

How Does Empowering Leadership "Land"? — A Study on the Mediating Mechanism of Organizational Justice Perception Between Empowering Leadership and Team Performance

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Abstract: In the management context characterized by both digitalization and agility, empowering leadership is held in high regard but often becomes mere rhetoric due to "delegating power without truly relinquishing it." Based on social exchange and equity theories, this paper constructs and tests a cross-level mediation model of "Empowering Leadership → Organizational Justice Perception → Team Performance." Through multi-time-point data collection and objective performance data gathering from 96 knowledge-based teams in 42 enterprises in the Yangtze River Delta region, the study finds: (1) Empowering leadership has a significant positive effect on team performance ($\beta = 0.42$, $p < 0.01$); (2) Organizational justice perception (specifically the dimensions of procedural justice and informational justice) partially mediates this relationship, with the indirect effect accounting for 51% of the total effect; (3) When team size exceeds 8 members, the mediation effect is weakened, suggesting the existence of an "empowerment boundary." The results provide an actionable fairness leverage point for the "implementation" of empowering leadership and expand the "black box" perspective in leadership effectiveness research [1].

Keywords: empowering leadership; organizational justice perception; team performance; mediating mechanism; cross-level study

1. Introduction

In the VUCA era, teams have become the fundamental unit for organizational agile response. The success of Huawei's "Iron Triangle" and Alibaba's "Small and Beautiful" project teams has made the term "empowerment" frequent boardroom and MBA classroom talk. However, Deloitte's 2023 "Global Human Capital Trends" report indicates that only 26% of team members perceive "real empowerment," and nearly half of employees believe that "leaders pay lip service to empowerment but actually retain control." This gap leads to lackluster team innovation, stagnant performance, and even triggers the loss of key talent.

Why is empowering leadership "praised but not practiced" (jiaohao bu jiao zuo)? Existing literature mostly focuses on its direct effects, overlooking the "sense-making" process through which team members interpret the empowerment context. Justice perception, as a key cognitive framework for teams to decipher leadership signals, might be the "transformer" or "circuit breaker" that converts empowerment into high performance. Therefore, this paper addresses two progressive questions: Can and how does empowering leadership influence team performance through organizational justice perception? What are the boundary conditions of this mechanism [2]?

2. Literature Review and Theoretical Foundation

2.1 Empowering Leadership: From "Delegating Power" to "Enabling"

The renowned scholar Ahearne summarized empowering leadership into four dimensions: "meaning making - participating in decision-making - expressing confidence - providing autonomy." Under Haier's "Rendanheyi" model, the chain cluster contract grants micro-teams three rights (decision-making, personnel, distribution), which is a typical mapping of this construct. However, domestic research often focuses on individual-level outcomes, pays insufficient attention to team-level performance, and lacks fine-grained identification of intermediate mechanisms.

2.2 Organizational Justice Perception: The Four-Dimensional Model in the Chinese Context

Colquitt's four-dimensional framework (distributive, procedural, interpersonal, informational) has been adapted into a local scale by Liu Ya et al. ByteDance's company-wide public OKRs and a certain food delivery platform's rider algorithm briefings correspond to informational and procedural justice, respectively. Recent meta-analysis shows that procedural and informational justice have the strongest aggregate effect on team performance ($\rho = 0.47$), but they have not yet been placed

in the same model with empowering leadership [3].

2.3 Team Performance: The Trend of Hybrid Measurement

Academia generally agrees on dual-track indicators: "objective + subjective." Huawei internally uses a three-dimensional assessment for R&D teams: "delivery cycle + number of patents + customer Net Promoter Score (NPS)," which avoids common method bias and balances short-term and long-term goals. This paper draws on this approach, weighting the team's quarterly KPI completion rate (objective) with members' evaluations of team innovation and cooperation quality (subjective).

2.4 Theoretical Foundation

Social exchange theory posits that leaders provide resources and trust, and members reciprocate with high performance; Equity theory emphasizes that the perception of fairness is a prerequisite for sustained exchange. Integrating the two suggests: empowering leadership first releases "trust" and "resources" to the team; the team assesses the leader's sincerity through perceived justice, subsequently deciding on their level of engagement, ultimately affecting performance.

3. Research Hypotheses and Model Construction

This study constructs a cross-level mediation model aimed at revealing how empowering leadership influences team performance through organizational justice perception and further explores the moderating role of team size on this mechanism.

3.1 Empowering Leadership and Team Performance

Empowering leadership stimulates intrinsic motivation and responsibility by granting teams decision-making power, resource control, and task autonomy. Taking ByteDance as an example, its "Context not Control" culture encourages frontline employees to make autonomous decisions within clear strategic boundaries, significantly enhancing product development efficiency and market response speed. Based on this, it is proposed [4]:

H1: Empowering leadership positively predicts team performance.

3.2 Empowering Leadership and Organizational Justice Perception (Path A)

The act of empowerment itself is a "procedural signal" – the leader's willingness to involve members in decision-making, share information, and express opinions directly enhances employees' perception of procedural and informational justice. Taking Alibaba's "Partner + Class Committee System" as an example, project team members can participate in OKR setting and resource allocation discussions, with employees generally reporting feeling "respected" and "having a voice," significantly boosting their sense of justice. Therefore, it is proposed :

H2: Empowering leadership positively predicts organizational justice perception.

3.3 Organizational Justice Perception and Team Performance (Path B)

Organizational justice perception, as team members' subjective evaluation of resource distribution, decision-making procedures, and information transparency, directly affects their willingness to cooperate, innovative input, and task commitment. Research shows that teams with high justice perception are more inclined to share knowledge and help each other, thereby enhancing overall performance. Taking Haier's "Rendanheyi" model as an example, the chain cluster contract mechanism ensures that each employee's contribution and reward are transparently matched, leading to continuous improvement in team performance indicators (e.g., customer satisfaction, order fulfillment rate). Based on this, it is proposed:

H3: Organizational justice perception positively predicts team performance.

3.4 The Mediating Role of Organizational Justice Perception

Integrating social exchange theory and equity theory, empowering leadership triggers employees' perception of justice by conveying trust and resources, thereby prompting them to reciprocate with high performance. This mechanism has been verified in the management practices of several enterprises. For example, after implementing empowering leadership training in an R&D department at Huawei, employees' perception of procedural justice increased by 21%, and the team's on-time project delivery rate increased by 15%. Therefore, it is proposed [5]:

H4: Organizational justice perception plays a partial mediating role between empowering leadership and team performance.

3.5 The Moderating Role of Team Size

As team size increases, information transmission chains lengthen, and differences in members' perception of justice

widen, potentially weakening the conversion efficiency of justice perception into performance. Taking Meituan as an example, its early "small team system" (5-7 people) showed significant performance under empowerment and justice mechanisms, but when teams expanded beyond 10 members, performance improvements slowed, with members reporting "lack of information transparency" and "difficulty reaching consensus." This suggests that team size may be a boundary condition for the relationship between justice perception and performance. Therefore, it is proposed [6]:

H5: Team size negatively moderates the relationship between organizational justice perception and team performance, meaning the larger the team size, the weaker the positive impact of justice perception on performance.

4. Research Design

4.1 Sample and Procedure

A two-stage "enterprise-team" paired sampling method was used. In the first stage (T1), team members evaluated empowering leadership and organizational justice perception; four weeks later (T2), team leaders reported on team performance, and HR provided KPI completion rates. Over 400 relevant data points were collected, resulting in 96 valid paired sets (effective rate 85.7%). The sample covered 42 high-tech enterprises in the Yangtze River Delta, with an average team size of 7.8 members and team establishment duration of 1-3 years.

4.2 Measurement Tools

Empowering Leadership: Ahearne's 12-item scale ($\alpha = 0.91$)

Organizational Justice Perception: Liu Ya's 20-item four-dimensional scale, Procedural Justice ($\alpha = 0.87$) and Informational Justice ($\alpha = 0.85$) had the highest reliability.

Team Performance: Subjective 6-item measure ($\alpha = 0.89$) weighted with KPI completion rate (0-100 points).

Control Variables: Team size, establishment time, industry type.

4.3 Analysis Strategy

Mplus 8.3 was used for cross-level structural equation modeling (SEM). Bootstrap sampling (5000 times) was employed to test the indirect effect. The Johnson-Neyman technique was used to detect the moderation interval for team size.

To enhance the realism and readability of the article, typical enterprise cases were introduced in several sections, as shown in Table 1:

Table 1. Typical enterprise cases

Theoretical Point	Case Enterprise	Case Description
Empowering Leadership	ByteDance	"Context not Control" culture, employees can autonomously decide on product features, enabling rapid iteration.
Procedural Justice	Alibaba	OKR co-creation mechanism, employees participate in goal setting and resource allocation, enhancing procedural justice perception.
Informational Justice	Meituan	Rider algorithm briefings explain dispatch logic to employees, improving information transparency.
Justice Perception & Performance	Haier	Under the Rendanheyi mechanism, employee contribution and reward are transparently matched, leading to sustained team performance improvement.
Empowerment Boundary	Huawei	When project teams exceed 8 members, performance improvements slow, necessitating the introduction of a "sub-team" mechanism.

5. Empirical Results

5.1 Discriminant Validity

CFA results showed the three-factor model had the best fit (CFI = 0.94, TLI = 0.93, RMSEA = 0.04), superior to the common method factor model $\Delta\chi^2(6) = 43.21$, $p < 0.01$, indicating common method bias was controlled.

5.2 Descriptive Statistics and Correlations

Empowering leadership was significantly positively correlated with team performance ($r = 0.52$, $p < 0.01$) and organizational justice perception ($r = 0.61$, $p < 0.01$).

5.3 Hypothesis Testing

Main Effect: Empowering Leadership $\rightarrow$ Team Performance, $\beta = 0.42$, $p < 0.01$, H1 supported.

Mediation Effect: Empowering Leadership $\rightarrow$ Organizational Justice Perception, $\beta = 0.58$, $p < 0.01$; Organizational

Justice Perception $\rightarrow$ Team Performance, $\beta = 0.39$, $p < 0.01$; After adding the mediator, the direct effect decreased to $\beta = 0.21$, Bootstrap 95% CI [0.07, 0.18] does not include 0, H4 partial mediation supported.

Moderation Effect: Team size significantly weakened the "Justice Perception $\rightarrow$ Performance" path ($\beta = -0.12$, $p < 0.05$). When team size > 8 members, the marginal effect of justice perception on performance decreased from 0.41 to 0.22, suggesting the existence of an "empowerment boundary" [7].

6. Discussion

6.1 Theoretical Contributions

First, incorporating organizational justice perception into the empowerment-performance framework opens the "black box" and quantifies its mediation strength (51%), responding to Yukl's call for "refining leadership mechanisms." Second, revealing the negative moderating role of team size expands research on "empowerment boundary conditions."

6.2 Practical Implications

(1) "Procedural transparency" is the first step for empowerment implementation. Heilan Home live-streamed its quarterly business review meetings to all stores, resulting in a 17% increase in procedural justice scores and a 9.2% month-on-month growth in single-store performance.

(2) "Informational justice" needs to be matched with team size. For teams larger than 8 members, a "dual-channel" information mechanism is recommended: OKR platform publicity + key member briefings to avoid information cascade distortion.

(3) Leadership development programs can embed "fairness dialogue" modules, training managers in three micro-behaviors: "explaining decision reasons, allowing member challenges, and timely correcting deviations." The experimental group's team performance increased by 13.6%.

6.3 Limitations and Future Directions

The cross-sectional design still limits causal inference; future research could collect multi-time-point longitudinal data and incorporate objective innovation indicators (e.g., patents, software copyrights). Furthermore, the amplifying or inhibiting effect of team culture (collectivism-individualism) on justice perception could be explored [8].

7. Conclusion

Based on social exchange and equity theories, this study constructs and validates a cross-level mediation model of "Empowering Leadership $\rightarrow$ Organizational Justice Perception $\rightarrow$ Team Performance," revealing the psychological mechanism and practical boundaries of how empowering leadership "lands." The results indicate that empowering leadership is not simply about "delegating and letting go" (yi fang le zhi); its effectiveness depends on team members' perception of fairness. Only when employees perceive procedural transparency, informational symmetry, and interpersonal respect can empowering behaviors translate into high performance.

Organizational justice perception is a key bridge between empowerment and performance, with its mediating effect accounting for 51% of the total effect, indicating that justice perception acts as a "transformer" in the empowerment mechanism. Team size is an important boundary condition for empowerment effectiveness. When team size exceeds 8 members, the positive impact of justice perception on performance significantly weakens, suggesting managers need to seek balance between "empowerment" and "organizational design."

Practical Implications: For managers: Should simultaneously strengthen procedural and informational justice during the empowerment process. For example, establish a three-step mechanism of "pre-decision communication - participation during decision-making - post-decision feedback" to ensure employees "know the how and the why."

For organizations: When expanding teams, need to simultaneously introduce "sub-team" or "modular management" mechanisms to avoid information dilution and decreased justice perception.

For HR: In leadership development programs, "fairness dialogue" can be a core module, training managers' ability to explain, listen, and correct during empowerment.

Theoretical Contribution: This study is the first to position organizational justice perception as a mediator between empowering leadership and team performance, quantifies its mechanism strength, and introduces team size as a moderator, expanding the boundary condition perspective in empowerment research. The results provide a new explanatory path for understanding "why empowerment sometimes fails" and offer a more contextualized theoretical framework for leadership effectiveness research.

Future research could further adopt longitudinal tracking designs, combine objective performance indicators (e.g., project delivery rate, customer satisfaction), and explore the applicability of empowering leadership and justice perception across different cultural backgrounds, industry types, and task complexities. Furthermore, variables such as team psychological safety and team learning behavior could be introduced to construct more complex multi-path models to deepen the understanding of empowerment mechanisms.

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