

Is Psychological Capital A Mediator Between Authentic Leadership And Job Performance Among Teachers Of Private Sector Universities Of Pakistan?

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Abstract

The objective of current research is to investigate the role of psychological capital as a mediator between authentic leadership and job performance among teachers of public sector universities of Pakistan. Authentic Leadership Inventory (Neider & Schriesheim, 2011) was used to measure the overall authentic leadership and its dimensions: Balanced Processing, Rational Transparency, Internalized Moral Perspective and Self-Awareness. Psychological Capital Questionnaire (Luthans, Avey, Avolio, Norman, & Combs, 2006) was used to measure the overall psychological capital as well as its dimensions: Hope, Optimism, Self-Efficacy and Resilience. Job Performance Questionnaire (Goodman & Svyantek, 1999) was used to measure the overall job performance and its dimensions: In-Role Performance and Extra-Role Performance. Data were collected from four hundred and sixty five (N=465) faculty members of public sector universities of Baluchistan, Sindh, Punjab and KP of Pakistan. SPSS and Amos were employed to analyze the data. Authentic leadership was found to have a significant association with job performance and with its two dimensions. The results also showed that authentic leadership has a significant association with psychological capital and its four dimensions. Psychological capital was also found to have as significant association with job performance and its dimensions. Finally, the results revealed that psychological capital played a role of mediator and partially mediated the relationship of authentic leadership and job performance.

Keywords: Psychological Capital; Job Performance; Authentic Leadership; Faculty; Pakistan.

Introduction

Economic, industrial, technological and political developments in previous decades is thought to be the efforts of the leaders as they were fair in dealing and were aware of the required values hence they channeled their organizations from ethical and moral perspectives (Clapp-Smith, Vogelgesang, & Avey, 2009). Different empirical studies focused affirmative leadership styles, where moral and ethical behavior of a leader was

emphasized (Arda, Aslan, & Alpan, 2016). It was believed that leaders are not only supposed to motivate employees but also to act and behave in a morally and ethically responsible way (Lusianingrum & Santoso, 2022). Resultantly, a dramatic increase has been observed in researchers' interest in the construct of authentic leadership in past decades, which advocates that leaders observe comprehensive moral standards and act according to the firmly held values

(Gardner, Cogliser, Davis, & Dickens, 2011). Remarkable research evidence show that authentic leadership positively influence organizational performance (Hmieleski, Cole, & Baron, 2012) and employees related outcomes, including commitment (Guerrero, Lapalme, & Séguin, 2015), job satisfaction (Giallonardo, Wong, & Iwasiw, 2010), job performance (Leroy, Palanski, & Simons, 2012), work engagement (Hsieh & Wang, 2015), voice behavior (Hsiung, 2012), intention to quit (Azanza, Moriano, Molero, & Mangin, 2015), proactive behavior (Cai, Parker, Chen, & Lam, 2019) and belief in leadership (Wong, Spence Laschinger, & Cummings, 2010).

Authentic Leadership

Authentic leadership originates when a leader have positive and productive effect on his people because of his fair attitude and friendly behavior (Rego, Lopes, & Nascimento, 2016) due to the fact that authentic leaders stay real to themselves and portray honesty, integrity, sincerity and sound moral and ethical values (Leroy, Anseel, Gardner, & Sels, 2015). Different researchers have defined authentic leadership in different ways (Gardner et al., 2011) however the most abundantly used definition is suggested by Walumbwa et al. (2008) as “A pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development”. These components when combined, offer a vibrant view of authenticity of a leader who is ready to express his real or true self while talking openly (relational transparency) and acting (internalized moral perspective), who is also ready to adjust to interpersonal demands by remaining open and flexible to inputs (Balanced procession) and looking for feedback and

response (self-awareness) (Kernis & Goldman, 2006). Based on above definition, dimensions of authentic leadership include; a. Self-awareness, b. Balanced processing, c. internalized moral perspective and d. relational transparency (Banks, McCauley, Gardner, & Guler, 2016).

Job Performance

Job performance is considered as a baseline for the existence and success of an organization (Mohammad, Quoquab, Makhbul, & Ramayah, 2016). Job performance can be elaborated in term of measurable and observable behavioral outcome which is in control of the employee in contrast to work outcomes (Paliga, Kożuszniak, Pollak, & Sanecka, 2022). Therefore, job performance can be operationalized by dividing it into in-role performance and creative performance or extra role performance, the first refers to tasks which are included in job description formally (Williams & Anderson, 1991) while second refers to coming up with a useful and valuable creative new idea, process, procedure, product or service by employees working in an organization (Woodman, Sawyer, & Griffin, 1993).

Psychological Capital

According to Luthans, Youssef, & Avolio (2007) psychological capital is an enthusiastic psychological developmental state which is characterized by some facets including; a. being confident (self-efficacy) to utilize the required efforts to accomplish stimulating tasks, b. staying positive (optimism) about success in present and in future, c. focusing goals, reconsidering ways to goals when needed (hope) to be successful, d. absorbing adversity and bouncing back (resilience) in order to succeed. Studies revealed that psychological capital has a positive relationship with job performance (Luthans, 2002) including both objective performance and self-reported one (Luthans, Norman, Avolio, & Avey, 2008) along with contextual and task

performance (Kappagoda, Othman, Fithri, & De Alwis, 2014).

Relationship between Authentic Leadership and Job Performance

In different research studies the relationship between authentic leadership and job performance has been tested. For instance, Kappagoda, Othman, Fithri, & De Alwis (2014) established in their study that there exists a positive relationship between authentic leadership and job performance. According to Zeb (2022), personality traits are positively related to job performance. The existence of positive relationship between authentic leadership and job performance was further confirmed by Adiguzel, Salamzadeh & Cakir (2022), (Olaleye, Fapetu, Asaolu, & Bojuwon,(2021), Wei, Li, Zhang, & Liu (2018) and Lusianingrum & Santoso (2022). We develop the following four hypotheses in light of the above discussion.

H1: Authentic Leadership is positively related to job Performance among faculty of public sector univesities of Pakistan.

H2: Authentic Leadership is positively related to Psychological Capital among faculty of public sector univesities of Pakistan.

H3: Psychological Capital is positively related to Job Performance among faculty of public sector univesities of Pakistan.

H4: Psychological capital mediates the relationship of Authentic Leadership and job Performance among faculty of public sector univesities of Pakistan.

Methodology

Data Collection

Data were collected from the employees of public sector universities of Baluchistan, Sindh, Punjab and KP of Pakistan. Six hundred questionnaires were distributed to the faculty members with the help of students and respected faculty members within a month. Questionnaires were accompanied with covering letters that explained the purpose of this current study. Voluntary participation was encouraged and ensured. After two reminders, four hundred and seventy three (N=473) questionnaires were sent back. Four hundred and sixty five (N=465) questionnaires were used for research study, while only eight (N=8) questionnaires were disposed of owing to incomplete information. In this study, three hundred and eighty four (N=384) male and eighty one (N=81) female faculty members participated.

Measurement

Job Performance Scale

Job performance scale adapted from Goodman and Svyantek (1999) was used to gauge the overall job performance and its two dimensions: In-Role Performance and Extra-Role performance. In-role performance consists of nine (N=9) items and extra-role performance, seven (N=7) items. Examples of In-role Performance comprise “I achieve the objectives of my job”, “I fulfill all the requirements of the job”, and “I am competent in all areas of the job, handle tasks with proficiency”. Examples of extra-role Performance comprise “I help others employees with their work when they have been absent”, “I assist my colleagues with their duties”, and “I make innovative suggestions to improve the overall quality of the department”. The likert scale used in this study for measuring job performance is five, 1 measuring “extremely disagree” and 5, “extremely agree”.

Table 1: Reliability of Job Performance

	Number of Items	Cronbach's Alfa
In-role performance	9	.90
Extra-role performance	7	.85

Authentic Leadership Questionnaire

Authentic leadership questionnaire developed by Walumbwa et al. (2008) was used to gauge the overall authentic leadership and its four dimensions: Self-awareness, Rational transparency, Balanced processing and Internalized moral perspective. Self-awareness consists of four (N=4) items. Examples of self-awareness include "I can list my three greatest weaknesses" and "I can list my three greatest strengths". Internalized moral perspective comprises four (N=4) items. Examples of Internalized moral perspective comprise "My actions reflect my core values" and

"Other people know where I stand on controversial issues". Balanced processing composed of four (N=4) items. Examples of Balanced Processing include "I seek others' opinions before making up my own mind" and "I do not emphasize my own point of view at the expense of others". Rational transparency is also composed of four (N=4) items. Examples of Rational transparency include "I openly share my feelings with others" and "I rarely present a "false" front to others". The likert scale used in this study for measuring authentic leadership is five, 1 measuring "strongly disagree" and 5, "strongly agree".

Table 2: Reliability of Authentic Leadership

	Number of Items	Cronbach's Alfa
Self-awareness	4	.93
Rational transparency	4	.87
Balanced processing	4	.91
Internalized moral perspective	4	.84

Psychological Capital Questionnaire

Psychological capital questionnaire adapted from (Luthans et al., 2006) was used to gauge the overall level of psychological capital and its four dimensions: Hope, Resiliency, Optimism and Efficacy. Hope consists of six (N=6) items. Examples of Hope include "Right now I see myself as being pretty successful at work" and "If I should find myself in a jam at work, I could think of many ways to get out of it". Resiliency consists of six items. Examples of resiliency include "When I have a setback at work, I have trouble recovering from it, moving on" and "I usually take

stressful things at work in stride". Efficacy consists of six (N=6) items. Examples of efficacy include "I feel confident in representing my work area in meetings with management" and "I feel confident helping to set targets/goals in my work area". Optimism consists of 6 items. Examples include "I always look on the bright side of things regarding my job" and "If something can go wrong for me work-wise, it will". The likert scale used in this study for measuring psychological capital is six, 1 measuring "strongly disagree" and 6, "strongly agree".

Table 3: Reliability of Psychological Capital

	Number of Items	Cronbach's Alfa
Optimism	6	.83
Resiliency	6	.90
Efficacy	6	.81
Hope	6	.92

Results

Table 4: Relationship among Authentic Leadership, Psychological Capital and Job Performance

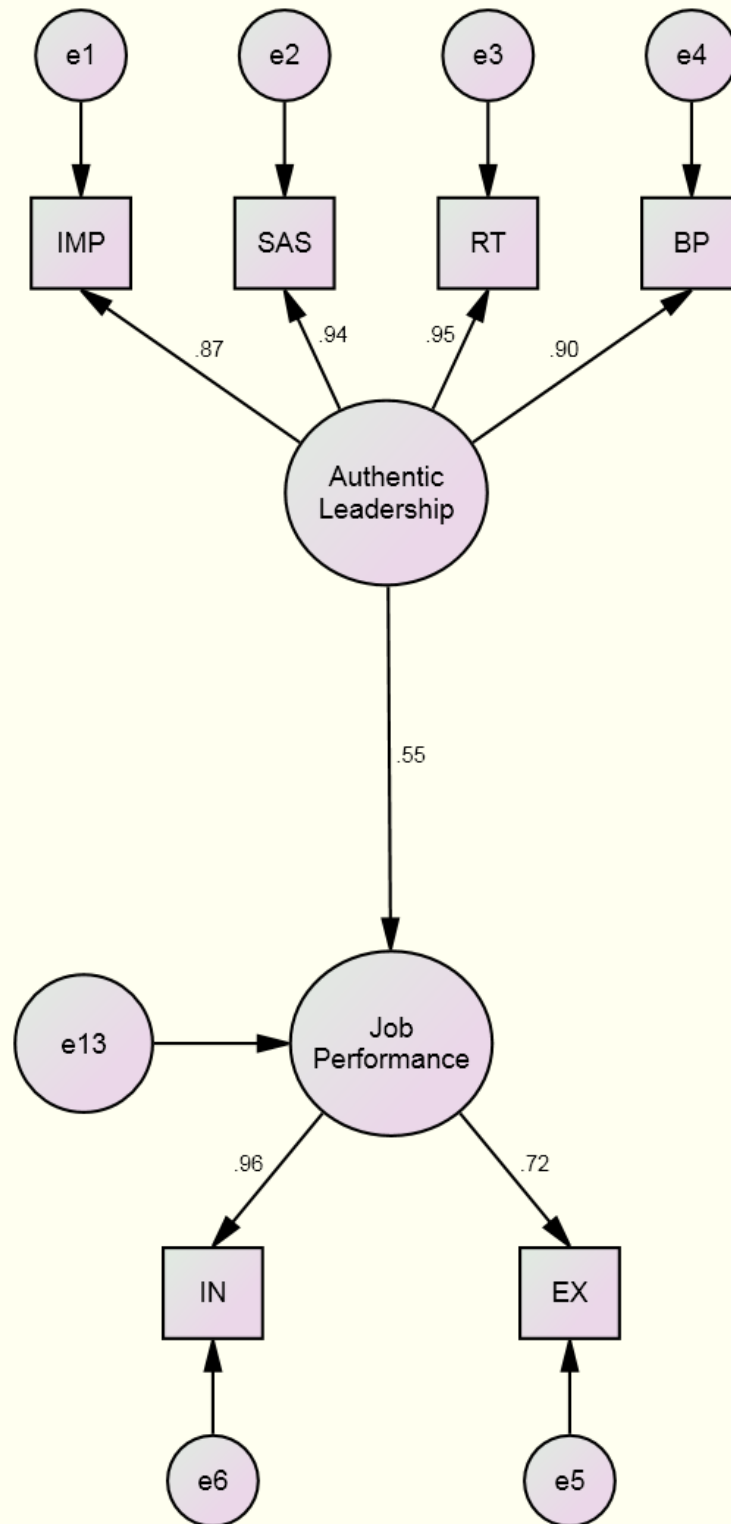
	Authentic Leadership	Psychological Capital	Job Performance
Authentic Leadership	1		
Psychological Capital	.523**	1	
Job Performance	.411**	.465**	1

The results of table 4 shows the relationship among Authentic Leadership, Psychological Capital and Job Performance. Authentic leadership revealed a positive relationship with psychological capital ($r=0.523$, $p=0.00$) and job performance ($r=0.411$, $p=0.00$). Psychological capital also revealed a positive relationship with job performance ($r=0.465$, $p=0.00$). The results accepted the following hypotheses:

H1: Authentic Leadership is positively related to job Performance among faculty of public sector univesities of Pakistan.

H2: Authentic Leadership is positively related to Psychological Capital among faculty of public sector univesities of Pakistan.

H3: Psychological Capital is positively related to Job Performance among faculty of public sector univesities of Pakistan.



Graph 1: Direct Path from Authentic Leadership to Job Performance

Direct Path from Authentic Leadership to Job Performance

The direct path from authentic leadership to job performance was tested by using confirmatory factor analysis. The results showed a significant positive relationship between authentic leadership and job performance among faculty of public sector universities. The regression weight .55 with p value less than .05 indicates that authentic leadership has a significant positive

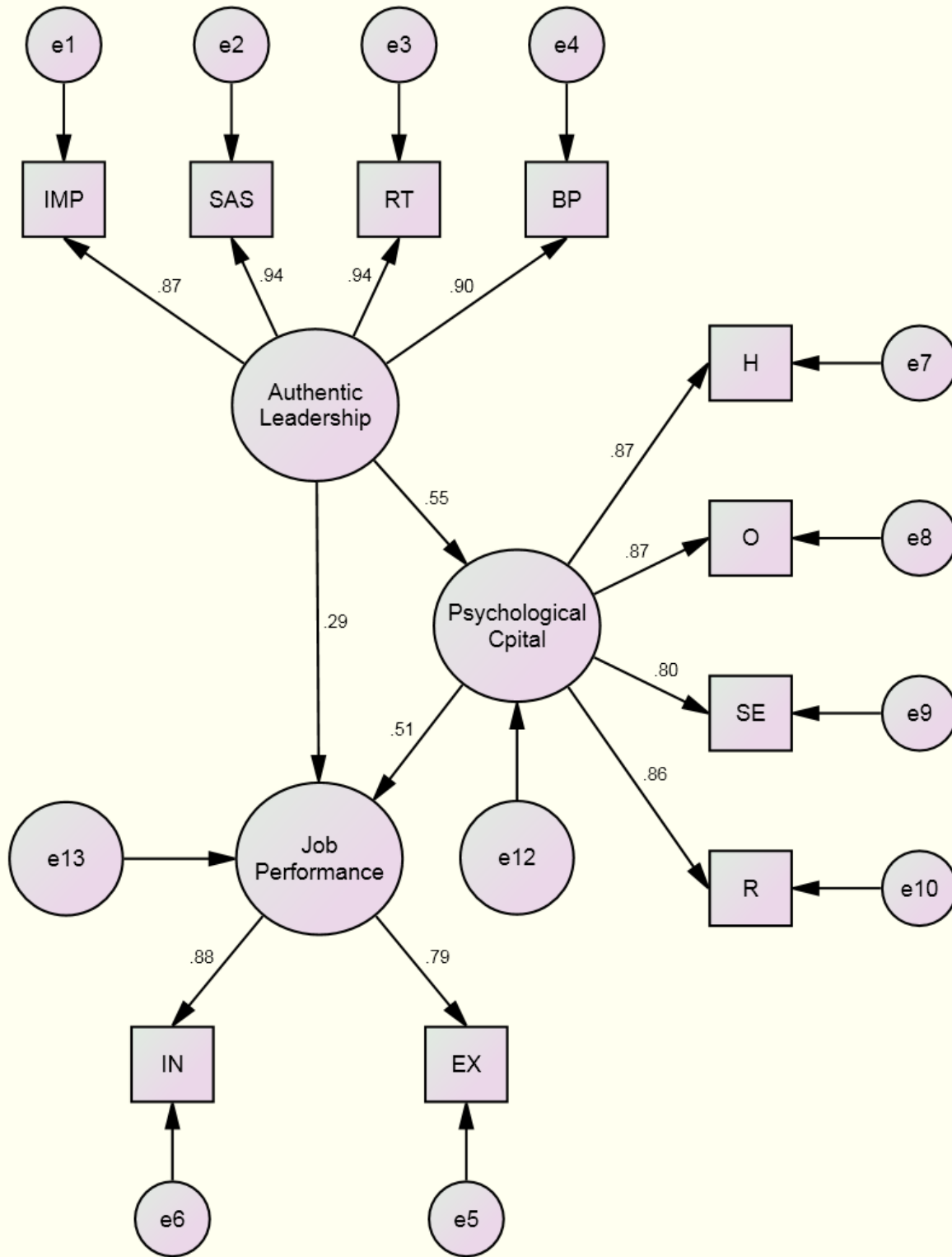
relationship with job performance. All values of GFI, CFI, RMSEA, RMR (table 5) which are within the acceptable range show a very good model fit. The regression weights of all factors and their dimensions are shown in table 6. Therefore, the results have confirmed H1: Authentic Leadership is positively related to job Performance among faculty of public sector univesities of Pakistan.

Table 5: Values of Indices

INDICES	VALUES
Chi-square	25.488
Degrees of freedom	8
RMR	.021
GFI	.87
CFI	.901
RMSEA	.026
Probability level	.000

Table 6: Factor Loadings

				Estimate
JP	<---	AL		.553
IMP	<---	AL		.871
SAS	<---	AL		.943
RT	<---	AL		.945
BP	<---	AL		.895
EX	<---	JP		.722
IN	<---	JP		.960



Graph 2: Indirect Path from Authentic Leadership to Job Performance through Psychological Capital

Direct Path from Authentic Leadership to Job Performance

The indirect path from authentic leadership to job performance through psychological capital was tested by using confirmatory factor analysis. The results showed a significant positive relationship between authentic leadership, psychological capital and job performance among faculty of public sector universities. The regression weight value .55 between authentic leadership and job performance with p value less than .05, reduced to .29 with p value less than .05 when

psychological capital was included as a mediator. Psychosocial capital partially mediated the relationship between authentic leadership and job performance. All values of GFI, CFI, RMSEA, RMR (table 7) which are within the acceptable range show a very good model fit. The regression weights of all factors and their dimensions are shown in table 8. Therefore, the results have confirmed H4: Psychological capital mediates the relationship of Authentic Leadership and job Performance among faculty of public sector universities of Pakistan.

Table 7: Values of Indices

INDICES	VALUES
Chi-square	116.073
Degrees of freedom	32
RMR	.012
GFI	.911
CFI	.935
RMSEA	.016
Probability level	.000

Table 8: Factor Loadings

			Estimate
PC	<---	AL	.549
JP	<---	AL	.290
JP	<---	PC	.515
IMP	<---	AL	.871
SAS	<---	AL	.944
RT	<---	AL	.945
BP	<---	AL	.895
EX	<---	JP	.786
IN	<---	JP	.882
H	<---	PC	.871
O	<---	PC	.866
SE	<---	PC	.802
R	<---	PC	.858

Conclusion

The objective of current research is to investigate the role of psychological capital as a mediator between

authentic leadership and job performance among teachers of public sector universities of Pakistan. Authentic Leadership Inventory (Neider and Schrieshei, 2011) was used to measure the overall authentic leadership and its dimensions: Balanced Processing, Rational Transparency, Internalized Moral Perspective and Self-Awareness. Psychological Capital Questionnaire (Luthan et al., 2006) was used to measure the overall psychological capital as well as its dimensions: Hope, Optimism, Self-Efficacy and Resilience. Job Performance Questionnaire (Goodman and Svyantek, 1999) was used to measure the overall job performance and its dimensions: In-Role Performance and Extra-Role Performance. Data were collected from four hundred and sixty five (N=465) faculty members of public sector universities of Baluchistan, Sindh, Punjab and KP of Pakistan. SPSS and Amos were employed to analyze the data. Authentic leadership was found to have a significant association with job performance and with its two dimensions. The results also showed that authentic leadership has a significant association with psychological capital and its four dimensions. Psychological capital was also found to have as significant association with job performance and its dimensions. Finally, the results revealed that psychological capital played a role of mediator and partially mediated the relationship of authentic leadership and job performance.

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