

## **Empowering Leadership and Individual Creativity: The Moderation Role of Individual Competence Facing Covid-19 Pandemic**

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### **Abstract**

**Background** - The COVID-19 pandemic impacts public health and the Indonesian people's economic conditions, education, and social life. Vocational high school graduates who have been looking for work in the last two years have experienced significant disruption due to the Covid-19 pandemic. Competition in the labor market is very high and coincides with the worker who has also experienced termination of employment (PHK) from the company.

**Research Purpose** - This study tests and analyzes the influence of empowering leadership on individual creativity, moderated by competence.

**Research Methodology** - Research conducted survey method on vocational high school graduate or equivalent in the Yogyakarta Special Region (Sleman Regency, Yogyakarta Municipality, Bantul, Kulonprogo, and Gunungkidul). Sampling was done by convenience sampling and data collection by distributing questionnaires (google form). The number of respondents who filled out and returned the questionnaire was 108 people. The data analysis technique used in SPSS 24. Test the instrument with a test of validity (Confirmatory Factor Analysis) and reliability by looking at Cronbach Alpha. Hypothesis testing using simple regression (H1 test) and tiered regression test (H2 test).

**Research Result / Contribution** - The results of this study found that: there are several limitations in this research that require further research. (1) there is an influence of empowering leadership on individual creativity, (2) this influence is moderated by competence. This research has practical implications for leaders, and the discussion results show that further research still needs to be discussed.

**Keywords:** *empowering leadership, individual creativity, competence*



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### **INTRODUCTION**

The impact of the COVID-19 pandemic will impact public health and the economic conditions, education, and social life of the Indonesian people. This pandemic has caused several regional governments to enforce Large-Scale Social Restrictions (PSBB) policies which have implications for limiting community activities, including economic activities, educational activities, and other social activities. This condition is also experienced by alumni of vocational high schools throughout Indonesia. Vocational high school graduates who have been looking for work in the last two years have experienced significant disruption due to the Covid-19 pandemic. Meanwhile, vocational high school alumni who graduated this year experienced teaching difficulties in the latter part of their studies. The immediate impact they experience is a major distraction in the final judgment they should receive. However, under any conditions, they still pass in this heartbreaking global recession. The labor market conditions that tend to be problematic are a new obstacle for graduates. Competition in the labor market is very high and

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coincides with the worker who has also experienced termination of employment (PHK) from the company. (Bobonis & Morrow, 2014).

Companies must continue to push their staff to be innovative (Siswanti & Muafi, 2020); (Shalley & Gilson, 2004). Creativity refers to a unique and new product, which is helpful from a person or by a group of individuals (Madjar et al., 2002); (Shalley et al., 2000); (Shalley & Zhou, 2004). Leaders need to support individuals so that creativity occurs in organizations (Shalley & Gilson, 2004).

Some research has looked into the effect of leadership on creativity. Nonetheless, the majority of this research (Amabile et al., 2004) has focused on organizational support and member-leader exchange (Tierney et al., 1999). According to research by Siswanti and Muafi (2020) individual creativity is boosted when leaders are empowered. Previous research (Mumford et al., 2002); (Tierney, 2008) has also been conducted in order to focus more efforts on leadership empowerment approaches in order to maximize employee creativity. Little study has been done on the impact of leadership empowerment on individual creativity. (particularly among vocational high school graduates). As a result, the main goal of this research was to look into the impact of leadership empowerment on the creativity of Yogyakarta Special Region vocational high school graduates.

Empowering leadership is defined as a condition in which a leader gives followers more power, autonomy, incentive, and other job benefits. Furthermore, empowering leaders will aid individual change readiness, but past research has yielded conflicting findings. Empowering leaders, for example, support personal willingness to transform (Holten & Brenner, 2015); (Muafi et al., 2019); (Lee et al., 2019); (Holten & Brenner, 2015); (Holten & Brenner, 2015); (Holten & Brenner, 2015); (Holten & Brenner, 2015); (Holten & Brenner, 2015); (Holten (Dong et al., 2017). According to (Stewart et al., 2010), (Meng et al., 2016); (Lee et al., 2017); (Amundsen et al., 2014); (Lee et al., 2018), empowering leaders is insufficient to raise individual readiness for change.

Mechanisms are required to be the primary driver of personal preparedness change. It is shaped by the outcomes or repercussions of empowered leadership's execution. The findings of the study (Fong & Snape, 2015) suggest that empowering leaders has a direct impact on staffs' willingness to participate in the creative process because leaders tend to build followers' confidence and emphasize the value of leadership, work procedures, and work independently. As a result, a person can become more invested in his job and participate in a process that produces innovative results. Furthermore, empowering leaders will boost psychological empowerment, particularly among those who wish to be empowered. When staff's empowering role identity is high, enabling leaders to have a beneficial impact on their psychological strength. When psychological empowerment is high, it has an impact on the creative process' involvement.

## **LITERATURE REVIEW**

### **Empowering Leadership and Individual Creativity**

Empowering leadership is defined as a circumstance in which a leader contributes to followers' authority, autonomy, motivation, and other advantages (Siswanti & Muafi, 2020; Zhang & Bartol, 2010; Sims et al., 2009; Muafi et al., 2019). The features of empowering leadership behavior, according to Martin et al. (2013), facilitate members' autonomy and competence. Aburuman Research (2016); Zhang & Bartol (2010); Zhang & Zhou (2014); Ekmececioglu & Zbag (2014) found that empowering leadership is an important factor on staff creativity. The findings of Fong and Snape's (2015) study show that empowering leaders has an impact on staffs' willingness to participate in the creative process because leaders tend to build followers' confidence, emphasize the essence of leadership and duty processes, and give them the

freedom to do their jobs. As a result, staff can get more invested in his task, which can lead to more innovative results.

*H1: Empowering leadership has a positive effect on individual creativity*

### **Empowering Leadership-Individual Competence-Creativity**

Wibowo et al. (2007) define competence as the ability to complete a job or task based on skills, knowledge and the work attitude required by the job. Competence, according to Veithzal (2003), is a skill, skill, and ability. Competent is the root term, which implies "capable, capable, skilled." Competence refers to a person's qualities or characteristics that enable him to be effective at his job.

Research by Fong & Snape (2015), Duan, Tang, Li, Y., Cheng, & Zhang (2020) show that organizational support in leaders who can empower members will affect individual creativity. The research recommendation of Duan et al. (2020) states that many factors may influence the strong impact of leadership empowerment on individual creativity. One of them is personal competence. Therefore, this study wants to examine the role of competence in moderating the impact of leader empowerment on individual creativity.

*H2: Empowering leadership affects individual creativity moderated by competence*

### **RESEARCH METHOD**

This research method uses a survey by distributing questionnaires to alumni of vocational high school or equivalent in Yogyakarta Special Region covering Sleman, Bantul, Kulonprogo, Gunungkidul, and Yogyakarta Municipality.

#### **Population**

The population in this study is the alumni of vocational high school or equivalent in Yogyakarta Special Region who are currently working, totaling 108 people.

#### **Measurement**

Instrument measures empowering leadership using the ELQ instrument (Arnold et al., 2000), 38 items. Individual creativity was measured by 13 items adopted from the creativity measure of Tierney et al. (1999). Personal competence adopted the 20 items Spencer & Spencer instrument (1993). All instruments were measured using a 7-point Likert scale (1=strongly disagree to 6=strongly agree).

#### **Instrument Testing**

The instrument test was carried out by testing the validity using confirmatory factor analysis and reliability testing. Cronbach Alpha showed the results of the reliability test. According to Hair et al. (2019), the limit of the reliability test is 0.7, whereas if = 0.6, it can be accepted in exploratory research.

#### **Hypothesis testing method**

Hypothesis test (H1) using simple regression. The H2 test uses a tiered regression.

## FINDINGS AND DISCUSSION

### Respondent Profile

Table 1. Profile of Respondent

Profile	Description	Amount (person)	Percentage (%)
Age (years)	20 – 25	70	64.82
	26 – 30	20	18.51
	> 30	18	16.67
Gender	Men	45	41.67
	Women	63	58.33
Experience (years)	< 1	10	9.26
	1 – 3	48	44.44
	4 – 6	35	32.41
	> 6	15	13.89
Married Status	Unmarried	77	71.29
	Married	31	28.71
	Jumlah	108	100.0

Source: Primary data

Table 1 exhibits that the larger part of respondents from vocational high school alumni aged between 20 to 25 years is 64.82%. Women dominated respondents by 58.3%. The longest working period of 1-3 years is 44%, and most respondents are unmarried (71.29%).

### Validity and Reliability Test Results

The results of the CFA test, all instruments for the three variables were declared valid because their values were above 0.6 (loading factor  $\geq 0.6$ ). Therefore, and each item was grouped according to its variables. The reliability test results showed that the three research variables were reliable because Cronbach's Alpha coefficients  $> 0.6$ .

### Descriptive Test Results

Table 2. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Leadership Empowerment (X)	108	2.87	4.37	4.43	.6441
Kompetence (Z)	108	2.85	4.49	4.57	.5731
Individual Creativity (Y)	108	3.00	6.12	4.67	.7237
Valid N (listwise)	108				

Source: Primary data processing

Meanwhile, Table 2 shows that the descriptive average of the variables is high because it has an average value above 4.00. In general, it can be said that vocational high school alumni in Yogyakarta have a high perception of the empowering leadership they have experienced so far, high individual competence, and creativity.

*Hypothesis Test Results*

Table 3. The Effect of Leadership Empowerment on Psychological Empowerment Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.439	.258		4.734	.000
	Leadership Empowerment (X)	.536	.059	.643	8.233	.020

a. Dependent Variable: Individual Creativity (Z)

The leadership empowerment variable has a significant value of  $0.000 < 0.05$ , as shown in Table 3 (test stage 2). It suggests that empowering leaders has a positive and large impact on the creativity of working vocational high school graduates, indicating that H1 is supported.

Table 4. Moderation Regression Test

	R Square	B	S.E	t	P	Hypotheses
LE → IC	.037	.643	.059	8.233	.020	H1: supported
LE, C, Interaction → IC	.058	.702	4.276	7.276	.000	H2: supported

Source: Primary data processing

In the stepwise regression test, it is known that the R Square value of the second stage of the regression test is 0.058, and the R Square of the stage 1 regression is 0.37. There is an increase in the influence of leadership empowerment on individual creativity when there is personal competence. Thus H2 is supported, meaning that competence plays a role in moderating the impact of leadership empowerment on individual creativity.

**Discussion**

The hypothesis 1 test, which claims that empowered leadership has a beneficial impact on individual creativity, was found to be true. The results of this research support the research of Conger & Kanungo (1988); Frank, & Liu (2018); Aburaman (2016); Zhang & Bartol (2010); Zhang & Zhou (2014); Fong & Snape (2015); Duan, Tang, Li, Y., Cheng, & Zhang (2020); Malik (2021). Çekmecelioğlu & Zbağ (2014) Ekmeceliolu & Zba (2014) studied the influence of psychological empowerment on individual creativity, focusing on four cognitions (competence, influence, self-determination, and meaningfulness). According to their findings, psychological empowerment has a significant impact on individual creativity. Employees will be more imaginative and work harder if they find their employment worthwhile. Unique creativity has a good association with competence and effects. In the face of the present COVID-19 pandemic, vocational high school alumni in Yogyakarta Special Region are also experiencing it. They endeavor to make their work more meaningful, which is accompanied by a rise in self-competence and self-determination awareness, both of which have an impact on employees' high creativity.

Hypothesis 2, which states that leadership empowerment positively affects individual creativity, moderated by competence, is supported. This research succeeded in answering the research recommendations of Duan et al. (2020), which stated that many factors probably influenced the strong influence of leadership empowerment on individual creativity. One of them is personal competence. Vocational high school graduates who work in MSMEs and companies/industries who feel high leadership empowerment will continually improve their creativity. They make this effort to produce a good performance and be maintained as employees during the current pandemic. When vocational high school graduates already have adequate competence to meet the organization's needs, the impact of leadership empowerment on developing individual creativity is much stronger. The competencies possessed are manifested in broader skills in carrying out work, sufficient knowledge and understanding of their work, high work values, interests, and professional work attitudes.

## **CONCLUSION AND FUTURE RESEARCH**

### **Conclusion**

Empowering leadership positively affects individual creativity, and personal competence moderates the influence of empowering leadership on individual creativity.

### **Research Contribution**

The managerial contributions of this research are: leaders/managers can try to increase employees' creativity by empowering them to do their tasks. Individual creativity can be developed when the leader gives each employee/personal freedom to express their ideas. On the other hand, personal competencies can be pursued by leaders/managers through various ways such as: providing training opportunities, continuing studies to a higher level for individuals who are considered to have high intellectual intelligence and good school interests, bringing in instructors or experts to provide appropriate training with today's needs, as well as sending employees to other organizations to learn so that their competence is increased. When competence rises, it will increase the relationship of leadership empowerment to individual creativity. Individual creativity can affect personal achievement so that it has a beneficial effect on the company.

### **Research limitations and recommendations**

This study only took respondents from vocational school graduates or graduates from peer schools. The population is still quite small. More research should be done on alumni with higher education levels, such as a diploma or university alumni, who have a large number of respondents and live outside of Yogyakarta Special Region.

This study only includes individual competence as a moderating variable. Further research should develop other moderating variables that might influence the relationship of leadership empowerment to individual creativity, such as personality, self-efficacy, locus of control, organizational commitment, job satisfaction, organizational culture, employee engagement, and personal characteristics.

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