypothesis is tested in two steps. First step, we employed regression model to test three hypotheses which showed a linear relationship between the main variables (direct effect). Second step, we used bootstrap via PROCESS proposed by Hayes (2018) proposed bootstrap through PROCESS to examine indirect effect (the mediating of variable). Table 4 presents the positive direct effect of EL and TIM on EP, EL on TIM. Model 1 adds the control variable, while models 2, 3, and 4 were found significant indicating F statistic. Model 2 examines that EL on TIM. EL was a significant influence TIM ( $\beta = 0.564$ ,  $p \leq 0.001$ ). Therefore, H1 was supported. Model 3 reflects that EL on EP. EL was a significant influence EP ( $\beta = 0.272$ ,  $p \leq 0.001$ ). Therefore, H2 was supported. Model 4 projects that TIM was a significant influence EP ( $\beta = 0.153$ ,  $p \leq 0.001$ ). Therefore, H3 was supported.

**Tabel 4.** Multiple Regression Results

Variabel independen	Variabel dependen			
	Control	Trust in Manager (TIM)	Employee Performance (EP)	
	Model 1	Model 2	Model 3	Model 4
Constant	10.455	3.089	2.203	1.154
Gender	0.071	0.123	0.075	0.011
Work experience (WE)	-0.584	0.153	0.223	-0.144
Age	0.448	0.266	0.168	0.134
Empowering Leadership (EP)	-	0.717	0.789	0.418
Trust in Manager (TIM)	-	-	-	0.517
R <sup>2</sup>	0.047	0.529	0.648	0.774
Ajusted R <sup>2</sup>	0.034	0.520	0.641	0.768
F Statistik	3.529	59.557	97.378	144.193

“Notes: \*p<0.05, \*\*p<0.01, \*\*\*p<0.001; N= 217”

Model 5 showed that TIM mediates EL on EP. Bootstrapping was done to further test the mediated model. Table 5 presents the significance of the direct, indirect, and total effect with the estimated mediation size for EL and its four dimensions.

**Table 5. Direct, Indirect, and Total Effect Results**

	Independent Variable (Model 5)				
	Empowering Leadership	MW	PDM	CHP	ABC
Total Effect (TE)					
Effect	0.324***	0.827***	0.871***	0.754***	0.789***
SE	0.017	0.061	0.065	0.069	0.076
Direct Effect (DE)					
Effect	0.171***	0.331***	0.340***	0.274***	0.280***
SE	0.019	0.055	0.059	0.054	0.058
Total Indirect Effect Size					
Effect	0.045	0.146	0.157	0.142	0.150
Boot SE	0.009	0.023	0.023	0.019	0.022
Boot LLCI	0.030	0.105	0.115	0.104	0.109
Boot ULCI	0.063	0.194	0.204	0.179	0.194

“Boot LLCI stands for bootstrapped accelerated lower limit confidence interval and Boot ULCI for bootstrapped accelerated upper limit confidence interval”. “\*\*\*\*p ≤ 0.001, \*\*p ≤ 0.01, \*p ≤ 0.05. Highlighted values with \*\*\*\* sign depicts the insignificant effect sizes as the related intervals contain zero”

For simplicity of the reader, Figure 2 presents which contains all the pathways that link EL to EP. Results based on 5000 iterations bias-corrected 95 percent confident interval (CI) that the indirect effect (EL → TIM → EP) were significant (DE = 0.171 (p ≤ 0,001), indirect effect = 0.045, 95% CI = [0.030, 0.063], TE = 0.324 (p ≤ 0,001)); MW → TIM → EP (DE = 0.331 (p ≤ 0,001), indirect effect = 0.146, 95% CI = [0.105, 0.115], TE = 0.827 (p ≤ 0,001)); PDM → TIM → EP (DE = 0.340 (p ≤ 0,001), indirect effect = 0.157, 95% CI =

[0.115, 0.204], TE = 0.871 ( $p \leq 0,001$ )); CHP → TIM → EP (DE = 0.274 ( $p \leq 0,001$ ), indirect effect = 0.142, 95% CI = [0.104, 0.179], TE = 0.754 ( $p \leq 0,001$ )); ABC → TIM → EP (DE = 0.171 ( $p \leq 0,001$ ), indirect effect = 0.280, 95% CI = [0.109, 0.194], TE = 0.789 ( $p \leq 0,001$ )). Therefore, H4 was supported.

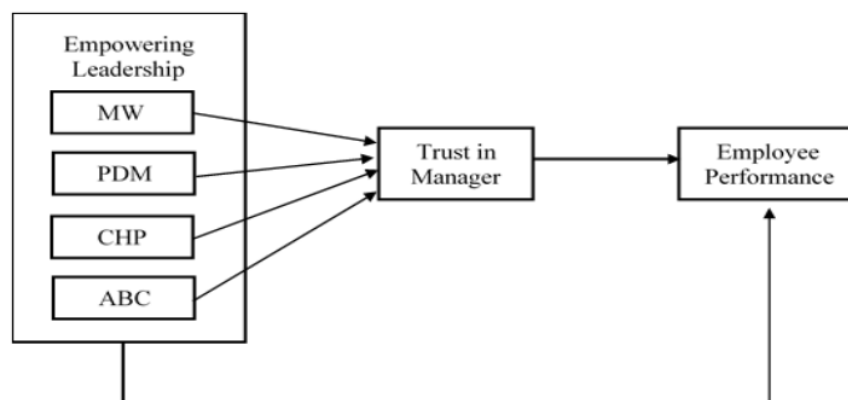


Figure 2. Path model relating EL to EP

Using 217 employees as respondents from 27 banks, this study confirms that managers can improve EP by demonstrating behaviors of empowering. The first salient finding of this study is that EL was proved to be a significant independent variable of TIM and EP. It indicates that employees tend to employ their manager's behaviors of empowering as a reference point for action that helps them in adopting a similar empowerment ideology (Kim & Beehr, 2020).

The other important result is that TIM has a positive influence on EP. We mention that empowers employees' feel "awareness" to the task and drives them to go beyond the routine tasks. In the theory of LMX and AET, the findings further show that TIM partially mediates the influence of EL on EP. In other words, EL has both direct and indirect effects on EP. This implies that when managers show behaviors of empowering, work experience high levels of TIM which, by turns, increases their EP levels. Other researchers also emphasize that EL has the anticipated effect when employees experience TIM (Allison, 2021).

Furthermore, bootstrap results suggest that TIM mediates the relationship between EL and EP. A possible explanation for this finding is that MW keeps employees on last and prevents them from staying away from tasked work, and this, by turns, improves EP (Bester et al., 2015). Simultaneously, a higher autonomy level allows employees to make decisions quickly and prevents unnecessary job delays, thus causing to higher EP. The analysis results

also found that employees felt the two behaviors (PDM and ABC) of their manager were more empowering than the others. When managers give employees decision-making independence (autonomy) and assist them to conceive the meaning of their job, they experience a greater level of TIM.

Examining these incredible results, these results contribute to the existing literature. Until the present, the EL concept is understudied in Indonesia. As far as our knowing, this is the novelty study to examine the influence of EL on EP via TIM in the Indonesian case. In the culture of Western, several studies (Allison, 2021) have proven the positive effect of EP on trust in leaders and subordinate performance. However, if we address “a high-power distance culture” like in Indonesia, several studies have proven that efforts to empower employees can be a cause of their stress (Hallikainen & Laukkanen, 2018). This can confound banking organizations in Indonesia about whether or not to empower employees. However, this research confirms that employees of banking in Indonesia also carry out positive EL efforts and show improving EP when they feel TIM.

## CONCLUSION

This article gives concerns to some underexamined cases in the area of empowerment. Our findings indicate that EL influence TIM and EP; and TIM mediates the relationship between EL and EP. Thus, these intervening variables show to play an important role in EL’s efforts to improve EP. Next, the managerial implication for behavior of leadership, the current study purposes that a bank organization that improves EP can need to prepare the manager with soft skill training of EL. In soft skill training, the manager cannot study how to effectively show behaviors of a poorer empowering to employees, but also study how to establish a higher quality job link with employees. Soft skill training can also let on the manager of interest of work environment context, like as LMX theory, and can also explore the role of TIM within work environment contexts.

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