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When Is Empowerment Effective? The Role of Leader-Leader Exchange in Empowering Leadership, Cynicism, and Time Theft

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Perry is the author's surname. Jansen is the middle name.

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[AQ: 1][AQ: 2][AQ: 3][AQ: 4] Applying arguments from social exchange theory, we theoretically derive and empirically test a model that informs theory on leadership, cynicism, and deviant withdrawal. Namely, we examine the moderating effect of the upward exchange relationship of a leader on empowering leadership behaviors as they affect subordinate psychological empowerment, cynicism, and time theft. In a sample of 161 employees across 37 direct supervisors, empowering leadership was associated with reduced employee cynicism both directly and indirectly through employee psychological empowerment. The positive relationship between empowering leadership and employee psychological empowerment, however, was significant only when the leader enjoyed a high-quality relationship with his or her own boss. In turn, cynicism was associated with increased time theft, suggesting that employees may reciprocate frustrating experiences by withdrawing in minor, yet impactful and deviant, ways in efforts to balance their exchange with the organization.

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Keywords: leader-leader exchange; empowering leadership; psychological empowerment; cynicism; withdrawal behavior

Cynicism is among our most punctual instincts.

(Nancy Glibbs, TIME, February 22, 2010) [AQ: 5]

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Glibbs, N. 2010.
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Cynicism is a centuries-old dilemma. It originally described an ancient Greek philosophy prioritizing virtue over all else. Modern day usage of the term cynicism implies a belief that others are to be mistrusted because they lack virtue. In the organizational context, leaders want to dispel cynicism among employees, which often develops through a series of negative exchanges with the employing organization and its representatives (i.e., organizational management; Anderson & Bateman, 1997; Reichers, Wanous, & Austin, 1997). Borrowing arguments from Blau's (1964) social exchange theory (SET; see also Homans, 1958), we shed light on the process through which exchanges with leaders in multiple levels of the organizational hierarchy might reduce employee cynicism and, in turn, deviant withdrawal by cynical employees.

Organizational cynicism is a learned, defensive attitude directed at the employing organization (Abraham, 2000; D. Kanter & Mirvis, 1989). It is characterized by beliefs that the organization lacks integrity and upper management cannot be trusted. Feelings of inequity, disillusionment, and frustration distinguish cynical employees (Abraham). In addition to experiencing negative attitudes (e.g., reduced commitment and job satisfaction; Bernerth, Armenakis, Feild, & Walker, 2007; Johnson & O'Leary-Kelly, 2003), cynical employees engage in a range of negative behaviors, such as badmouthing (Wilkerson, Evans, & Davis, 2008) and reduced performance (Neves, 2012). Because cynicism represents a "learned belief" (Vance, Brooks, & Tesluk, 1996: 1) rather than a stable disposition (Abraham; Dean, Brandes, & Dharwadkar, 1998), leaders who are close to employees are in a position to influence employee cynicism (Bateman, Sakano, & Fujita, 1992; Mirvis & Kanter, 1992; Wanous, Reichers, & Austin, 2004). But what can leaders do to reduce cynicism and its negative outcomes? That is the central question addressed in this study.

As organizational representatives with unique status between employees and top management (Dienesch & Liden, 1986), employee-direct leaders (i.e., supervisors) play a central role in setting the tone of the workplace by influencing employee attitudes and behaviors (Huy, 2002; R. M. Kanter, Stein, & Jick, 1992). SET suggests that leaders build exchange relationships with their subordinates by first bestowing benefits on them, such as fair treatment, support, or autonomy (Bagger & Li, 2014; Blau, 1964; Colquitt, Baer, Long, & Halvorsen-Ganepola, 2014). Over time, exchange relationships develop, the quality of which are characterized by the level of trust and respect between parties. In turn, the quality of exchange relationships influences adjustment of subordinate attitudes and behaviors commensurate with the treatment received from leadership (Colquitt et al.).

According to a recent review, much extant work has applied SET to explain employee engagement in positive reciprocation of benefits (e.g., citizenship behaviors), as well as negative reciprocation of perceived harm (e.g., withdrawal behaviors; Colquitt et al., 2014). Yet few researchers have studied the quality of the exchange relationship as an explicit mediator, focusing instead on the benefits-reciprocation linkage and implicitly assuming the quality of exchange relationships as an underlying mediating mechanism. The same review also highlighted affect-based trust and leader-member exchange (LMX) as the most acceptable indicators of exchange relationships (beyond direct measures), refuting the content validity of other commonly used operationalizations (e.g., perceived support and quality of exchanges; Colquitt et al.).

We answer the call to examine a comprehensive process model linking leader-bestowed benefits to explicit exchange relationships and reciprocation. Aiming to make at least three

salient contributions, we apply SET to the context of organizational withdrawal, examining the mediated link between empowering leadership and reciprocated employee attitudes and behaviors (i.e., cynicism and time theft).

First, we explicitly examine employee psychological empowerment as a mediator representing the exchange relationship between the leader and employee, thus addressing a salient gap in the literature. We argue that empowering leadership fosters an environment of positive exchanges with employees through equalization of power and communication of trust and confidence in employees. In turn, we conceptualize the motivational, psychological state of employee empowerment as the extent to which employees feel they are trusted by leaders to autonomously perform meaningful work for the organization. In other words, we view psychological empowerment as an indicator of the quality of the exchange relationship between leaders and employees (Ahearne, Mathieu, & Rapp, 2005; Colquitt et al., 2014; Spreitzer, 1995).

In turn, as a second contribution, we explore negative attitudes and behaviors involved in reciprocation. Namely, employees are likely motivated to reciprocate leader-bestowed benefits (i.e., empowerment) by reducing negative attitudes and behaviors toward the leader and the broader organization (Bommer, Rich, & Rubin, 2005; Brown & Cregan, 2008; Fleming, 2005; Wanous, Reichers, & Austin, 2000). On the flip side, we suggest that when leaders do not exhibit empowering behaviors (low benefit), and employees do not experience a psychological state of empowerment (weak exchange relationship), they may reciprocate by increasing their cynical attitudes and use of company time for non-work-related pursuits (i.e., time theft; Anderson, 1996; Dean et al., 1998). It seems likely that cynical employees who distrust the organization and feel frustrated by past negative exchanges (Guastello, Rieke, Guastello, & Billings, 1992) may attempt to balance the exchange equation by engaging in subtle, organizationally targeted deviant behaviors, particularly if those behaviors have little chance of being detected (Homans, 1958). Neither empirical nor theoretical examination exists, however, on the link between cynicism and time theft, despite the costliness of widespread time theft in organizations (Henle, Reeve, & Pitts, 2010; Martin, Brock, Buckley, & Ketchen, 2010). Thus, we apply SET to extend research on deviant behavior (e.g., Fox, Spector, & Miles, 2001; Jensen & Raver, 2012) by arguing that employees who are distrustful and frustrated (i.e., cynical) will react through obscure deviance, such as time theft, in order to “get even” with the organization. By explicitly examining the linkage from attitudes to behaviors as part of the reciprocation process, we also aim to contribute insight to SET (Azjen & Fishbein, 1980).

Finally, in addition to influencing subordinates, employee-direct leaders engage in ongoing exchange relationships with their own superiors (Dienesch & Liden, 1986). The extent to which leaders’ upward exchanges may influence the effectiveness of their behaviors remains largely uncharted territory in research, despite knowledge that leaders and employees function as part of the larger organization (e.g., Chen, Kirkman, Kanfer, Allen, & Rosen, 2007) and initial evidence that exchanges at higher levels may influence lower-level outcomes (e.g., Tangirala, Green, & Ramanujam, 2007). Thus, as a third contribution of our study, we outline the role of leader-leader exchange (LLX), the upward exchange relationship of the leader, as a boundary condition of the proposed empowering leadership–psychological empowerment–cynicism model (Tangirala et al.; Venkataramani, Green, & Schleicher, 2010; Zhou, Wang, Chen, & Shi, 2012). With this, we provide a more fine-grained, multilevel view

of the role of leadership in the development of cynicism, advancing knowledge about the conditional effectiveness of leader behaviors in a hierarchically bound context. Employing arguments from SET, we argue that leaders who enjoy a good exchange relationship with their boss have the ability and the desire to more fully and effectively empower subordinates, thereby developing better exchange relationships with their own subordinates. Thus, we further contribute insight to SET by exploring the interaction between bestowed benefit (empowering leader behaviors) and upward exchange relationships (LLX) on lower-level exchange relationships (psychological empowerment).

In summary, we apply an SET framework to extend our understanding of the complex process through which different levels of leadership interact to influence employee cynicism and time theft (Ahearne et al., 2005; Arnold, Arad, Rhoades, & Drasgow, 2000; Leana, 1987). We follow prescribed best practices and address salient gaps in the extant literature (Colquitt et al., 2014) to further our understanding of the efficacy of specific leadership dynamics in reducing undesirable employee attitudes and behaviors. Figure 1 summarizes our proposed theoretical model, which we test in the context of a departmental restructuring in a research and development organization.

Leadership and Employee Cynicism

Employee Cynicism

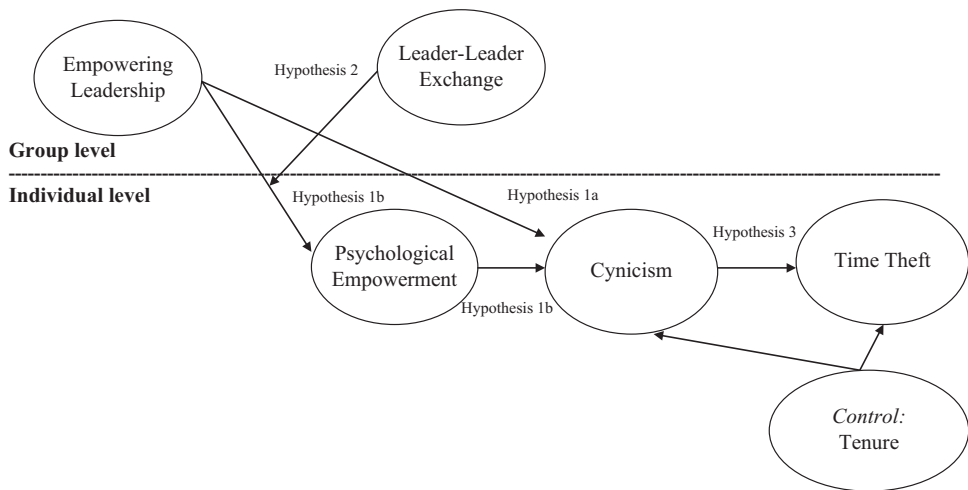
Employee cynicism is conceptualized as “an evaluative judgment that stems from an individual’s employment experiences” (Cole, Bruch, & Vogel, 2006: 463). As a negative evaluative judgment, cynicism is characterized by frustration, disillusionment, and distrust of upper management (Abraham, 2000). As such, and consistent with SET, cynicism is thought to stem from negative employment-related social exchanges (i.e., between the employee and the organization) that make employees feel unfairly treated and/or otherwise unable to place their future confidence in their leaders (Anderson, 1996; Blau, 1964).

Scholars generally agree that cynicism is (a) a learned response rather than a personality-based disposition and (b) a general attitude conceptually distinct from other job-related attitudes (i.e., job satisfaction or dissatisfaction). Research provides evidence that cynical employees are not necessarily “negative people” (Johnson & O’Leary-Kelly, 2003: 640); instead, cynical attitudes are shaped by experiences at work. Moreover, cynicism involves elements of frustration, but unlike job dissatisfaction, it incorporates disillusionment and distrust of the organization and/or its leaders, in anticipation of future actions by those entities (Wanous et al., 2004). In contrast, job dissatisfaction is retrospective and self-focused, reflecting the extent to which a job fails to meet one’s needs (Locke, 1976). Given these distinctions, cynicism is a useful construct in organizational behavior because “irrespective of the accuracy or validity of the individual’s perceptions on which the employee cynicism construct is based, it is real in its consequences” (Cole et al., 2006: 464).

Empowering Leadership

Empowering leadership is a promising strategy for leaders to positively shape employee attitudes and behaviors, including cynicism (Huy, 2002; Oreg & Berson, 2011). By

Figure 1
Summary of Proposed Relationships



Note: Empowering leadership, leader-leader exchange, psychological empowerment, and the control variables were measured at Time 1. Cynicism and time theft were measured at Time 2.

definition, empowering leaders share power with their subordinates, give decision-making authority, and express confidence in employees' abilities to autonomously perform their jobs (Spreitzer, 1995). Following the logic of SET, these benefits are likely perceived by employees as positive in nature. Thus, employees likely develop feelings of trust and goodwill toward their empowering leaders, who trust them to perform important tasks autonomously and equitably include them in decision making (Abraham, 2000). In return, employees would feel obligated to reciprocate the positive treatment of the supervisor and the resulting high-quality exchange relationship by adjusting their attitudes (e.g., less pessimistic or emotionally frustrated by situations out of their purview) and behaviors (e.g., more intrinsically motivated to engage in behaviors that improve their overall experience at work; Cabrera, Ortega, & Cabrera, 2003; Wagner, Leana, Locke, & Schweiger, 1997).

Empowerment has been studied from two perspectives—the organizational or structural (leader empowering behaviors) and the individual (employee state of empowerment). From the organizational perspective, empowerment includes four leader behaviors: highlighting the significance of employee work, allowing employee participation in decision making, emphasizing employee strengths, and removing bureaucratic constraints (Ahearne et al., 2005; Kirkman & Rosen, 1999; Leach, Wall, & Jackson, 2003). From an individual perspective, psychological empowerment is a motivational state composed of four dimensions: meaning, competence, autonomy, and impact (Conger & Kanungo, 1988; Kirkman & Rosen; Spreitzer, 1995).

Although the organizational and individual perspectives are distinct, they complement each other; psychological perception of empowerment is a necessary consequence of leader empowering behaviors if they are effective (e.g., Leach et al., 2003; Lorinkova, Pearsall, &

Sims, 2013; Srivastava, Bartol, & Locke, 2006). Consistent with the definition of empowering leadership and the tenets of SET, our proposal is that as employees are offered opportunities for autonomy and involvement in the organization, they likely experience high-quality exchange relationships, reflected in psychological empowerment. These employees are likely motivated to behave proactively and productively (Hackman & Oldham, 1976), which minimizes their willingness to withdraw into a negative attitudinal state like cynicism. Therefore, we explicitly examine the link between empowering leadership and individual psychological empowerment as part of a larger process model of leadership and cynicism. In line with SET, we propose a mediated model in which leader empowering behaviors both indirectly and directly affect cynicism via individual psychological empowerment. We describe both links below.

First, we expect empowering leadership to be *indirectly* associated with cynicism via individual psychological empowerment. For all leader empowering behaviors (i.e., highlighting the significance of employee work, allowing employee participation in decision making, emphasizing employee strengths, and removing bureaucratic constraints), we predict a link to psychological empowerment, implying a positive exchange relationship resulting from leader-bestowed benefits, which increase employee motivation and trust (Chen, Sharma, Edinger, Shapiro, & Farh, 2011). In turn, representing reciprocation specified in SET (Colquitt et al., 2014), we expect cynicism is less likely to develop among psychologically empowered employees who would adjust their attitudes and subsequent behaviors to “pay for” the positive benefits received. Such employees know their significance and feel they have been entrusted to competently and autonomously make an impact. Thus, they are more likely to channel their identified strengths and resources to reciprocate such benefits from the organization. Empowered employees also enjoy higher levels of intrinsic motivation to work for the empowering organization or leader (Chen & Klimoski, 2003). As a result of these positive exchanges, we expect empowered employees will adjust their organizational attitudes (e.g., cynicism) to reflect those favorable experiences.

For example, when a leader *highlights the significance of employee work within the larger organizational context* or *allows employees participation in decision making*, the leader conveys trust that employees can handle challenging work autonomously and without micromanaging. Such empowering leader behaviors, given to employees as benefits from the leader, are likely to increase individuals’ psychological empowerment by enhancing the meaningfulness of work to the employees, as well as improving perceptions of the employees’ impact in the organization. These perceptions are likely to encourage the employees to focus proactively on their role in the larger organization in an attempt to return the favor and create further positive exchanges with the leader and the organization the leader represents. In addition, when leaders *express confidence in employee abilities*, employees may feel obligated to choose attitudes and engage in behaviors that showcase the best of their abilities, in an attempt to reciprocate the leader’s belief and trust in their competence. Finally, when empowering leaders *remove bureaucratic constraints*, employees see that the leader has “awarded” them with the opportunity to have a positive impact on the organization by exerting time and effort on employees’ own tasks. The leader has fought the bureaucratic roadblocks (Arnold et al., 2000; Pearce & Sims, 2002), freeing time and energy for employees to experience a higher level of motivation, focusing on confidently performing their role.

Having explained the mediated linkage, we now turn to the *direct* link between empowering leadership and cynicism, which represents benefit to reciprocation as predicted by SET. Considering the specific nature of employee cynicism as an attitudinal response encompassing dispositional attribution of blame towards the employing organization and its management team, we also expect empowering leadership to have a direct inverse relationship with cynicism. Namely, benefits bestowed by management should lead employees to proactively engage in their workplace to repay their leaders for providing such benefits. That is, as leaders highlight the significance of employee work, encourage participation in decision making, commend employee strengths, and remove organizational constraints, employees see the leader's efforts to provide positive benefits to them, which may trigger positive attitude adjustment and engagement in the employee's own role, in efforts to repay those benefits. We formally hypothesize the following:

Hypothesis 1: Empowering leadership is negatively related to employee cynicism (H1a) and this relationship is partially mediated through employee psychological empowerment (H1b).

LLX as a Moderator

In addition to directly influencing employees, leaders are nested in relationships with their own bosses in a chain of convergent hierarchical structures, each level of which is likely to influence the next lower level (Graen, Dansereau, & Minami, 1972). In that hierarchy, direct supervisors play the important role of "linking pin" in personally connecting with their subordinates but also in connecting their subordinates to upper management (Graen, Cashman, Ginsburg, & Schiemann, 1977: 491). Direct leaders fulfill the role of strategy implementers, standing close to frontline employees while delivering messages from upper management (Balogun & Johnson, 2004; Huy, 2002; Kotter, 1995). Extant research provides initial evidence that direct supervisors differentially affect subordinate outcomes (e.g., satisfaction and retention), depending on where they stand with their own bosses (Cashman, Dansereau, Graen, & Haga, 1976; Erdogan & Enders, 2007; Graen et al., 1977; Tangirala et al., 2007). Extending this line of research, we posit that first-line leaders who enjoy good relations with their own bosses will more fully and effectively "pay it forward" in their empowerment efforts (compared to those with low LLX).

Why might high-LLX leaders be more effective (vs. low-LLX leaders) in empowering their own subordinates? We outline several possible reasons based on SET. First, research suggests that high-LLX leaders have more emotional, attitudinal, and physical resources bestowed as benefits to them by upper management. These resources enable leaders to fully and supportively empower their subordinates (Cashman et al., 1976); in other words, their empowering efforts are legitimized by the resources they have been given. For example, high-LLX leaders have status, which allows them more leeway in removing bureaucratic constraints. Furthermore, empowerment efforts exerted by high-LLX leaders are likely perceived by subordinates as sanctioned by the organization, leading to more subordinate attitude and behavioral adjustments (Balkundi & Kilduff, 2005; Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002; Tangirala et al., 2007). In all, leaders who have sufficient resources enjoyed as part of high LLX may be able to better utilize those resources to increase the effectiveness of their empowerment efforts.

High-LLX leaders also have more positive experiences at work (vs. low-LLX leaders), which they may consciously or unconsciously pass on to their own subordinates, thus increasing the success of their empowering behaviors (Herscovitch & Meyer, 2002). As their high levels of LLX allow them to experience positive workplace interactions and situations consistently over time, they are likely seen as genuine in their empowerment and other efforts to promote the organization in a positive light, thus resulting in stronger attitudinal and behavioral changes among subordinates (Balogun & Johnson, 2004; Eisenberger et al., 2002). When managers are freed from “watching their back” with their own boss (contrary to low-LLX leaders), they are more motivated to deliver on an empowering promise, compared to when they have a less secure or stable relationship with upper management.

Low-LLX leaders may not be as equipped or motivated to effectively empower because they have fewer resources; less authority, legitimacy, and status; and fewer positive experiences of their own. All of these conditions likely hamper the effectiveness of empowering behaviors, even when low-LLX leaders try to employ such a leadership strategy.

Thus, we propose that frontline leader empowering behaviors create the potential for psychologically empowering subordinates, whereas the frontline leader's level of LLX influences the extent to which this potential is actually realized. We expect the strongest relationship between empowering leadership and individual psychological empowerment when LLX is high. Furthermore, we expect employees with highly empowering, high-LLX leaders to experience the highest degree overall of psychological empowerment. In turn, as described in Hypothesis 1, we expect employee psychological empowerment will mediate the effect of empowering leadership on cynicism. Formally, we hypothesize the following:

Hypothesis 2: LLX moderates the relationship between empowering leadership and employee psychological empowerment, such that the relationship is stronger when LLX is higher (H2a) and the interactive effect is mediated by employee psychological empowerment to reduce cynicism (H2b).

Cynicism and Time Theft

Thus far, we have focused on the effect a leader might have on the development of employee cynicism. But as cynicism entails frustration and other negative emotions, it likely results in undesirable behavior that is also worthy of attention (Azjen & Fishbein, 1980; Cole et al., 2006). As part of the reciprocation process predicted by SET, employees may react negatively to a cynical attitudinal state by trying to take matters in their own hands or by retaliating, or they may react by withdrawing so as to avoid further negative experiences (Feldman, 2000; Mobley, 1977; Podsakoff, LePine, & LePine, 2007). Extant research has long established the negative relationship between cynicism and job-related attitudes, including organizational commitment and job satisfaction (Abraham, 2000; Reichers et al., 1997; Wanous et al., 2000). The broader implications of cynicism for general deviant behaviors, however, are not well understood, and conflicting views exist on the extent to which cynical employees will be actively or passively deviant (Johnson & O'Leary-Kelly, 2003; Reichers et al.; Rubin, Dierdorff, Bommer, & Baldwin, 2009; Wanous et al.). We assert that cynicism is most likely to result in withdrawal, rather than proactive, highly visible retaliation, because most employees do not want to cause major disruption in the organization or impose major risk to their career (Bruk-Lee & Spector, 2006; Robinson & Bennett, 1995).

Time theft is a nonaggressive form of production-oriented, organizationally targeted, deviant behavior (Robinson & Bennett, 1995). Employees who engage in time theft spend at least a portion of their work hours for non-work-related, nonallowable activities. This may include taking longer breaks than allowed, surfing the Internet for personal reasons, or just daydreaming. Estimates of time theft in U.S. organizations range from $\frac{1}{4}$ hr per day (the industry standard, which is typically calculated into salaries) up to $\frac{2}{4}$ hr per day (Henle et al., 2010; Martin et al., 2010). Although some definitions of time theft include serious, active forms of deviance (e.g., falsifying time reports; Martin et al.), we focus on minor, more passive forms.

Individuals may engage in time theft when they experience cynicism as a way to “check out” mentally, temporarily escaping their negative emotions or environment (Martin et al., 2010). As a form of passive-aggressive retaliation at the organization, time theft is a highly suitable exchange behavior for employees who feel disillusioned, frustrated, and underappreciated by the organization. It is a relatively low-risk way to deviate from organizational norms, as the chances of being detected are small (Bennett & Robinson, 2000). Yet through time theft, employees may be “voicing” their frustration and inability to otherwise influence the employing organization. They may even engage in such activities to conserve their own valued resources rather than allowing the organization to consume them (Krischer, Penney, & Hunter, 2010). Thus, cynical employees might engage in time theft in an attempt to compensate for any frustrations associated with lacking empowerment from their employer, equalizing the exchange relationship. We formally hypothesize the following:

Hypothesis 3: Cynicism is positively related to time theft.

Method

Organizational Context

To test our hypotheses, we sampled employees and their supervisors in a midsized R&D organization in the U.S. Mid-Atlantic region. The organization conducts research and product development in the communications field and was, at the time of our study, undergoing a structural change. In particular, the organization was in the process of consolidating into fewer, larger departments (four in total, compared to the previous nine departments). The goal was to flatten the organizational structure, facilitate cross-team R&D projects, and decrease the overall time to complete projects. Management was primarily interested in gauging employee attitudes and behaviors, including general organizational cynicism, as they related to low-risk deviance behaviors. They did not want to assess cynicism and other change-driven negative attitudes targeted at the change itself out of fear that this might serve as priming to employees and, thus, jeopardize employee acceptance of the change.

The organization utilized workgroups of three to seven employees each (project employees and support staff), each headed by a leader. The workgroups were responsible for the outcomes of their own separate projects and managed work distribution and schedules internally. In other words, employees worked in meaningful workgroups, within which there was a high level of collaboration and a formal leader (“first-line supervisor”).

Sample and Procedures

The research team distributed surveys on-site to 198 full-time employees and 53 supervisors in closed envelopes. The questionnaires were accompanied by a letter, which introduced the study, explained that participation was completely voluntary, and guaranteed the confidentiality of responses. To increase the level of participation, we instructed employees and supervisors to complete the surveys during normal working hours, and the company CEO's assistant sent e-mail messages encouraging such participation. To further ensure participant confidentiality, we asked participants to return the surveys directly to the study team via prepaid postage.

We collected surveys at two points of time: one at the start of the restructuring and another 4 months later. At Time 1 (approximately 2 weeks after the organizational restructuring had been officially announced and implementation was in the initial, preparatory stage), we collected data on employee demographics, employee perceptions of empowerment, and employee ratings of empowering leadership behaviors as exhibited by each direct supervisor, as well as employee negative affectivity (a control variable). Also at Time 1, supervisors were given similar questionnaires assessing demographics and the quality of supervisors' relationships with their immediate bosses (LLX). We received 173 completed surveys (87% response rate) from employees and 43 completed surveys (81% response rate) from supervisors at Time 1.

Four months later (Time 2), we surveyed employees again, following the same procedure used at Time 1. At this point in time, the company had already restructured and established the larger departments, although some of the work teams were still in the process of adjusting their work projects to better serve the needs of the larger departments. Employees were asked to evaluate their individual organizational cynicism and report on how often they engaged in time theft. We received 168 employee surveys at Time 2.

After we matched the employee and supervisor responses, and deleted from analysis those respondents who participated only at Time 1 or Time 2, our final sample included 161 employees (81% response rate) and 37 supervisors (70% response rate). All employees reported to the same first-line supervisor across the 4 months, but 11 first-line supervisors had different upper-level managers after the restructuring. (We ran all analyses controlling for this factor, but it did not affect the results; thus, it is not included in the models reported below.)

Of the employees, 41% were female and average tenure with the organization was 12.68 years. The average age was 42.45 years for employees and 46.78 years for supervisors. The majority of the participants (82%) had a college degree. In addition, the immediate supervisors were 61% male and had worked for the organization for an average of 14.52 years, and they all had graduate degrees, which were necessitated by the scientific research nature of the work.

Measures

We provide information on our measures and their reliability below. Unless otherwise noted, we used 5-point Likert-type scales ranging from 1 (*strongly disagree*) to 5 (*strongly agree*).

Empowering leadership. At Time 1, we assessed the empowering leadership of first-line supervisors, as perceived by the direct reports. We used four subscales (Ahearne et al., 2005; Zhang & Bartol, 2010) focused on the following supervisor behaviors: (a) highlighting the

significance of work (three items, $\alpha = .82$), (b) fostering participation in decision making (three items, $\alpha = .83$), (c) expressing confidence in high performance (three items, $\alpha = .90$), and (d) removing bureaucratic constraints (three items, $\alpha = .81$). The results of a confirmatory factor analysis (CFA) revealed that four first-order factors (the subscales) and one second-order factor (empowering leadership) showed acceptable fit— $\chi^2(50) = 153.26, p < .001$, comparative fit index (CFI) = .913, standardized root mean square residual (SRMR) = .07, root mean square error of approximation (RMSEA) = .074. Thus, scores across the subscales were averaged to form a single empowering leadership score ($\alpha = .83$).

Psychological empowerment. To assess individual employee psychological empowerment, we used Spreitzer's (1995) 12-item scale at Time 1. It is composed of four 3-item subscales on meaning, impact, competence, and autonomy. Exemplar items include "The work I do is very important to me" (meaning), "I have significant influence over what happens in my department" (impact), "I am confident about my ability to do my job" (confidence), and "I have considerable opportunity for independence and freedom in how I do my job" (autonomy). The results of the CFA for four first-order factors plus one second-order factor fell within acceptable ranges, $\chi^2(50) = 138.51, p < .001$, CFI = .95, SRMR = .05, RMSEA = .07, suggesting that the dimensions reflected the overall construct. Scores across the subscales were averaged to form a single individual psychological empowerment score ($\alpha = .80$).

LLX. At Time 1, we used a seven-item adaptation of the LMX7 measure (Graen & Uhl-Bien, 1995; Scandura & Graen, 1984) to capture the quality of upward exchange between first-line supervisors and their bosses. We kept the original measure's item-specific response scale, but following practices established by prior work (e.g., Bauer & Green, 1996; Tangirala et al., 2007), we changed the wording of the items to reflect the quality of the exchange of the leaders with their bosses. Sample items and scale response ranges include "How well do you feel your boss recognizes your potential?" (1 = *not at all* to 5 = *fully*), "How well do you feel that your boss understands your problems and needs?" (1 = *not at all* to 5 = *completely*), and "How would you characterize your working relationship with your boss?" (1 = *ineffective* to 5 = *extremely effective*). We averaged the seven items ($\alpha = .83$) to compute each supervisor's LLX score. First-order CFA revealed the following fit: $\chi^2(14) = 61.26, p < .001$, CFI = .95, SRMR = .034, RMSEA = .14. Although the RMSEA for the model fell above the traditionally suggested cutoff point of .08, we interpreted our measure as accurately reflecting the construct because RMSEA as a fit index is heavily influenced by the sample size and degrees of freedom (in our case, the very small sample of 37 supervisors). For this reason, Kenny, Kaniskan, and McCoach (in press) argue to not even compute the RMSEA for low degree of freedom models. Thus, we proceeded with using this measure.

Cynicism. At Time 2, employees reported their feelings of cynicism towards the employing organization using the eight-item ($\alpha = .94$) cynicism scale developed by Wanous et al. (2000). Exemplar items include "Most of the programs that are supposed to solve problems around here will not do much good" and "The people responsible for solving problems around here do not try hard enough to solve them." CFA revealed acceptable fit, $\chi^2(15) = 208.7, p < .001$, CFI = .90, SRMR = .068, RMSEA = .080, suggesting the items accurately reflected the underlying construct.

Time theft. At Time 2, employees were asked to indicate how often they engaged in “stealing” time at work from their employer during the last week. We used three items from Bennett and Robinson (2000; $\alpha = .86$): “Worked on a personal matter instead of working for your employer,” “Spent too much time fantasizing or daydreaming at the job,” and “Took an additional or a longer break than is acceptable at your workplace.” Participants used a 7-point frequency response scale ranging from 1 (*never*) to 7 (*very often*). We chose to use a short time period for this outcome because we felt employees would be less likely to recall the amount of time theft they committed for an extensive historical period. Time theft is often a passive, even unconscious pursuit (e.g., idly surfing the Internet in between work tasks), and we felt that employees would provide more accurate estimates if we asked them to consider a shorter time period (Pearson, Ross, & Dawes, 1991). Furthermore, given the current organizational conditions during the Time 2 data collection, the previous week should reflect the way employees generally spent their workday during the 4-month period of study.

Control variables. We measured several individual-level variables that might systematically affect the results when modeling cynicism and time theft as dependent variables. First, we collected information on employee tenure (in years) because previous research suggests that more experienced employees tend to be more cynical (Oreg, 2006; Reichers et al., 1997; van Dam, Oreg, & Schyns, 2008). In a similar line of reasoning, we controlled for employee age (in years). Lastly, we measured and controlled for employee trait negative affectivity (measured at Time 1). Negative affectivity is a personality variable that concerns an individual’s general outlook on life (Watson, Clark, & Tellegen, 1988). Negative affectivity was measured by averaging individual employee responses on a seven-item scale (Watson et al.; $\alpha = .85$), which asked respondents to indicate to what extent (on average) they feel irritable, nervous, hostile, afraid, resentful, threatened, and scared. We used a 5-point Likert-type response scale ranging from 1 (*very slightly*) to 5 (*extremely*).

Analysis

Because we were interested in the effects of the general level of empowering leadership of each supervisor, we aggregated the individual ratings of empowering leadership to the workgroup level. First, however, we followed conventional procedures to verify whether the individual-level psychometric data could be aggregated and treated as group-level data. This included computing r_{wg} , the level of within-group agreement (James, Demaree, & Wolf, 1993), and two intraclass coefficients: ICC(1), which is the proportion of variance in the variable of interest that is attributable to group membership, and ICC(2), which provides an estimate of the reliability of the group means (Bliese, 2000). The mean r_{wg} was .89, and each workgroup r_{wg} value exceeded .70, which is commonly used as a cutoff to justify aggregation of individual-level measures to the group level (Klein & Kozlowski, 2000). The ICC(1) and ICC(2) values were .60 and .87, respectively. In addition, there was significant between-group variance in the assessment of each group leader’s empowering leadership, $F(32, 108) = 7.33, p < .001$. Cumulatively, these results suggest that aggregating the empowering leadership ratings to the group level was warranted.

Next, we followed the procedure outlined by Fornell and Lackner (1981) to assess evidence for discriminant validity among the constructs measured at the individual employee

level (including the control variable, negative affectivity). They recommend calculating variance extracted for each construct, utilizing the following formula:

$$\frac{\sum(\text{squared factor loadings for each item})}{\sum(\text{squared factor loadings for each item}) + \sum(1 - \text{squared factor loadings for each item})}$$

Discriminant validity between latent constructs is confirmed when variance extracted for each construct is greater than its squared correlation with any other construct. The variance extracted from each of our constructs (see diagonal of Table 1) was more than the squared correlations of the constructs, meeting the criteria for discriminant validity.

Before proceeding with data analysis, we used CFA to confirm fit of the measurement model. In particular, we estimated the measurement model for the variables measured at the individual level: empowering leadership, psychological empowerment, cynicism, and time theft. Because we had a small sample size (161 individuals and 35 items to be estimated), we modeled empowering leadership and psychological empowerment as first-order factors with subdimensions as respective indicators (following the procedure of Williams, Vandenberg, & Edwards, 2009). We used Mplus 6.12 software to execute the analyses. We first conducted a CFA in which each set of items loaded on its respective latent factors. This model, $\chi^2(59) = 93.49, p < .01$, CFI = .97, SRMR = .041, RMSEA = .060, was compared to a first-order model in which all items loaded on a single factor. The results revealed that the four-factor model provided a significantly better fit than the first-order one-factor model— $\chi^2(65) = 606.16, p < .001$, CFI = .52, SRMR = .13, RMSEA = .23; $\Delta\chi^2(6) = 512.67, p < .001$. The four-factor measurement model was also compared to a three-factor model in which the scales exhibiting the highest correlation (cynicism and time theft) were combined in one factor. The three-factor model exhibited the following fit to the data: $\chi^2(62) = 334.41, p < .001$, CFI = .76, SRMR = .14, RMSEA = .165. This confirmed the better fit to the data of the four-factor measurement model.

Next, we followed the steps outlined by Bryk and Raudenbush (1992) to confirm the multi-level nature of our model. Specifically, we started with fitting a null model with no predictors at two levels—Level 1 (individual) and Level 2 (group)—to partition the variance in cynicism into within- and between-group components. The results indicated significant Level-2 residual variance of the intercept of cynicism ($\tau_{00} = .60, p < .001$). Next, we tested whether a random-slopes effects null model fit the data significantly better than a fixed effects model (in which the intercept is not allowed to vary randomly across teams). The results of the log-likelihood test comparing the two models (2LL = 100.63, $p < .001$) indicated that the random intercept model fit the data significantly better, offering support for the fact that cynicism intercepts (i.e., means) varied significantly across work teams. Therefore, we proceeded with testing our hypotheses using multilevel structural equation modeling. In order to assess model fit, we relied on information obtained from a number of criteria: chi-square with p values greater than .05, CFI greater than .90, SRMRs of less than .08, and an RMSEA of less than .06 (Hu & Bentler, 1999). In testing our model, we specified LLX and empowering leadership at Level 2 (team-level variables) and cynicism, time theft, and psychological empowerment at Level 1 (individual-level variables), consistent with Muthén and Muthén's (2010) recommendations.

Results

Table 1 presents the descriptive statistics and the bivariate correlations of the study variables. Age and tenure were very highly correlated and only tenure appeared to influence

Table 1
Study Variable Correlations and Descriptive Statistics

Variable	1	2	3	4	5	6	7	8
1. Age								
2. Tenure	.80**							
3. Negative affectivity	.18*	.21**	(.79)					
4. Empowering leadership	-.09	-.11	-.21**	(.62)				4.02 0.58
5. Psychological empowerment	-.06	-.04	-.24**	.33**	(.53)			4.12 0.67
6. LLX	.11	.12	-.04	.26**	.47**			3.27 0.67
7. Cynicism	.13	.16*	.07	-.48**	-.53**	-.44**	(.72)	2.68 0.98
8. Time theft	.04	-.03	-.04	-.35**	-.30**	-.21*	.42**	2.60 0.99

Note: $n = 161$. The correlations between the supervisor-level leader-leader exchange (LLX) variable and all other employee-level variables were calculated by assigning the same supervisor score to all employees reporting to the same supervisor. Values on the diagonal represent variance extracted from that construct in testing for discriminant validity. All values were larger than the squared correlations among the constructs, suggesting good discriminant validity (Fornell & Lackner, 1981).

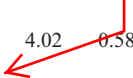
* $p < .05$.
** $p < .01$.

cynicism. Similarly, negative affectivity was not correlated with cynicism, neither was it correlated with time theft (our dependent variables of interest). Therefore, in order to conserve statistical power, we dropped age and negative affectivity as control variables from subsequent analyses, controlling only for the effects of tenure on all endogenous variables. In doing so, we followed the recommendation of Becker who suggested not to include “impotent control variables (i.e., ones uncorrelated with the dependent variable)” (2005: 285) because such an inclusion reduces power.

Model Testing

To determine whether our hypothesized model was the best explanation for our data, we started with testing four alternative models. Alternative Model 1 was a less-constrained nested model in which we added a direct path between psychological empowerment and time theft. The fit statistics for Alternative Model 1 were $\chi^2(2) = 2.9$, $p > .1$, CFI = .97, SRMR_{within} = .03, SRMR_{between} = .02, RMSEA = .05, Akaike information criterion (AIC) = 1,036.95, with the added psychological empowerment–time theft path estimated as nonsignificant ($b = -0.09$, n.s.). Alternative Model 2 was also a less-constrained nested model with an additional direct path between empowering leadership and time theft (in addition to the direct path added in Alternative Model 1). Alternative Model 2 demonstrated the following fit to the data: $\chi^2(1) = 3.48$, $p > .05$, CFI = .96, SRMR_{within} = .026, SRMR_{between} = .02, RMSEA = .08, AIC = 1,038.15; this model revealed a nonsignificant path coefficient for the effect of empowering leadership on time theft ($b = -0.18$, n.s.). Next, we tested a more-constrained model, Alternative Model 3, in which there was no path from empowering leadership to cynicism. Alternative Model 3 exhibited poor fit to the data: $\chi^2(4) = 50.11$, $p < .001$, CFI = .68,

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SRMR_{within} = .095, SRMR_{between} = .193, RMSEA = .27, AIC = 1,085.14. Finally, we tested another more-constrained model (Alternative Model 4) in which there was no direct path between psychological empowerment and cynicism. Model fit for Alternative Model 4 was also poor: $\chi^2(3) = 15.97$, $p < .01$, CFI = .70, SRMR_{within} = .12, SRMR_{between} = .094, RMSEA = .16, AIC = 788.14.

Finally, we tested our hypothesized theoretical model, and the model exhibited the following fit to the data: $\chi^2(3) = 3.40$, $p > .05$, CFI = .99, SRMR_{within} = .02, SRMR_{between} = .005, RMSEA = .027, AIC = 1,034.42. The path coefficients estimated through the model provided initial support for our hypothesized relationships. In comparison to a baseline model, the theoretical model provided a significant improvement in fit— $\Delta\chi^2(8) = 152.71$, $p < .001$. A comparison of the four alternative models and the theoretical model showed that the theoretical model and Alternative Models 1 and 2 all exhibited good fit to the data; however, the theoretical model demonstrated the best fit. Hence, we concluded the theoretical model offered the best explanation for the data. Table 2 summarizes the results of model testing and comparison. Figure 2 summarizes the path coefficients for our theoretical model. In the sections that follow, we report specific hypothesis testing based on the Mplus results for our supported theoretical model. We also expand on the specialized analyses we conducted for the multilevel mediation and moderated mediation.

Mediation Through Psychological Empowerment

In Hypothesis 1, we predicted that empowering leadership would be negatively associated with individual cynicism (H1a) and that this relationship would be partially mediated through employee psychological empowerment (H1b). As shown in Figure 2, the direct path between empowering leadership and cynicism was significant, and the estimated coefficient was negative ($\beta = -0.76$, $p < .001$), supporting H1a.

To test Hypothesis 1b, we treated empowering leadership as a Level-2 (team-level) variable and psychological empowerment and cynicism as Level-1 (individual-level) variables when estimating the path coefficients for calculating the parameter estimates. Supervisory empowering leadership was positively and significantly related to individual empowerment ($\beta = 0.25$, $p < .01$), which, combined with the result reported above for H1a, provided initial support for Hypothesis 1b. Next, we proceeded with estimating the strength of the indirect effect. Because the conventional bootstrapping method is ill suited for multilevel modeling (Preacher & Selig, 2012), we utilized the Monte Carlo method for assessing mediation, which has been used by MacKinnon, Lockwood, and Williams (2004) for constructing confidence intervals (CI) based on resampling. The CI for our study was based on 20,000 repeated samples. The indirect effect (β) was estimated at -0.098 ($p < .05$, 95% bias corrected CI = $[-0.22$ to $-0.02]$). **TAQ: 6** This interval excluded zero, indicating that the indirect effect of empowering leadership on cynicism through individual psychological empowerment was significant. Thus Hypothesis 1b was fully supported.

Moderation of Empowering Leadership—Psychological Empowerment Linkage With LLX

In Hypothesis 2, we predicted that the relationship between empowering leadership and employee psychological empowerment would be moderated by supervisor LLX such that

"95% bias corrected CI" is correct.

Table 2
Model Comparison[AQ: 7]

Model	χ^2	df	CFI	RMSEA	SRMR _{within}	SRMR _{between}
1. Alternative Model 1 (psychological empowerment to time theft)	2.9	2	.97	.05	.034	.02
2. Alternative Model 2 (empowering leadership to time theft)	3.48	1	.96	.08	.026	.02
3. Alternative Model 3 (no path between empowering leadership and cynicism)	50.11	4	.68	.27	.095	.19
4. Alternative Model 4 (no path between psychological empowerment and cynicism)	15.97	3	.70	.16	.12	.094
5. Hypothesized Model	3.4	3	.99	.03	.02	.005

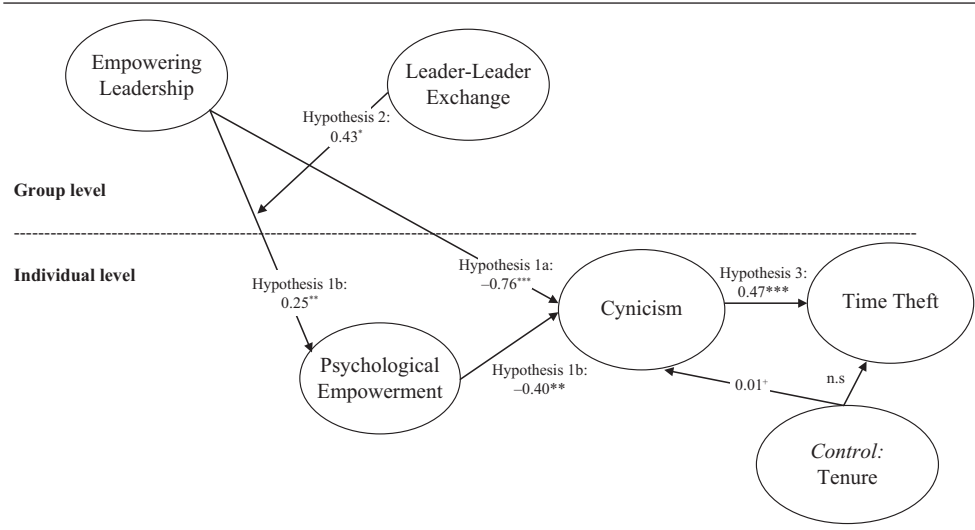
Note: $n = 161$. CFI = comparative fit index; RMSEA = root mean square error of approximation; SRMR = standardized root mean square residual.

the relationship would be stronger when LLX is higher (H2a) and that this moderated effect would be mediated by employee psychological empowerment to reduce cynicism (H2b). The coefficient for the interaction term involving LLX and empowering leadership was significant and positive ($\beta = 0.43, p < .05$), providing initial support for Hypothesis 2a (see Figure 2).

In order to better assess the nature and the strength of the interaction between LLX and empowering leadership predicting individual empowerment, we plotted the interaction; the pattern of the interaction is displayed in Figure 3. A visual inspection of the figure suggests that at high levels of supervisor’s LLX (1 *SD* above the mean), the positive relationship between empowering leadership and individual psychological empowerment is stronger than at low levels of LLX (1 *SD* below the mean). The results of a simple slopes test indicated that at high levels of LLX, empowering leadership positively and significantly predicted individual empowerment ($\beta = 0.61, p < .05$), whereas at low levels of LLX, the relationship between empowering leadership and individual psychological empowerment was nonsignificant ($\beta = 0.14, n.s.$). This provided further support for Hypothesis 2a.

Next, we proceeded with estimating the nature and the strength of the overall moderated-mediation model with cynicism as the dependent variable. We examined how the interaction term involving LLX and empowering leadership predicted cynicism via individual psychological empowerment. Using the formulas provided by Preacher, Rucker, and Hayes (2007), we estimated the strength of the indirect effect by estimating simple slope coefficients at 1 *SD* below and above the mean of LLX (point estimates) and CIs constructed through resampling, utilizing information from our Mplus results. Point estimates and the resampling results revealed that at low levels of LLX (1 *SD* below the mean), the indirect effect of empowering leadership on cynicism through individual psychological empowerment was nonsignificant ($\beta = 0.02, t = 0.32, n.s., 95\%$ bias corrected CI $[-0.12, 0.14]$). However, a significant direct effect of empowering leadership on cynicism emerged ($\beta = -0.72, t = -5.17, p < .01, 95\%$ bias corrected CI $[-1.07, -0.51]$). At high levels of LLX (1 *SD* above the mean), the results revealed both a first-stage effect of empowering leadership on individual psychological empowerment ($\beta = 0.76, t = 2.82, p < .05, 95\%$ bias corrected CI $[0.26, 1.32]$)

Figure 2
Multilevel Structural Equation Modeling Results



Note: Empowering leadership, leader-leader exchange, psychological empowerment, and time theft were measured at Time 1. Cynicism and time theft were measured at Time 2. [AQ: BT]

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

+ indicates $p < .10$
- could add note before the $p < .05$ line.

and a direct effect of empowering leadership on cynicism ($\beta = -0.90, t = -2.62, p < .05, 95\%$ bias corrected CI $[-1.55, -0.20]$). However, as suggested in Figure 3 and the accompanying simple slopes, LLX moderated only the first-stage path between empowering leadership and psychological empowerment. In all, these results provided full support for Hypotheses 2a and 2b; the indirect effect of empowering leadership through individual empowerment was significant only at high levels of LLX (moderated by LLX), but the direct effect of empowering leadership at cynicism appeared not to be affected by supervisor's LLX.

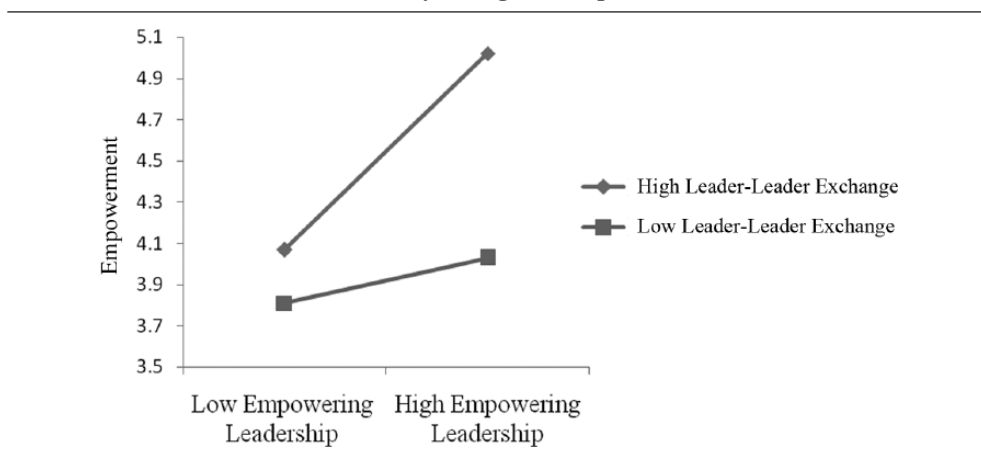
Linkage Between Cynicism and Time Theft

Finally, in Hypothesis 3, we predicted a positive association between cynicism and time theft. As seen in Figure 2, the path coefficient for cynicism predicting time theft was positive and significant ($\beta = 0.47, p < .001$), providing full support for this final hypothesis.

Discussion

Applying SET (Blau, 1964), we advance theory on leadership and cynicism by outlining the process through which different levels of leadership influence employee cynicism and time theft. We tested a model exploring the effectiveness of empowering leadership as a leadership style bestowing benefits on subordinates, thereby fostering a positive exchange relationship with subordinates, represented by the motivational mediator of psychological

Figure 3
Interactive Effect of Leader-Leader Exchange and Empowering Leadership on Individual Psychological Empowerment

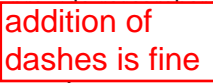


empowerment. We tested reciprocation by subordinates in the form of attitudes and behavior (cynicism and time theft). We also explored the moderating role of the leader upward exchange relationships (LLX) in determining the effectiveness of empowering leadership.

Our empirical results highlight the importance of both first-level supervisor empowering behaviors and the leadership context beyond the first-level supervisor. When considered in isolation (without LLX), empowering leadership was associated with decreased cynicism both directly and indirectly via psychological empowerment, seemingly suggesting that empowering leadership is always beneficial. However, the significant moderation effect of LLX reveals a slightly different picture—the effectiveness of empowering leadership behaviors may be dependent upon the broader leadership context. At high levels of LLX, empowering leadership was associated with decreased cynicism both directly and indirectly via employee psychological empowerment. However, in conjunction with low LLX, empowering leadership was only directly related to employee cynicism without influencing individual perceptions of empowerment. Therefore, when direct supervisors do not have a high-quality relationship with their own boss, they may be ineffective in fostering high-quality relationships with subordinates, at least as represented by subordinate perceptions of empowerment. Regardless of LLX, however, they may still effectively reduce subordinate cynicism by engaging in empowering leadership behaviors, suggesting that subordinates may reciprocate the benefit of empowering leadership even when they do not feel personally trusted by their supervisor to perform their job autonomously (i.e., psychologically empowered). We discuss these findings in the context of their theoretical contributions below.

Theoretical Implications

First, our results complement and extend extant leadership research by employing SET (Blau, 1964; Colquitt et al., 2014) to propose linkages between empowering leadership, individual psychological empowerment, and employee cynicism. By outlining a mechanism

through which empowering leadership may influence cynicism (through individual psychological empowerment), we  with more in-depth understanding about the process through which this occurs. Our results concur with the established view that both empowering leadership and psychological empowerment may affect individual employee outcomes (Leach et al., 2003; Srivastava et al., 2006), but we used an SET framework to extend this link to include the individual attitudinal state of cynicism and resulting time theft behaviors. Thus, we provide an empirical test of the benefit–exchange relationship–reciprocation linkage proposed by SET, which is rarely fully tested in the extant literature (Colquitt et al., 2008). **FAQ: 9** The results supported our propositions that empowering leadership may act as a benefit to employees, which they fully experience as a high-quality exchange relationship when they feel psychologically empowered (i.e., trusted to autonomously perform important work tasks). Such employees likely then reciprocate by adjusting their attitudes of cynicism towards the employing organization, ~~likely~~ in an attempt to repay the positive treatment received from the organizational representative (i.e., the first-line supervisor).

The results also suggested, however, that leaders may have varying levels of effectiveness as they empower employees, depending on the level of LLX with their own bosses. Probably one of the most important theoretical contributions of this study was the finding that the relationship between empowering leadership and psychological empowerment was significant only when the empowering leader had a good exchange relationship with his or her boss (high LLX). Thus, our moderated-mediation model, with a partially mediated negative relationship (via psychological empowerment) between empowering leadership and cynicism, provides theoretical guidance about the potentially beneficial impact of leader empowering behaviors and the conditions under which they are more effective (high LLX). We also highlight one mechanism through which that may occur (employee psychological empowerment). These results add theoretical richness and empirical support to the emerging literature on multilevel and cross-level leadership influences (e.g., Tangirala et al., 2007) by demonstrating the importance of LLX for effective empowering leadership.

Finally, our study also extends the SET notion of reciprocation to include both attitudes and behaviors (Azjen & Fishbein, 1980). In doing so, we also extend work on deviance and withdrawal. As expected, cynicism was positively associated with time theft, a form of production deviance and an example of low-risk withdrawal from the stressful and/or frustrating day-to-day environment of a workplace (which, in our context, might have been even more pronounced in the midst of change; Bennett & Robinson, 2000). Overall, these results support our assertion that cynicism results in a general pattern of withdrawal through which cynical employees may try to restore equity in their dealings with the organization. By demonstrating the link between employee cynicism and time theft, we alert deviance researchers to the potential outcomes of cynicism at the workplace. Future research explicitly testing the motivations for deviant withdrawal behaviors would be valuable.

Implications for Practice

We offer a few concrete recommendations for managers on the basis of these results. To begin, empowering leadership may be used by managers to increase employee psychological empowerment and to ease employee cynicism. However, managers are warned that simply

exhibiting empowering behaviors may not result in the most optimal employee outcomes unless managers also enjoy good relationships with their bosses. Therefore, direct supervisors and their bosses are encouraged to strive to develop quality dyadic relationships because the effects of these dyadic relationships may also affect frontline employees.

Furthermore, we alert managers to the likelihood that employees may use time theft as a way to cope with their own cynical attitudes. Hence, it is important for managers to pay special attention to clues that employees are experiencing cynicism and find opportunities to reduce it. In addition to empowering subordinates and fostering good LLX with their own bosses, leaders might directly address cynicism (and therefore reduce likelihood of time theft) by meeting with employees to discuss their attitudes and experiences. Following popular practice, they might also directly reduce the likelihood of withdrawal behaviors by monitoring employees more closely or ensuring company rules are communicated and enforced (Gilley, Godek, & Gilley, 2009; Martin et al., 2010). Finally, if employees must perform new behaviors during a stressful or highly uncertain period of time (e.g., organizational change; Armenakis & Bedeian, 1999), managers might be wise to initially encourage the new behaviors from less cynical employees, allowing them to serve as exemplars and encouragers to more cynical employees (Barsade, 2002). By reducing employee cynicism through empowering leadership behaviors exhibited by a leader who also enjoys high-quality relationships with upper management, managers may ensure a happier workplace and even potentially smoother transitions to the new reality of a restructured organization.

Limitations and Future Research Directions

Several limitations of the study, which point to future research directions, should also be noted. First, although we took special precautions to partial out the antecedent variables from the outcomes by collecting data at two time periods, this study was still cross-sectional by design and, thus, suffers from the limitations attributed to similar studies. Future research will benefit from a longitudinal study, which can reveal whether our proposed relationships endure or change over time. Second, although our study has the advantage of high internal validity, since it was anchored in the context of a specific organization and further contextualized by the ongoing organizational restructuring, all the data were collected within a single research organization with highly educated employees. This may have limited the observed variability and the generalizability of our conclusions. Future research in different organizational settings with more diverse employees would increase external validity. Additionally, we tested our hypotheses using a relatively small sample given the multilevel nature of the data. Although this should ensure our findings are conservative as a result of low power, we acknowledge that larger samples may provide more insight into the relationships we proposed.

In conclusion, our study uniquely integrates research from leadership, cynicism, and deviance bodies of literature under the overarching umbrella of SET to test the influence of empowering leadership on employee cynicism and time theft. We explicated the mediating role of psychological empowerment and the boundary condition of leader upward exchange relationships. As such, our study may be used as a foundation for scholars interested in theoretically synthesizing and extending empirical research on the interplay of empowering leadership, leader-leader relationships, and cynicism.

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