RESEARCH BRIEFS

HOW DOES EMPOWERMENT WORK IN HIGH AND LOW POWER-DISTANCE CULTURES?

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RESEARCH QUESTIONS

In Western societies, empowerment is commonly seen as a powerful tool for enhancing employee satisfaction. Scholars have distinguished between three different types of empowerment managers can provide employees: (1) discretionary empowerment (authority over how one can do one's work), (2) psychological empowerment (helping employees feel that they are more than capable of doing their jobs well), and (3) leadership empowerment (leadership behaviors that enable, encourage, and support employees' work efforts).

Despite this work to identify different types of empowerment, there still exists considerable ambiguity about the effectiveness of these different forms of empowerment. Indeed, scholars have suggested that certain boundary conditions may mitigate or enhance the impact of empowerment on employee satisfaction. One of those boundary conditions may involve cultural values. In particular, some researchers have suggested that empowerment is less likely to be an effective management tool for employees in high power-distance cultures. In such cultures, people tend to be more accepting of unequal distributions of power, including in the workplace. However, existing studies examining the impact of cultural values have been limited to discretionary empowerment, leading one to question whether psychological and leadership empowerment would also have limited impact in a high power-distance context.

Fortunately, assessing the impact of different types of empowerment across cultural settings was the goal of a recent study by Henry Fock (Hong Kong Baptist University), Michael Hui (The Chinese University of Hong Kong), Kevin Au (The Chinese University of Hong Kong), and Michael Harris Bond (Hong Kong Polytechnic University). Fock and his colleagues developed a model to explain the effects of empowerment. In essence, their model argues that when managers manifest leadership empowerment behaviors, it generally leads to higher levels of perceived discretion and psychological empowerment by employees, which, in turn, increases employee satisfaction.

Yet Fock and his colleagues also argued that power distance is a cultural value that has particular implications for the manager–subordinate relationship. For instance, employees who are from high power-distance cultures may expect autocratic behavior from their bosses. As a result, managerial attempts to "empower" them with policies that allow for greater workplace discretion may make them feel uncomfortable if not backfire completely. Indeed, Fock and his colleagues predicted just that in their study—that the impact of discretion empowerment on employee satisfaction would be much weaker for employees in high power-distance societies.

Interestingly, however, Fock and his colleagues predicted the opposite regarding leadership empowerment. Specifically, they argued that in high power-distance cultures (e.g., China), employees are more deferential to their bosses and more likely to show loyalty. At the same time, bosses are expected to behave in ways that encourage and support their subordinates in exchange for that loyalty. As a consequence, Fock and his colleagues expected high power distance to increase the impact that leadership empowerment has on both discretion and psychological empowerment. While employees in low power-distance cultures also want bosses who care, leadership empowerment is likely to have less impact (or even be seen as too intrusive) for these employees compared to their high power-distance counterparts. In essence, the direct behavioral intervention of managers who behave in ways that provide leadership empowerment will tend to be better received in high power-distance cultures.

STUDY DESIGN AND METHOD

In executing their study, Fock and his colleagues conducted four surveys of employees—the first three

of which were designed to hone their measures of empowerment across two societies—China and Canada—with well-known differences in power distance. Survey 1 used items from several empowerment scales (tapping all three types of empowerment) and included responses from over 250 retail employees in China. This produced a three-factor model of empowerment with 16 items. Survey 2 included responses from over 180 bank employees in China and demonstrated good discriminant and convergent validity for the three-factor measurement model. Survey 3 included responses from nearly 150 Canadian retail employees—the results supported the measurement model developed with the Chinese samples and provided some evidence for measurement equivalency across the two cultures.

Survey 4 constituted the main study. Frontline hotel employees were surveyed in both China and Canada, with around 400 responses received (equally split between the two countries). Because there were some demographic differences across the two groups (e.g., age), several demographic variables were treated as controls in the analyses performed. Besides empowerment measures, the survey also included measures of employee satisfaction (i.e., satisfaction with their jobs as well as firm policies) and power distance. As expected, Chinese employees as a group had significantly higher power distance than their Canadian counterparts. Also, none of the demographic controls were significant. Finally, a few empowerment items had to be dropped to attain measurement equivalence across countries before they could combine the two groups and test their hypotheses.

KEY FINDINGS

Results from the main path analysis results generally supported the hypotheses put forward by Fock and his colleagues. As predicted, in both national samples, leadership empowerment was positively associated with discretion empowerment as well as psychological empowerment. However, these relationships were much stronger for the Chinese sample—as expected given their high power-distance orientation. Likewise, in both national samples, higher discretion and psychological empowerment were associated with higher employee satisfaction. Yet this effect, as expected, was much stronger for lower power-distance Canadian employees than their higher power-distance Chinese counterparts.

Since this pattern of national differences in results could conceivably be due to national factors other than culture (e.g., differences in national wealth), Fock and his colleagues also conducted a series of regression analyses at the individual level (collapsing across countries) that treated power distance as a moderating factor. Once again, the results were generally in line with study hypotheses. For instance, power distance moderated the relationship between leadership empowerment and discretion empowerment, with the strength of the relationship being much stronger for high power-distance employees. The same pattern was found for the relationship between leadership empowerment and psychological empowerment—a stronger connection for high power-distance employees relative to their low power-distance counterparts. Finally, power distance also moderated the relationship between discretion empowerment and employee satisfaction. As expected, the positive impact of discretion empowerment depended on employees embracing a low power-distance perspective. For employees with high power-distance values, there was no connection between their level of discretion and their satisfaction. Collectively, these results reinforced the notion that power distance can have both mitigating and enhancing effects depending on which empowerment relationship is being assessed.

CONCLUSIONS AND IMPLICATIONS

Fock and his colleagues have done a tremendous service to the field by clarifying how different types of empowerment may affect employee satisfaction, particularly across cultural boundaries. While empowerment tactics have been a popular part of managerial toolkits in Western companies for decades, the exact nature and effectiveness of empowerment has proved elusive—largely because scholars have approached the study of empowerment in diverse ways.

Moreover, a variety of studies have suggested that empowerment basically has little to no applicability in high power-distance contexts. This paper suggests that this is an oversimplification. The results of their individual- and national-level analyses show that power distances mitigates the impact of discretion empowerment on employee satisfaction but enhances the impact of leadership empowerment. In addition, psychological empowerment seems to have positive effects across both high and low power-distance cultures—even if that relationship is somewhat weaker when high power-distance values are embraced.

Naturally, these findings have important implications for understanding management–subordinate relationships in different cultural environments. Indeed, Fock and his colleagues' specific findings regarding empowerment echo those of earlier researchers calling for more sophisticated and nuanced approaches when managing employees across

cultural boundaries (e.g., McFarlin & Sweeney, 2001). More specifically, Fock and his colleagues suggest that power-distance values help shape the lens that employees use to interpret manager–subordinate relations. In high power-distance cultures, employees are more likely to expect managers to wield more authority and more tightly control their subordinates than their counterparts in low power-distance contexts. At the same time, in high power-distance cultures, managers are also expected to "take care of" their subordinates, showing concern and support in exchange for loyalty and obedience. In contrast, employees in low power-distance cultures are more likely to prefer a "hands off" approach from their bosses and be less deferential with their superiors.

Turning toward the future, Fock and his colleagues call for better measures of empowerment for use across cultural environments. They also suggest testing more sophisticated models that could take other possible drivers of employee satisfaction into account when examining the impact of empowerment—including other moderators (e.g., other cultural values,

work-related factors, and so on). It might also be very interesting to examine whether empowerment differentially impacts other types of job-related outcomes (e.g., organizational commitment, perceptions of organizational justice, and employee performance) across cultural boundaries. In doing so, future researchers will be able to shed even more light on the relationship between different types of empowerment and the satisfaction and commitment of employees.

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