THE EFFECT OF PSYCHOLOGICAL EMPOWERMENT ON PSYCHOLOGICAL CAPITAL AND INNOVATIVE WORK BEHAVIOR

Kadek Ayu Anggreni, I Gede Riana, Ida Bagus Ketut Surya and I Wayan Gede Supartha
Faculty of Economics and Business, Udayana University, Bali, Indonesia

http://doi.org/10.35409/IJBMER.2022.3408

ABSTRACT

The purpose of this study is to analyze the effect of psychological capital in mediating the effect of psychological empowerment on innovative work behavior. This research was conducted at the marketing of PT. BPR Lestari Bali with a sample of 168 marketing employees. Determination of the sample using probability sampling with saturated sampling technique. Data were analyzed by SEM (Structural Equation Modeling) with Partial Least Square (PLS) approach. The results showed that psychological capital partially mediated the effect of psychological empowerment on innovative work behavior. These results illustrate that to improve innovative work behavior in marketing employees, it is necessary to provide psychological empowerment to employees, where later these employees feel the fit between their environment, organizational values and work environment so as to increase psychological capital for these employees. The conclusion in this study is that psychological capital partially mediates the effect of psychological empowerment on the innovative work behavior of marketing PT. BPR Lestari Bali. It can be suggested that the company increase the sense of togetherness and cooperation in the team, provide appropriate incentives and provide opportunities for all employees to develop themselves.


1. INTRODUCTION

Innovative work behavior is the delivery of an idea from employees that is carried out continuously in their workplace, where these ideas will affect the survival of their organizational life (Bos-Nehles et al., 2017). Innovative work behavior is a valuable resource that every organization must have for the long-term survival of the organization (Shanker et al., 2017). An individual who has high creativity will tend to have an attitude of not giving up easily, and will always be positive when faced with negative opinions from others, they will still innovate and always think critically to find innovative ideas or solutions (Supriatna, 2019).

The emergence of an employee's innovative work behavior can also occur because of the belief that they will become an employee who has a big impact on the organization, has a proactive attitude, is independent and always tries to show an innovative attitude towards their organization, this can be done if an employee gets psychological empowerment in their organization (Sjabadhyni and Mustika, 2018).

Psychological empowerment is very important to do to improve innovative work behavior for an employee, so that they can always increase confidence in providing creative ideas or innovations for their organization (Sjabadhyni and Mustika, 2018). The research of Dan et al., (2018) states that psychological empowerment has a positive effect on innovative work behavior. Psychological empowerment is one of the new techniques used by organizations to improve employee innovative
behavior and provide the best service (Raadabadi, et. al, 2014). Psychological empowerment is psychological empowerment that can increase employee commitment, creative and innovative attitudes, which in turn will have an impact on higher organizational performance (Suifan, et al., 2018).

Psychological empowerment is a condition when an employee feels he has a proactive attitude in any given job by understanding each job, believing in his abilities, having full control in choosing methods, strategies, being able to complete work on time and being able to have a direct influence on success. organization (Jessefina, 2018). Amundsen's research (2019) states that psychological empowerment is one way to reflect the extent to which employees experience empowerment in their workplace. Psychological empowerment is also defined as a person's perception that he has control over their environment, and feels the congruence between organizational values (Shah, et. al., 2019).

Mutonyi's research (2021) says that psychological empowerment has a positive impact on psychological capital and innovative work behavior. The stronger the employee's perception of their psychological empowerment, the higher the psychological capital of the employee (Liran and Miller, 2019). Employees who have high psychological capital are the key to organizations in achieving competitive advantage, because an employee who has high psychological capital will make an employee always be innovative and behave positively (Luthans and Morgan, 2017). An employee who has high psychological capital will have an effect on higher innovative work behavior (Slatten et al., 2019). In a constantly changing work environment, a high level of psychological capital is needed so that employees can continue to innovate and ultimately the organization will succeed (Kirrane et al., 2017).

Psychological capital is an individual's strength that can be seen from the individual's positive psychological state with the characteristics that an employee has the belief to perform and succeed in completing challenging tasks (self efficacy), always being optimistic (optimism), not giving up easily and directing goals to achieve success (hope), able to survive when facing a problem, and able to bounce back even more than before (resiliency) (Luthans and Morgan, 2017). Psychological capital is a positive and good power that an employee has for the long-term benefit of the organization (Gupta et. al, 2017). Research Lorenz et. al (2016) said that psychological capital affects the performance results of an employee in an organization. Psychological capital (psychological capital) is also said to be a positive mental state of individuals in discussing the causes and effects of each problem (Busser and Kang, 2018). An employee who has high psychological capital will occur if an employee has strong psychological empowerment (Luthans and Morgan, 2017). Mutonyi's research (2021) also says that the stronger employees' perceptions of their psychological empowerment, the higher their psychological capital will be.

Research (Mutonyi, 2021) also says that psychological empowerment has a positive and significant impact on psychological capital and innovative work behavior. Research Stanescu, et al. (2020) said that psychological empowerment had a positive effect on innovative work behavior in employees. According to Amalia and Handoyo (2018) also said that psychological empowerment has a positive and significant influence on innovative work behavior. An employee who has psychological empowerment will tend to be more enthusiastic in sharing knowledge and will create innovative work behavior (Kang et al., 2017). Almulhim's research (2020) says that psychological empowerment has a positive and significant effect on innovative work behavior.

H1: Psychological empowerment has a positive and significant effect on innovative work behavior.
Research Slatten et al. (2019) said that an employee who has a high psychological capital will have a higher innovative work behavior. Luthans and Morgan's research (2017) says that an employee's psychological capital is the key for an organization to achieve competitive advantage, because an employee who has high psychological capital will make an employee always be innovative and behave positively. In a constantly changing work environment, a high level of psychological capital is needed so that employees can continue to innovate and ultimately the organization will succeed (Kirrane et al., 2017). Research Miao et al. (2018) also said that psychological capital has a positive effect on innovative work behavior. The role of psychological capital is also said to be able to mediate the influence of empowerment and its influence on the innovative behavior of employees (Slatten et al., 2019). Asih and Indriati's research (2020) says that psychological capital has a positive and significant effect on innovative work behavior. According to Hsu and Chen (2015) also said that psychological capital has a positive and significant relationship to innovative work behavior. Employees who have high psychological capital will affect the innovative work behavior, it is said that psychological capital has a positive influence on innovative work behavior (Abbas and Raja, 2015).

H2: Psychological capital has a positive and significant effect on innovative work behavior.

Research from Liran and Miller (2019) says that the stronger the employee's perception of their psychological empowerment, the higher the employee's psychological capital will be. An employee who has high psychological capital will occur if an employee has strong psychological empowerment (Luthans and Morgan, 2017). Mutonyi's research (2021) also says that psychological empowerment has a positive and significant effect on psychological capital, because the stronger employees' perceptions of their psychological empowerment, the higher their psychological capital will be. Psychological empowerment has a positive influence on psychological capital (Mangundjaya and Mufidah, 2018). According to research by Srivastava and Dhar (2016), if employees have high psychological capital, they will have strong psychological empowerment, it is said that psychological empowerment has a positive influence on psychological capital. Employees who are psychologically empowered have high psychological capital, therefore psychological empowerment has a positive effect on psychological capital (Shah et al., 2018). The research of Lorenzo et al. (2016) said that psychological empowerment has a positive effect on psychological capital and market culture.

H3: Psychological empowerment has a positive and significant effect on psychological capital.

According to Kirrane, et al. (2017) psychological capital positively mediates the relationship between innovative work behavior and work climate, while research by Hsu and Chen (2015) says that psychological capital is able to positively mediate the relationship between innovative work behavior and transformational leadership. Research by Kirrane et al. (2017) found that psychological capital mediates between management support and innovative work behavior. Research Slatten et al. (2019) said that psychological capital mediates the effect of psychological empowerment on innovative work behavior. Research Miao et al. (2018) said that psychological capital mediates the effect of psychological empowerment on innovative work behavior. According to Jafri (2012) psychological capital mediates the effect of innovative work behavior.

H4: Psychological capital mediates the effect of psychological empowerment on innovative work behavior.

Based on literature review and hypothesis development, the conceptual framework in this research is:
2. METHODS
The research was conducted at PT. BPR Lestari Bali. The scope of the research is limited to the object of research on innovative work behavior with the subjects in this study being marketing employees of PT. BPR Lestari Bali. This location was chosen due to several problems related to innovative work behavior for marketing employees at PT. BPR Lestari Bali.
The population in this study were all marketing employees at PT. BPR Lestari Bali which has 7 branch offices in Denpasar City and Badung Regency with a total of 188 people. The sampling technique in this study uses probability sampling with a saturated sampling technique, where the sample selection has certain criteria. The criteria in this study are marketing employees at least one year. The reason for choosing marketing for a minimum of one year is to ensure that marketing is not a new person in their field of work, marketing has become a permanent employee and marketing has felt psychological empowerment in the workplace, so the sample in this study amounted to 168 marketing PT BPR Lestari Bali.
The data collection method used in this research is to use a questionnaire and documentation. In the measurement of the questionnaire, each respondent was asked for his opinion on the statement and was measured by a Likert scale. The Likert scale uses a rating scale from 1 to 5 (strongly disagree-strongly agree). Then the documentation method, the data obtained in the form of organizational structure and an overview of the company profile. Before the research instrument is given to the respondent, first a measuring instrument is tested to determine whether the measuring instrument can measure what you want to study by looking at the validity and reliability, then it will be given to the research subject. After the necessary data is collected, data analysis is
carried out using the SEM (Structural Equation Modeling) analysis method.

3. RESULTS AND DISCUSSION

Characteristics of Respondents

The number of respondents in this study were 168 people. Respondents in this study are described in general by presenting their characteristics seen from gender, tenure and field of work. Table 1 shows the questionnaires that have been distributed to 168 marketing PT. BPR Lestari Bali is dominated by women with a percentage of 56% and the rest are male respondents. The tenure of marketing employees is dominated by >3-5 years of service with a percentage of 69.6%, because those with >3-5 years of service are considered to be able to master their work and feel comfortable with the job. The majority of the occupations of the respondents in this research are marketing executives with a percentage of 42.9%, due to the marketing executives who manage most of the customer problems related to credit. In detail, the characteristics of the respondents are presented in Table 1.

<table>
<thead>
<tr>
<th>Table 1. Characteristic of Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
</tr>
<tr>
<td>----</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Primary Data

Structural Model Evaluation (Inner Model)

The inner model was conducted to test the structural model of the research which describes the relationship between latent variables in substance. Evaluation of the inner model uses the R-square (R2) value for endogenous constructs and Stone-Geisser Q square for predictive relevance.

R-square value

The calculation of the R-Square (R^2) value aims to see the magnitude of the correlation value of the endogenous variables resulting from the PLS estimation in each path. The R-Square (R2) value of each research endogenous variable is presented in Table 7.

<table>
<thead>
<tr>
<th>Table 2. R-square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct</td>
</tr>
<tr>
<td>Innovative Work Behavior (Y)</td>
</tr>
<tr>
<td>Psychological Capital (Z)</td>
</tr>
</tbody>
</table>
Primary Data, 2022

Table 2 shows that the R-square value of the innovative work behavior variable is 0.374. It can be interpreted that 37.4% of the variability of the innovative work behavior construct is explained by psychological capital and psychological empowerment variables, while the remaining 62.6% of innovative work behavior variables are explained by variables outside the model. Likewise, the psychological capital variable has an R-square value of 0.427, meaning that 42.7% of the variability is explained by psychological empowerment and innovative work behavior, while the remaining 57.3% of the psychological capital variable is explained by variables outside the model.

**Q-Square value**

To measure how well the observed values are generated by the model as well as the estimated parameters, it is necessary to calculate Q-square (Q2) as follows:

\[
Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) \\
= 1 - (1 - 0.374)(1 - 0.427) \\
= 1 - (0.626)(0.573) \\
= 1 - 0.358 \\
= 0.642
\]

The results of this calculation indicate that the value of Q2 is greater than 0 (= 0.642), so it can be interpreted that the model is good because it has a relevant predictive value of 64%. This shows that variations in the innovative work behavior variable can be explained by the variables used, namely psychological capital and psychological empowerment variables, while 36% are explained by other variables outside this research model.

**Direct Effect**

This study uses a Partial Least Square (PLS) analysis approach to test the research hypothesis. The results of the analysis of the empirical model of the study were carried out using PLS analysis which can be seen in Figure 2.
Figure 2. PLS Analysis
There are two values that must be met in testing the hypothesis, namely the p-value is less than the alpha value of 5% or <0.05 and the t-statistic value must have a value of more than 1.96. The following are the results of the calculation of the significance of each relationship between variables in this study.

Table 3. Direct Effect

<table>
<thead>
<tr>
<th>Construct</th>
<th>Path Coefficient</th>
<th>T-Statistics</th>
<th>P-Values</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychological empowerment -&gt; innovative work behavior</td>
<td>0.212</td>
<td>2.327</td>
<td>0.020</td>
<td>Accepted</td>
</tr>
<tr>
<td>Psychological capital -&gt; innovative work behavior</td>
<td>0.451</td>
<td>4.961</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Psychological empowerment -&gt; psychological capital</td>
<td>0.653</td>
<td>10.089</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Primary Data, 2022

The Effect of Psychological Empowerment on Innovative Work Behavior
The psychological empowerment variable has a path coefficient value of 0.212, a t statistic value of 2.327 and a p-value of 0.02, then H1 is accepted. This shows that psychological empowerment has a positive and significant effect on innovative work behavior. The stronger the psychological empowerment owned by the marketing employees of PT. BPR Lestari Bali, the higher the employee's innovative work behavior.

The Effect of Psychological Capital on Innovative Work Behavior
The psychological capital variable has a path coefficient value of 0.451, a t statistics value of 4.961
and a p-value of 0.00, then H2 is accepted. This shows that psychological capital has a positive and significant effect on innovative work behavior. The higher the psychological capital owned by the marketing employees of PT. BPR Lestari Bali, the higher the innovative work behavior of employees.

*The Effect of Psychological Empowerment on Psychological Capital*

The psychological empowerment variable has a path coefficient value of 0.653, the t statistics value is 10.089, the p-value is 0.00, then H3 is accepted. This shows that psychological empowerment has a positive and significant effect on psychological capital. The stronger the psychological empowerment owned by the marketing employees of PT. BPR Lestari Bali, the higher the psychological capital of the employee.

*Indirect Effect*

The mediating role of psychological capital on the indirect effect of psychological empowerment on innovative work behavior is presented in table 9.

<table>
<thead>
<tr>
<th>Path Coefficient</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics</th>
<th>P Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychological Empowerment -&gt; Psychological Capital</td>
<td>0.295</td>
<td>0.066</td>
<td>4.484</td>
<td>0.000</td>
</tr>
<tr>
<td>Psychological Capital -&gt; Innovative Work Behavior</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of the analysis of the influence of psychological empowerment on innovative work behavior through psychological capital show a path coefficient value of 0.295 and a p-value of 0.00 greater than 0.05 (p-value <α), then H4 is accepted. This shows that psychological capital is able to mediate the effect of psychological empowerment on innovative work behavior in a positive and significant way.

4. CONCLUSION

Psychological empowerment has a positive and significant effect on innovative work behavior. The results of this study explain that the stronger psychological empowerment PT. BPR Lestari Bali, the higher the level of innovative work behavior it has.

Psychological capital has a positive and significant effect on innovative work behavior. The results of this study explain that the higher the psychological capital owned by marketing PT. BPR Lestari Bali, the higher the level of innovative work behavior it has.

Psychological empowerment has a positive and significant effect on psychological capital. The results of this study explain that the stronger psychological empowerment PT. BPR Lestari Bali, the higher the level of psychological capital it has.

Psychological capital partially mediates the effect of psychological empowerment on innovative work behavior marketing PT. BPR Lestari Bali. The stronger the psychological empowerment of
marketing employees at PT. BPR Lestari Bali will increase innovative work behavior and the impact will be even greater if through psychological capital.

Research Limitations
The limitation of this research is that the scope of the research is only limited to PT. BPR Lestari Bali so that the results cannot be generalized, regarding the perception or level of interpretation of each respondent in other companies. This research was only conducted in a certain period of time or cross-sectional, while the environment is dynamic so it is hoped that this research can be carried out again in the future. This research is related to sample determination using probability sampling with saturated sampling technique, then for future research, other sampling techniques can be applied, one of which is random sampling so that it can be generalized. This research is limited to only examining innovative work behavior caused by psychological empowerment and psychological capital, so it cannot examine in depth factors outside these variables. Further research can use other variables such as creative self-efficacy to increase innovative work behavior.

REFERENCES
Chang, Y. C. 2018. Analyzing the moderating effect of knowledge innovation of tourism and
hospitality department teachers on student creative self-efficacy and innovation behaviors by using hierarchical linear modeling. Cogent Education, 5(1), 1535755.


Khuntia, J., Yim, D., Tanniru, M., & Lim, S. 2017. Patient empowerment and engagement with a

Press.
Taradita, I Gusti Ayu Sastria. Pengaruh Pemberdayaan Psikologis dan Budaya Organisasi terhadap Perilaku Inovatif. Journal manajemen, 8(6), 3417-3445