

## **Finding the Silver Lining: Mediating Role of Optimism between Psychological Empowerment and Employee Creative Performance in Hospitality Sector of Pakistan**

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### **Abstract**

*This study investigates the effect of psychological empowerment on employee creative performance in the hospitality industry of Pakistan, with optimism examined as a mediating variable. Data were obtained from 350 employees working in hotels and restaurants in Twin cities of Rawalpindi and Islamabad using structured questionnaires. A cross-sectional, correlational design was applied, and the data were analyzed using SPSS. The results reveal that psychological empowerment has a significant positive effect on employee creative performance. Moreover, optimism significantly mediates the relationship between psychological empowerment and creative performance, which highlights its role as a psychological resource that translates empowerment into creativity. From a managerial perspective, the findings suggest that empowerment-oriented HR practices and training programs that foster optimism can effectively enhance the creativity of employee in the hospitality sector.*

*Keywords: Psychological Empowerment; Employee Creative Performance; Optimism,*

### **Introduction**

The global economy has been changing at a rapid rate due to technological disruption, globalization, and alterations in customer expectations, thereby enhancing the relevance of creativity in the workplace. The hospitality sector requires creativity particularly due to the fact that hotels and restaurants should continuously be innovated to provide customized services and to stand out in an extremely competitive market (Kabangire & Korir, 2023). With the aid of creativity, employees are able to develop new ideas, improve service delivery, and address the diverse cultural and behavioral needs of international customers, thereby achieving a sustainable growth and long-term success (Wang et al., 2021).

The hospitality industry is a significant component of services sector in developing countries such as Pakistan, which has been observed to contribute about 58% of national GDP (Economic Survey of

Pakistan, 2023). However, external challenges, which includes the COVID-19 pandemic and natural disasters, have placed additional pressure on this sector, which requires organizations to rely even more on the creative capacities of their workforce to adapt and thrive (Moosvi & Ali, 2022). According to the World Economic Forum (2023), noted that creativity is one of the top sought-after skills that employees in Pakistan possess, which represents its strategic value in the future of the sector. Psychological empowerment (PE) is one of the factors that have always been associated with increased employee creativity. Psychological empowerment is intrinsic sense of control among employees, motivation and perceived influence at work (Spreitzer, 1995). Contrary to the conventional concept of empowerment that focuses on delegation, PE focuses on self-motivated ideals that prompt workers to experiment, act proactively, and invent creative problem-solving (Xie et al., 2022). Previous studies have shown that psychologically empowered workers tend to be more engaged, resilient, and committed to introducing innovative ideas to organizational results (Alhosani & Ahmad, 2024).

Nevertheless, existing literature has produced inconclusive evidence on the correlation between psychological empowerment (PE) and employee creativity (ECP). Some researchers confirm that there is a positive correlation, and others record weak or insignificant correlations (Li et al., 2024). These discrepancies suggest that there must be mediating processes underlying the phenomenon of PE to be converted into ECP. One of such mechanisms is optimism, which is central to positive psychology. Positive employees perceive a problem as an opportunity and regard a setback as temporary, which builds resilience, develops motivation, and promotes creativity in difficult situations (Utomo et al., 2025). The optimism in hospitality business can empower the concept of psychological empowerment to be stronger in the efforts to ensure that employees think solution-based and innovative to address the problems of customers and the organization. Moreover, optimism is particularly significant in stressful workplace environments like hospitality where frontline employees often experience unpredictable work, cultural diversity, and emotional labor (Maslaci & Sesen, 2019). Employees with a positive mind will find it easier to deal with difficult guests, address service failures, and convert obstacles into innovation opportunities. With the increasing vulnerability of the hospitality organizations in Pakistan to both the local and global competition, optimism strengthens not only the psychological resilience, but also the psychological empowerment of people in driving the continued creativity. The empowerment and optimism interaction is a synergy which presents an effective route towards development of creative performance but has not been well researched in the literature.

Despite its significance, the role of optimism in mediating the relationship between psychological empowerment and creativity has received limited research particularly in the context of Asian service. Most of the earlier research has been conducted in the West or manufacturing industry (Coelho et al., 2021), not taking into account hospitality organizations in Pakistan, where customer satisfaction and innovation are the tools of remaining competitive.. This gap indicates that there is a necessity to investigate the role of psychological empowerment in enhancing the creativity of employees by fostering optimism in this aspect. Based on this, the proposed research study answers the following research question: How does psychological empowerment affect employee creative performance within hospitality industry of Pakistan, and to what extent does such a relationship mediate through optimism?

By investigating this question, the study makes three contributions. First, this study enhances creativity research by exploring optimism as a psychological pathway that clarifies the connection between psychological empowerment and employee creativity. Secondly, it further contributes to the

hospitality management field by presenting empirical findings from Pakistan, a context that is rarely examined in the organizational behavior research. Finally, it offers practical insights for managers to design strategies that nurture empowerment and optimism, which thereby foster creativity among frontline employees.

## **Literature Review and Hypothesis Development**

### ***Relationship between Psychological Empowerment and Employee Creative Performance***

The concept of creativity can be generally defined as the capacity to generate novel and practically useful ideas (Dow, 2022; Green et al., 2024), which is highly motivated. This process is predominantly influenced by psychological empowerment as an intrinsic source of motivation that demonstrates meaning of the workforce, competence, self-determination, and impact (Spreitzer, 1995), plays a central role in shaping this process. According to previous studies, empowered employees have a more powerful self-belief and a desire to adapt to the status quo, which positively affects their ability to think creatively (Sahadev et al., 2024; Sheeba & Christopher, 2024). Empirical research has repeatedly shown a positive correlation between PE and creativity because when employees feel trusted and competent, they are more prone to seek alternative ways of thinking, offer new solutions, and show innovative behaviors (Chamberlin et al., 2018).

Creativity can be seen in the context of problem-solving in new and efficient ways in situations at the workplace, particularly in the hospitality industry where frontline workers are likely to deal with the complex demands of the customers (Ye et al., 2020). It is enabled through psychological empowerment which empowers self-efficacy, gives workers autonomy and allows them to make their work seem meaningful and impactful. Such cognitions prompt them to think critically about their work, innovate on new methods, and exceed the normal routine, which altogether boost the creative output of employees (Tran Huy, 2025). Based on this, we hypothesized that,

H1: Psychological Empowerment significantly contributes to Employee Creative Performance.

### ***Relationship between Psychological Empowerment and Optimism***

PE is an internal drive and belief of a worker in the ability to influence his or her work environment with a sense of meaning, competence, autonomy, and influence (Bharadwaja & Tripathi, 2021). As employees feel empowered, they have more sense of control and accountability in their jobs, thus increasing their confidence in achieving the successful outputs. This is closely related to optimism, a psychological asset that determines the way in which people perceive obstacles and visualize successful outcomes (Alismail et al., 2025). Empowered employees are therefore more likely to maintain optimistic expectations, as they perceive themselves as capable contributors who can shape the outcomes of an organization.

Optimism also enhances the motivational impact of psychological empowerment by promoting proactive coping, and persistence amidst adversities. Therefore, when the empowerment leads to a sense of control and self-efficacy, there will be a greater likelihood that they will perceive challenges as developmental opportunities rather than obstacles, which supports a positive attitude. Combined, psychological empowerment and optimism reinforce each other. Empowerment gives employees the structural and cognitive foundations to develop a sense of capability and influence, whereas optimism ensures that the sense of capability is focused on positive expectations and adaptive behaviors. Based on these studies, we hypothesized that,

H2: Psychological Empowerment significantly contributes to optimism.

### ***Relationship between Optimism and Employee Creative Performance***

Optimism, a general anticipation that good things will happen, has a strong correlation with life satisfaction in general and work performance. Past studies confirm that sales professionals with high levels of optimism are more likely to implement creative solutions and engage proactively with their clients, enabling them to handle issues with innovative approaches (Hur et al., 2021). Organizations also contribute towards transforming optimism into creative effort. There is evidence that the teamwork and job engagement support the customer-facing workers that generate more commitment and provide more creative service delivery (Sahi et al., 2025). Optimism also reinforces this process by promoting persistence in problem-solving and resilience in the face of challenges (Reyes et al., 2025). Notably, realistic optimism keeps the employees grounded, as they consider the challenges as opportunities instead of a threat (Lussier & Hartmann, 2017). Through this, optimism is a key mediator that helps psychological empowerment to entirely be converted to greater creativity and innovation.

H3: Optimism significantly contributes to Employee Creative Performance.

#### ***Relationship of Optimism between Psychological Empowerment and Employee Creative Performance***

PE gives employees meaning, autonomy, competence, and impact, which in combination increase their intrinsic motivation and desire to work creatively (Blaique et al., 2023). Positive workers believe that failures are caused by external or temporary factors and success is caused by their capabilities and hard work, which leads them to explore the new ideas and take creative risks to ensure the empowerment experience is not hardened by the fear of failure but rather inspires resilience, persistence, and forward-thinking behavior when solving problems (Liang & Cao, 2021). In this way, optimism functions as a crucial mediator that enables psychological empowerment to fully translate into higher levels of creativity and innovation.

H4: Optimism mediates the relationship between psychological empowerment and Employee Creative Performance.

#### **Underpinning theory**

##### ***Self-Determination Theory***

The Self-Determination Theory (SDT) is most applicable to our research since it provides an in-depth explanation of the inner psychological processes that make the employees creative and innovative. Although other theories, such as the Job Demands-Resources Model or Social Cognitive Theory, might highlight the external factors or processes of behavior, SDT is the only theory that concentrates on the intrinsic sources of motivation, which are grounded in the satisfaction of the autonomy, competence, and relatedness. Self-Determination Theory (SDT), was introduced by Ryan & Deci (2019), which provides a robust framework for explaining intrinsic motivation, personality growth, and overall well-being. The theory focuses on the satisfaction of three universal psychological needs, autonomy, the feeling of making self-guided decisions; competence, the sense of efficiency and mastering of activities; relatedness, the sense of establishing significant social relationships (Gagné & Deci, 2014). In the workplace, these psychological needs are critical towards cultivating creativity and innovation. Autonomy allows employees to experiment, risk, and seek non-traditional solutions, and competence empowers employees to participate in problem-solving and innovative activities. Relatedness, in turn, facilitates teamwork and idea generation, which builds an environment where creativity can flourish as demonstrated in Figure 1 (Baer & Oldham, 2006). Unlike other theories that tend to view motivation as an outcome of external stimuli or rewards, SDT focuses on the intrinsic satisfaction that are generated as a result of the creative working process.

In relation to the creativity of an employee, SDT highlights that intrinsic motivation acts as the foundation for sustained innovative performance. Optimism, as a personal resource, enables the employees to view obstacles as opportunities, remain persistent in the face of setbacks, and proactively search for new solutions (Carver & Scheier, 2021). Because our study centers on the internal motivational dynamics that inspire creative thinking ability of an employee, rather than external job conditions or observational learning, SDT provides a directly aligned and theoretically robust foundation.

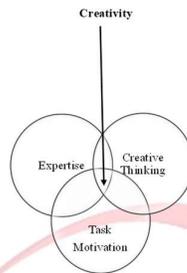
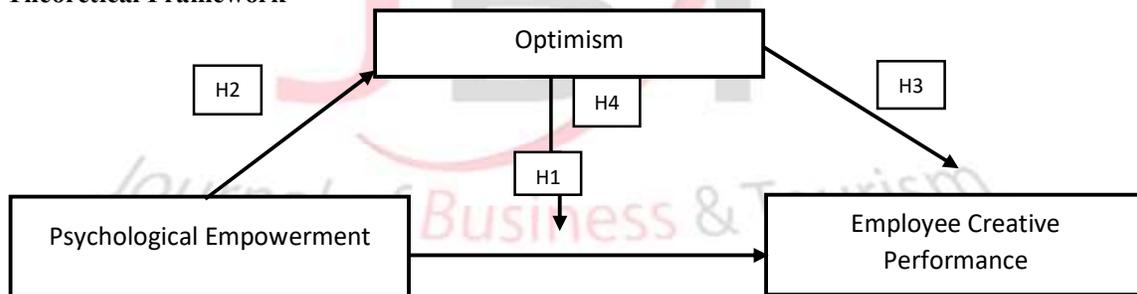


Figure 1: Parameters for inducing creativity within an organizational workforce  
Adapted from “The social psychology of creativity: A componential conceptualization.”, by Amabile, 1983, p.357

**Theoretical Framework**



### Methodology

Data for this study were gathered through a structured, self-administered questionnaire which are distributed to employees of hotels and restaurants located in the twin cities of Rawalpindi and Islamabad, Pakistan. A non-probability convenience sampling method was employed to collect the responses because this approach is widely employed in organizational and behavioral studies when the researchers have limited access to respondents and the sampling frames are not easily accessible. This approach was considered appropriate for the objectives of the study because it allowed the researcher to target participants who were readily accessible and had relevant experience with workplace creativity and psychological factors, which ensures the inclusion of respondents who could provide meaningful insights. A total of 350 valid responses were collected; which met the sample size requirements for Structural Equation Modeling (SEM). The questionnaire consisted of 25 items, which are derived from established and widely validated scales, designed to measure PE, optimism, and ECP using a five-point Likert scale. The collected data were analyzed using SPSS, which was utilized to examine the proposed hypotheses and assess the overall research framework.

**Table 1:** Variable Measurements

Measures	No of Items	Sources
Employee Creative Performance	4	(Zhou & George, 2001)
Psychological Empowerment	12	(Spreitzer, 1995)
Optimism	9	(Pedrosa et al., 2015)

### Analysis and Empirical Results

#### Sample Characteristics

Table 2 shows that the sample represents a diverse workforce in the hospitality industry in Rawalpindi and Islamabad. The age distribution was dominated by young professionals, with 24.0% aged 26-30 and 23.7% aged 20-25, 22.2% aged 36-40 and 11.7% aged 41 years and above. In terms of professional experience, the majority of participants were in the 1-3 years of experience in the hospitality industry (41.7%), with 14.3% having an experience of more than 10 years. The education level of the respondents was also highly educated with 35.7% having Masters degrees, 33.7% having Bachelor's degrees and only a small percentage of 4.6% having Matric education and 10.3% having Intermediate education. By business type, the highest proportion (42.8%) pertained to the category of hotels and restaurants, and the other category is restaurants alone (31.1%) and hotels alone (24.6%). Managers (43.7%), housekeeping personnel (7.4%), and other jobs dominated the job roles, thereby providing a useful insight into how the digital transformation affects the workforce performance in the hospitality industry.

**Table 2:** Sample Characteristics

Demographic	Indicators	Frequency	Percentage (%)
Age	20–25	83	23.7

	26–30	86	24.0
	31–35	60	17.1
	36–40	80	22.9
	41 and above	41	11.7
Experience in Hospitality Industry	1–3 years	147	41.7
	4–6 years	77	21.7
	7–10 years	76	21.7
	10 years and above	50	14.3
Qualification	Matric	16	4.6
	Intermediate	36	10.3
	Bachelor	118	33.7
	Master	126	35.7
	MS/PhD	54	15.1
Business Type	Hotel	86	24.6
	Restaurant	110	31.1
	Both	154	42.8
Job Role	Manager	154	43.7
	Owner	54	15.1
	Front Desk/Receptionist	64	18.3
	Chef	33	9.4
	Housekeeping	26	7.4
	General Accountant	4	1.1
	Accountant/Accounts	5	1.4
	Others	10	2.86

### Correlation and Descriptive Statistics

The descriptive statistics show that all three constructs were rated comparatively high by the respondents, the highest mean was the Employee Creativity Performance (ECP) ( $M = 3.99$ ,  $SD = 0.75$ ) and the second mean was Psychological Empowerment (PE) ( $M = 3.92$ ,  $SD = 0.64$ ) and the third mean was the Optimism (O) ( $M = 3.76$ ,  $SD = 0.68$ ). The standard deviations across the various variables are also quite small meaning that there is a homogeneity in the responses of the participants. The results of the correlation analysis show that there are strong and significant positive correlations among all the variables. More specifically, PE was positively related with ECP ( $r = .80$ ,  $p < .01$ ), indicating that the greater the employee empowerment, the more creative they become. Similarly, PE had a positive and significant correlation with O ( $r = .72$ ,  $p < .01$ ) meaning that empowered workers are more optimistic. Furthermore, ECP was positively correlated with O ( $r = .68$ ,  $p < .01$ ) showing that optimism is conducive to better creative performance. Hence, it can be seen that the findings suggest that psychological empowerment and optimism have a mutually reinforcing and complementary relationship, in terms of the creativity of employees in the hospitality industry as depicted in Table 3.

**Table 3:** Descriptive Statistics and Correlations

Construct	Mean	SD	1	2	3
Psychological Empowerment (PE)	3.92	0.64	1		
Employee Creativity Performance (ECP)	3.99	0.75	.796**	1	
Optimism (O)	3.76	0.68	.718**	.679**	1

Notes: \*\* correlation is statistically significant at the 0.01 level in a one-tailed test.

### Collinearity Statistics VIF Test

The collinearity diagnostics do not indicate any serious multicollinearity problems with the regression model. The conditions indices for the second (13.23) and third factors (19.31) remain below the critical value of 30 which indicates that multicollinearity is not problematic. While the third dimension shows relatively higher variance proportions for Psychological Empowerment ( $PE = .94$ ) and Optimism ( $O = .74$ ), these values do not indicate a severe collinearity issue, as the overall eigenvalues remain acceptable. Taken together, the diagnostics confirm that PE and O contribute independently to predicting Employee Creativity Performance (ECP) without excessive overlap.

**Table 4:** Collinearity Diagnostic VIF Test

Collinearity Diagnostics <sup>a</sup>						
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions		
				(Constant)	PE	O
1	1	2.975	1.000	.00	.00	.00

	2	.017	13.228	.93	.05	.26
	3	.008	19.313	.07	.94	.74
a. Dependent Variable: ECP						

**Model Fit Test Result**

The regression analysis demonstrates that the explanatory power is high with an R value of .811 indicating a positive strong relationship between the independent variables, which are PE and Optimism (O) and the dependent variable, which is ECP. The value of R<sup>2</sup> is 0.658 which means that PE and O provide an approximate of 65.8% of the total variance in ECP. The adjusted R<sup>2</sup> (.656) also shows the stability of the model once it has been adjusted to the number of predictors used. In addition, the F-statistic (F = 332.83, p < .001) shows that the model is statistically significant, which indicates that PE and O have a significant effect on the creativity of employees. Lastly, the value of Durbin Watson (1.629) falls within the acceptable range, which means that there is no issue with autocorrelation of the residuals in this analysis.

**Table 5: Model Fitness Test**

<b>Model Summary<sup>b</sup></b>										
Model	R	R Squared	Adjusted R Squared	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. Change	Durbin - Watson
1	.811 <sup>a</sup>	.658	.656	.44201	.658	332.830	2	34	.000	1.629
							0	6		
<b>a. Predictors: (Constant), O, PE</b>										
<b>b. Dependent Variable: ECP</b>										

**Hypothesis Testing Result**

The results in Table 6 provide strong support for the proposed mediation model. First, the direct effect of psychological empowerment (PE) on optimism (O) was significant (b = 0.760, p < .001), which demonstrates that empowered employees are more optimistic about their work and future. Secondly, optimism had a positive impact on employee creative performance (b = 0.245, p < .001) so people with a stronger optimistic attitude will create and implement ideas more successfully. Thirdly, overall, PE had a strong impact (b = 0.932, p < .001) and the direct impact was also significant when the mediator was included (b = 0.746, p < .001). This means empowerment drives creativity independently and optimism partially mediates the relationship. The mediating effect of optimism (b = 0.186, 95% CI [0.107, 0.270]) was significant so there is partial mediation.

So, the findings show that psychological empowerment triggers creativity directly but optimism is a psychological route that amplifies the effect of psychological empowerment. Empowerment gives employees confidence and autonomy and optimism keeps them persistent, resilient and able to produce ideas which is critical in a dynamic and challenging hospitality industry.

**Table 6:** Mediation analysis using process by Preacher and Hayes (2008)

Path	Coefficient (b)	SE	t	p
a: PE → O	0.7602	0.0396	19.1891	0.000
b: O → ECP	0.2445	0.0498	4.9066	0.000
c: PE → ECP (total effect)	0.9315	0.0380	24.5272	0.000
c': PE → ECP (direct effect)	0.7456	0.0528	14.1224	0.000

Note. B = unstandardized regression coefficient; CI = confidence interval; Bootstrap sample = 5000. Indirect effect is significant because the 95% CI does not include zero. PE = Psychological Empowerment, O = Optimism, ECP = Employee Creative Performance.

Table 7 shows that optimism partially mediates the relationship between PE and ECP. PE had a significant overall effect on ECP ( $c = 0.932, p < .001$ ) meaning empowerment is a strong predictor of creativity. The direct effect was significant ( $c' = 0.746, p < .001$ ) meaning PE independently increases ECP. Similarly, the indirect effect through optimism was also significant ( $a \times b = 0.186$ ), with the confidence interval [0.107, 0.270], confirming mediation. Since both direct and indirect effects are significant, we can conclude that optimism partially mediates the effect of PE on ECP. This means empowerment not only directly increases creativity but also optimism which in turn increases the ability to behave innovatively.

**Table 7:** Total, direct, and indirect effects

Relationship	Total effect (c)	Direct effect (c')	Indirect effect (a×b)	Confidence Interval		Conclusion
				BootLLCI	BootULCI	
PE → O → ECP	0.9315 (0.000)	0.7456 (0.000)	0.1859	0.1070	0.2699	Partial mediation

### Discussion

This study focuses on the effect of PE on ECP through optimism. The findings support H1 significantly, which showed that PE produces a significant positive effect on ECP. When employees feel greater autonomy, meaning, competence and influence in their work, they have a greater likelihood of generating and using creative ideas at work. This observation aligned with the recent research within the hospitality industry highlighting the importance of empowerment as a key catalyst of creativity and innovation (Akkoç et al., 2022). Similar results were observed by Pattnaik & Sahoo (2021), who identified that empowered employees feel more motivated to participate in problem solving and exhibit proactive creativity. Furthermore, recent work by Olafsen et al. (2025), also support the idea that empowerment produces psychological ownership, which increases the readiness of employees to take risks and experiment with new ideas..

Further, the analysis further validates H2, that psychological empowerment is a significant contributor to optimism. When employees feel empowered, they are likely to have a positive attitude towards their jobs and future prospects because empowerment makes them confident and less desperate. Empirical research by recent scholars has also shown that empowerment helps to build positive psychological states, such as optimism and resilience, that are essential in uncertain work settings (Hosseini et al., 2024). Optimism based on empowerment can enable employees in hospitality and service sectors, where staff members are often faced with the difficult task of dealing with customers, to stay motivated and flexibly respond to problems (J. Peng et al., 2022). It means that PE is not a structural resource only but a psychological facilitator that enables employees to be optimistic to face the problems constructively.

Optimistic employees are also more persistent in problem resolution and view constraints as innovation opportunities. In the recent past, optimism has been listed among the psychological resources that positively affect the level of creativity, resilience, and proactive work behavior (Singh et al., 2023). Optimism, in the hospitality context, will allow employees to be solution-focused, which is especially crucial in dynamic and customer-centric environments. Studies also indicate that optimism does not just improve the level of creativity at an individual level but also fosters team-based innovation in service operations (J.-C. Peng & Chen, 2023). Therefore, optimism can be seen as an important psychological driver that transforms positive attitudes into realistic creative outcomes that, in turn, support H3. Additionally, empowered employees will tend to acquire a positive attitude that further enhances their capacity to depict innovative behaviors. This is in line with the existing literature that optimism is a psychological process that links resources on the job to output (Bharti et al., 2022; J.-C. Peng & Chen, 2023). Specifically, empowerment creates the atmosphere of optimism which in turn helps employees to face the challenges and generate new solutions. So, supporting H4.

#### **Theoretical and Practical Contributions**

The study adds to the theoretical knowledge on psychological empowerment and staff creativity by introducing optimism as a mediator. Although SDT highlights the role of psychological resources in shaping the impact of employees, this study reveals the role of empowerment that creates optimism which in turn drives creative performance. Most of the previous studies have focused on empowerment as a direct antecedent of creativity but this study highlights the importance of optimism as a psychological route map in converting empowerment to creativity. By doing so, the study widens the scope of empirical work on empowerment not only by incorporating psychological perspectives but also by adding to the body of research that is emerging in the relationship between motivation, positive psychology and creativity. The findings also contribute to the hospitality literature since it shows that psychological empowerment is a structural facilitator and it also produces positive psychological conditions which are useful in customer or frontline services environment.

As a manager, the results give practical information on how to enhance creativity within the hospitality sector. First, managers ought to concentrate on empowerment of employees by giving them independence, meaningful work, and competence, as at the same time they not only increase creativity directly but also build optimism. Secondly, the psychological resources like optimism, which prepares the employees to see challenges as opportunities, should be incorporated in

training and development programs. Third, organizations can develop empowerment-based HR practices, including participative decision-making, flexible job roles, and recognition systems, which strengthen the feeling of ownership and confidence of the employees.

### Limitations and Future Research Directions

Despite the valuable findings presented in this study, it has some limitations. A cross-sectional design does not allow us to make a causal inference; hence, it is recommended to use longitudinal or experimental designs in future research to better establish the causal relationship over time between empowerment, optimism, and creativity. Second, the study was conducted within the hospitality sector, which may limit generalizability to other industries. Future studies could examine whether similar mechanisms operate in knowledge-intensive, manufacturing, or technology-driven contexts. The research is based on self-reported data, which may be susceptible to common method bias. Future researchers may consider investigating whether these mechanisms apply to knowledge-intensive, manufacturing, or technology-driven situations. The study relies on self-reported data, which could be prone to common method bias. In order to enhance validity, it is possible that the data on employee creativity as measured by their supervisors can be included in further research. Lastly, future studies might build on the model by investigating other positive psychological resources (e.g. hope, resilience or self-efficacy) as alternative or modifying mediators or moderators.

### Conclusion

This paper has revealed that psychological empowerment can make employees more creative directly or indirectly through optimism. Empowered employees not only become more autonomous, competent and meaningful in their work, but also gain a positive attitude that leads to creativity and innovation. The resulting findings add value to theory and practice by integrating empowerment and optimism in offering new information as to how organizations may develop creativity in dynamic service environments. The paper reveals the importance of expanding empowerment as structural and psychological enabler, which ultimately enables organizations to build resilient, innovative and future-oriented workforces.

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