

# Authentic Leadership and Company Performance in Catering Industry

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## Abstract

In today's fast-changing economic environment, the organization's survival is dependent not only on the leader's charisma and behaviour style but also on the leader's ability to direct the firm from a moral standpoint and pay attention to business ethics. A company's lack of loyal leadership harms employee relations over time and contributes to a depressed and unfavourable working environment, which leads to poor performance. In this study, quantitative methods were applied in the research process. The research strategy and techniques for data collection were to distribute a questionnaire to China's catering business. There will be over 400 surveys distributed in total. The total number of people who took part in this study was 384. Non-probability convenience sampling was used to disseminate the surveys. The findings showed that authentic leadership, self-awareness, relational transparency, internalized moral perspective and balanced processing are moderate to strong positive relationships with the company performance. By exploring the influence path and mechanism of enterprise performance and providing guidance for enterprise management practice, it is helpful to the expansion of authentic leadership theory. Practically, this study offers lessons and experience for the managers and industry practitioners to understand how their leadership styles will influence the company performance.

**Keywords**— Company Performance, Authentic Leadership, China Catering Industry

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## I. INTRODUCTION

The catering industry is not only strongly tied to social and economic growth, but it is also closely related to the daily lives of common people (Luo, 2018). Now, China has become the second largest catering service market in the world (Memon, Pawase and Pavase et al., 2021). However, the catering industry was affected by the Covid-19 in 2020 (Zhang, Jiang, and Jin et al., 2021). Memon et al. (2021) said that the catering service market in Chinese restaurants has a huge potential. Benková, Gallo and Balogová et al. (2020) stated company performance is also used to assess how well a company performs its responsibilities and objectives, as well as the outcomes of the company's efforts to achieve its objectives. The assessment of company performance is an essential component of authentic leadership,

which determines the influence of business authentic leadership choice on performance and the direction for improvement decisions (Narkunienė and Ulbinaitė, 2018). As a result, company performance in China has been fully investigated from multiple viewpoints based on the preceding literature (Alrowwad et al., 2017; Widarti and Pramajaya, 2018; Samson and Ilesanmi, 2019). According to empirical findings, bankruptcy risk is negatively associated with a company's current and future performance when it reaches the mature stage of its lifespan (Akbar, Akbar and Maresova et al., 2020). However, there are many companies with poor leader leadership, which leads to low performance (Dermol and Širca, 2018). Gonfa (2019) also supports this statement that poor authentic leadership of the company can impair

employee relations over a long term and contribute to a depressing and unfriendly working environment, which causes poor performance of the company. Al Khajeh (2018) stated that the indications of internal disappointment and exterior changes in the business downturn are not noticed by the leadership of a lot of companies. Therefore, it is directly the leadership that has the burden of producing high company performance to adopt a decision strategy to fulfill the goals of the company (Abubakar, Alatailat and Elçi et al., 2017). Lack of leadership skill can decrease company performance (Holt, Hall and Gilley, 2018). Consequently, it is vital that these new performance characteristics and variables are identified better so that a successful company performance leadership system may be developed (Richards, Yeoh and Chong et. al., 2019). There is still a deficiency of research on the relationship between authentic leadership's self-awareness, internalized moral perspective, balanced processing, and relational transparency (Carson and Wesley, 2019). An academic study on the relationship between authentic leadership and company performance in the China context, which encompasses China's distinctive market economy, traditional culture and values, company structures, and the legal system, is needed to increase competitiveness and organizational effectiveness (Sulantara, Mareni and Sapta et al., 2020).

## II. LITERATURE REVIEW

### 2.1 Authentic Leadership on Company Performance

Many researchers (Crawford et al., 2020; Goestjahjanti, Novitasari and Hutagalung et al., 2020; Hahm, 2018; Rukh, Shahrukh and Iqbal, 2018) have undertaken thorough theoretical and empirical studies on the notion and connotation of authentic leadership from many viewpoints since its conception. According to various studies (Harris, Cardador and Cole et al., 2019), authentic leadership is the foundation of a leader's behaviour patterns, as authentic leaders devote individuals in the workplace to building honesty, confident relationships and motivating

employees through their truthful work to make a company perform well in the long run.

China's concept of authentic leadership is based on foreign academic research and growing interaction between the Chinese and international academic communities, but it has also benefited from indigenous research (Qiu, Alizadeh and Dooley et al., 2019). Gao, Wang, and Yan et al., (2021) claimed that authenticity leaders act with a logical consistency that is consistent with the values of proclaim, through comparing the discrepancy and correlations between authentic leadership and other leadership styles, as they decide based on their personal values and beliefs in the building of a sound trust relationship with their subordinates, thereby gaining a concerted following.

### 2.2 Self-Awareness on Authentic Leadership

The leader's model of behaviour which utilizes a positive mental ability and promotes a positive ethical atmosphere in order to develop a higher level of self-awareness, balanced processing, relational transparency and internalized moral perspective in relationships with the leaders and followers, as well as promoting a good development of self (Daraba, Wirawan and Salam et. al., 2021). For authentic leadership, different scholars (Crawford et al., 2020; Novitasari, Siswanto and Purwanto et al., 2020; Qureshi and Hassan, 2019) have stressed the significance of self-awareness. Authentic leaders who are self-awareness comprehend their company's internal and external environments, as well as how they relate to their employees (Kotzé and Nel, 2017). Furthermore, authentic leaders need to understand the minds of their employees and encourage them to express their true feelings to increase their self-awareness and motivation (Mira and Odeh, 2019).

### 2.3 Relational Transparency on Authentic Leadership

The relational behavioural dimension of authentic leadership is generally positioned as relational transparency, or the presentation of oneself through the transparent exchange of

facts and feelings with others (Gül and Sazkaya, 2020). Guenter et al. (2017) stated that while interpersonal components such as sincerity and openness are integrated into relational transparency, the present paradigm of authentic leadership inconsistently portrays an individual in intrapersonal connections. Relational transparency is that the individual or self is the single member of the understanding of the construct; that it is self-actualized and self-measured to be relationally transparent (Purwanto et al., 2021).

Al-Jaradat et al. (2020) think that relational transparency is a behaviour in which people show themselves spontaneously. Purwanto et al. (2021) thinks that when authentic leadership is transparent, employees learn more about one another and may grow to work quicker to solve issues, and maximizing the benefits to the company, resulting in high company performance.

#### **2.4 Internalized Moral on Authentic Leadership**

The internalized moral perspective is considered as the moral component or the guidance of internal moral standards utilized for self-regulating the behaviour of own in previous authentic leaders (Bahzar, 2019). Okmen, Elci and Murat et al., (2018) considered that instead of external pressures, authentic leaders are internally motivated. Qureshi and Hassan (2019) opined that while this reasoning is valid for an authentic leadership, it ignores the highly nested structure of leadership, that will emphasize not just human traits but also around stakeholders. An authentic leader with an internalized moral perspective analyzes communal interests and facilitates and strives to improve the company's performance and maximize its benefits (Carson and Wesley, 2019). Internalized moral perspective is a dedication to one's inherent ethical framework and a readiness to suppress personal interests and ego to promote company performance (Okmen et al., 2018).

#### **2.5 Balanced Processing on Authentic Leadership**

Purwanto et al. (2021) stated that balanced processing refers to authentic leadership conduct that is distinguished by objectively evaluating all relevant evidence before making a choice, as well as behaviour that is less susceptible to distortion, denial, and overstatement. This involves being receptive to ideas that contradict their strongly held beliefs (Guenter et al., 2017). Guenter et al. (2017) mentioned that before deciding on a course of action, an effective authentic leadership seeks out opposing perspectives and weighs all possibilities. Authentic leadership concentrates on company performance and improves the company performance more effectively by understanding shared knowledge and opinion diversity (Mira and Odeh, 2019). Authentic leaders looking for many ideas can better comprehend a problem and competitive viewpoint can lead to a better company performance and greater achievement of targets (Supriyadi et al., 2020).

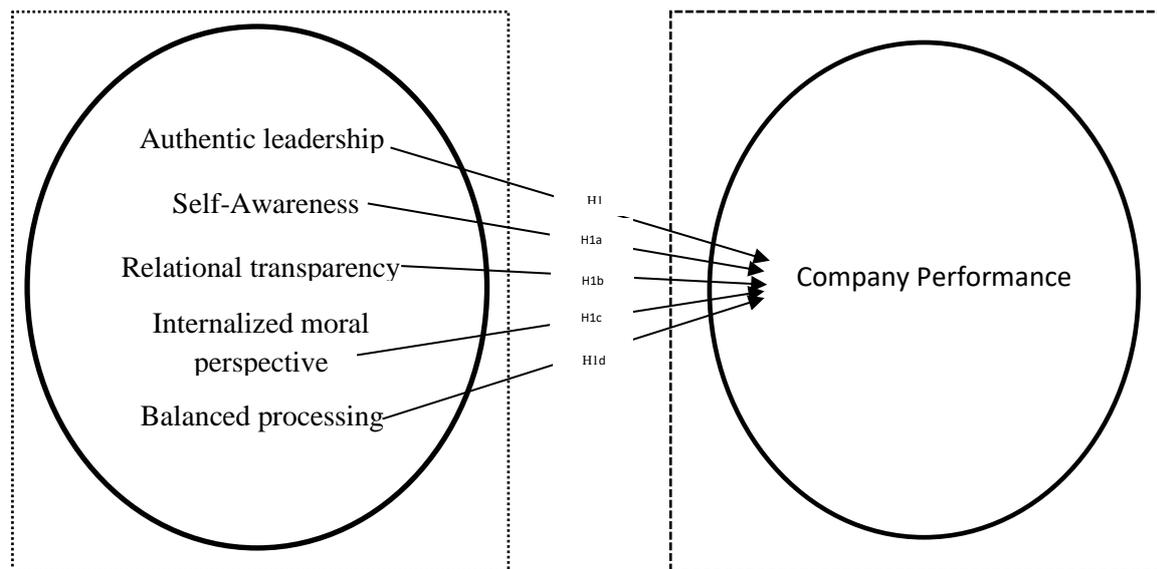
#### **2.6 China's perspective on Company Performance**

On the basis of the research of company performances by foreign scholars, Chinese scholars performed more intensive and detailed studies of company performance based on current socio-economic and cultural uniqueness in the context of China (Yi, Ndofor and He et al., 2017). According to Zhang (2018) academic research, which to find out the link between internal executive team stability, power gap, and company performance from the standpoint of executives, collecting data from Chinese A-share listed companies between 2010 and 2018, which finds that: the stability of link within internal executive team of Chinese A-share listed companies has a substantial beneficial influence on the company performance; the expert power gap enhances this positive link; at the same time, political power and ownership gaps reinforce the positive relationship. Moreover, Yi et al. (2017) further states that the orientation of the company leaders' social

duty also influences the company's performance favorably and thus that, companies need to give greater attention to leaders who are socially responsible and who effectively enhance the company's social reputation. many researchers (Narkunienė and Ulbinaitė, 2018; Rauter et al., 2019; Widodo and Silitonga, 2017; Warrad and

Nassar 2017) are to find out the performance of companies from various viewpoints, from connotation, influence factors in company performance to measurement, but more research on company performance is needed.

## 2.7 Theoretical Framework Development



**Figure 1: Authentic Leadership and Company Performance in the Catering Industry**

In the context of globalization, the global industrial chain has been significantly endangered, particularly under the influence of COVID-19 and markets in some countries remain low, producing unprecedented adversities and pressures in every organization (Fu and Shen, 2020). There appears to be a gap in study to assess the company's performance and significant influencing elements due to the background of the COVID-19 (Rababah, AlHaddad, and Sial et al., 2020). Building on available research, this research was conducted to determine companies' sensitive connotations and performance in the context of the present epidemic and the influential factors, particularly the influence of authentic leadership discrepancies on the mechanisms of company performance (Daraba et al., 2021). Research is limited on how authentic leadership influences the leader conduct which directly contributes to the achievement of a better company performance through the achievement of targets

(Mira and Odeh, 2019). Research on how authentic leadership influences the leader conduct which directly influences target completion to reach better company performance is limited (Qiu et al., 2019). In short, the association between authentic leadership and its four dimensions and company performance remains limited research in China, as past studies on authentic leadership and company performance in the Western culture have been conducted (Qiu et al., 2019).

Pinto (2019) thinks that the stakeholder theory gives executives insight into superior techniques for managing stakeholders to produce sustainable company performance, based on Donaldson and Preston's (1995) previous creation of stakeholder theory. Authentic leadership interplay their traits as much as possible with the internal environment of a company that further creates active self-leadership and a sense of self-awareness in the employees and has, in this manner, a significant

influence on the increase in the performance of the company in the China catering industry (Purwanto et al., 2021). In 1960 the sociologist Seeman proposed the original idea of authenticity, and after continuous research and development, many scholars (Avolio, Gardner and Walumbwa et al., 2004; Gardner, Avolio and Luthans et al., 2005) have presented an authentic leadership theory, which is a new leadership theory. Authentic leadership theory assumes that successful leadership means being honest, truthful and authentic with all stakeholders involved (Waraga, 2020). Kiersch and Peters (2017) mentioned that to be an authentic leader, one must be self-conscious and aware of one's priorities and beliefs, as well as be honest in action and support transparent information sharing and positive and productive connections. Swain, Cao, and Gardner (2018) also supported this view that authentic leadership theory is crucial in that authentic leadership promotes authenticity enhancement among followers through enhanced self-awareness, self-regulation, and positive modelling. In turn, achieving authenticity helps to the wellbeing of the followers and achieving sustained and authentic company performance (Waraga, 2020).

### III.METHODOLOGY

In this study, the deductive approach was used to determine the relationship between authentic leadership and company performance. As for the types of investigation, this study is a

quantitative study to see whether there are any relationships between the independent variable (authentic leadership) and the dependent variable (company performance). The present research, which focuses on the company performance of China's catering industry, has a total target population of 4,324,000 (National Bureau of Statistics of China, 2019). In this research, the population is defined as middle managers and team leaders who have worked in the China catering industry in the past six months. The surveys are distributed using a non-probability convenience sampling. Non-probability convenience sampling method used in this research study as sampling will be done on subjects who are readily available to the researcher for convenience's sake, such as middle managers and team leaders in the catering industry in China, who are then asked to further distribute it to other middle managers and team leaders in the same industry, mainly because of the method's lower cost. A total number of surveys to be distributed are above 400. The sample size and usable questionnaire for this study is 384 respondents. The measurement is based on the method of questionnaire. The scaling is based on a Likert Scale of 1-5, where 1 indicates strongly disagree and 5 indicates strongly agree (Albaum, 1997). The items to be measured will be the questions contained within the questionnaire.

**Table 1: Measurement Item**

Author / Year	Constructs	Items	No of Items	Likert Scale
Azlan, Hamzah and Sern et. al. (2020) and Mohammed, Abdullah and Salleh et. al. (2017)	Demographic profile	What is your gender? What is your age? Where is your company? What is the size of your company? How long have you worked for your current company?	5	5-Likert Scale
Espino-Rodríguez, and Ramírez-Fierro (2018) and Sarwar and Muhammad (2020), Delaney and Huselid (1996), Singh (2004)	Company Performance	CP1: My company has competitive advantage over the competitors. CP2: My company has strong ability to generate profit. CP3: My company has good service and product quality.	5	5-Likert Scale

		CP4: My company has higher growth prospect in sales and profit among competitors. CP5: My company has earned good reputation.		
Walumbwa, Avolio and Gardner et. al. (2008)	Authentic leadership	AL1: My supervisor seeks feedback to improve interactions with others. AL2: My supervisor says exactly what he or she means. AL3: My supervisor is willing to admit mistakes when he or she made. AL4: My supervisor insists his or her beliefs that are consistent with actions.	4	5-Likert Scale
Landesz (2018)	Self-Awareness	SA1: My supervisor can accurately describe how others view his capacities. SA2: My supervisor can exactly know what motivates him to make progress. SA3: My supervisor is able to manage his thoughts, feelings and behaviours. SA4: My supervisor can understand his strength and weakness clearly.	4	5-Likert Scale
Saeed and Ali (2019)	Relational Transparency	RT1: My supervisor can present himself through the transparent exchange of facts and feelings with others. RT2: My supervisor can behave with sincerity and openness. RT3: My supervisor is open to share and express real ideas and feelings. RT4: My supervisor can solve problems transparently.	4	5-Likert Scale
Ribeiro, Duarte and Filipe et. al. (2020), Landesz (2018)	Internalized Moral Perspective	IMP1: My supervisor can make decisions based on his core beliefs. IMP2: My supervisor can obey the code of ethics. IMP3: My supervisor can self-regulate his behaviours. IMP4: My supervisor is aligned with the morals of groups, companies and society.	4	5-Likert Scale
Morris (2014), Walumbwa et. al. (2008)	Balanced Processing	BP1: My supervisor can listen carefully to different points of view before coming to conclusion. BP2: My supervisor can solicit views that challenge his deeply held positions. BP3: My supervisor can evaluate all relevant available information to make judgement. BP4: My supervisor can make decisions to benefit the collective like followers.	4	5-Likert Scale

#### IV. DATA ANALYSIS AND RESULTS

This research includes a pilot test with 40 participants. It was analyzed as reliability testing and factor analysis to determine the data's validity and reliability. The data from 384 respondents were then subjected to descriptive, factor, correlation, and regression analysis. The Social Science Statistical Package was used to analyze all these data (SPSS). Following the completion of the pilot test, this study collected data using the same distribution methods and channels as the pilot test. The sample size for this study is 384. Workers in China's catering business received 400 questionnaires in total. The respondents' overview of the research questionnaire response rate is displayed in the table below. As a result, a total of 384 accessible questionnaires were examined for further research in this study.

Online questionnaire link on Qualtrics were send to selected catering industry of China and invited respondent to fill the questionnaire which comprising of cover page with details about the purpose of the study, for respondent understanding. Filtering question which was about the age of the respondent is given at the first page. In addition, another filtering question was set up to ensure that data was only collected from middle managers and team leaders in the China catering industry. 600 questionnaires were distributed to the catering industry respondents in China and the feedback rate of response drew a total 86.7% (520). Based on the forms above, the questionnaires which are usable take up 73.8% (384) only.

##### 4.1 DESCRIPTIVE STATISTICS

Overall, middle managers and team leaders working in the catering industry of China were found to be generally satisfied form their supervisors as well as the working environment and service quality. Each question connected to each variable has an average score of more than 3.3. The mean average at 1-7 is acceptable.

**Table 2 Descriptive Statistics**

Constructs	No of items	Item	Mean
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Company Performance	5	CP1	3.38
		CP2	3.72
		CP3	3.64
		CP4	3.58
		CP5	3.76
Authentic Leadership	4	AL1	3.61
		AL2	3.81
		AL3	3.61
		AL4	3.84
Self- Awareness	4	SA1	3.56
		SA2	3.82
		SA3	3.86
		SA4	4.03
Relational Transparency	4	RT1	3.62
		RT2	3.96
		RT3	3.90
		RT4	4.04
Internalized Moral Perspective	4	IMP1	3.53
		IMP2	3.98
		IMP3	3.94
		IMP4	4.03
Balanced Processing	4	BP1	3.62
		BP2	3.78
		BP3	3.88
		BP4	3.92

##### 4.2 RELIABILITY ANALYSIS

**Table 3 Reliability Coefficients of Study Constructs**

Constructs	No of items	Item	Cronbach alpha ( $\alpha$ )
Company Performance	5	CP1	0.815
		CP2	
		CP3	
		CP4	
		CP5	
Authentic Leadership	4	AL1	0.710
		AL2	
		AL3	
		AL4	
Self- Awareness	4	SA1	0.662
		SA2	
		SA3	
		SA4	
Internalized Moral Perspective	4	IMP1	0.687
		IMP2	
		IMP3	

		IMP4	
Relational Transparency	4	RT1	0.670
		RT2	
		RT3	
		RT4	
Balanced Processing	4	BP1	0.741
		BP2	
		BP3	
		BP4	

For each variable Cronbach's Alpha was computed and if the value of Cronbach's Alpha found to be greater than .60, which indicate consistency and reliability of the variables used in the study (Johnson and Christensen, 2019). Table 3 shows the Cronbach's Alpha ratings ranging from 0.662 to 0.815 which indicate that the questions for each variable are quite reliable. In this study, all variables are reliable.

**4.3 CORRELATION ANALYSIS**

The correlation between all possible pairings of values in a table is represented by the matrix. It's a useful tool for quickly summarizing a huge dataset and identifying and visualizing trends in the data. The table 4 shows that there exists a positive and significant correlation between all the variables use in this study which means that when one variables value is increases in positive direction other variables values also increases in the same direction. As the correlation values for Authentic Leadership, Self-Awareness, Relational Transparency,

Internalized Moral Perspective and Balanced Processing were 0.724, 0.643, 0.602, 0.661 and 0.629 respectively, this indicates a moderate to strong correlation between the independent and dependent variables (Patten and Newhart, 2017).

**Table 4 Correlation Matrix**

	CP	AL	SA	IMP	RT	BP
CP	1					
AL	0.724**	1				
SA	0.643**	0.713**	1			
IMP	0.602**	0.686**	0.717**	1		
RT	0.661**	0.686**	0.689**	0.680**	1	
BP	0.629**	0.716**	0.718**	0.703**	0.742**	1

\*\* Correlation was significant at the 0.01 (2 - tailed) level N = 384

**4.4 MULTIPLE REGRESSION ANALYSIS**

From the table 4.9 of model summary, we can find that the R-squared value for the multiple regression models is 0.587, which means that 58.7 percent variation in our dependent variable is explained by the independent variables. Moreover, this indicates a good fit of the multiple regression model (Cheng and Garg, 2014). The SPSS statistics revealed that the residuals were independent, as determined by the Durbin-Watson datum. This study's multivariate analytic models fulfil the assumptions needed to demonstrate the validity of its significance check, according to these assessments.

**Table 5 Multiple regression model summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.766a	.587	.581	.501	.587	107.373	5	378	.000

a. Predictors: (Constant), MEAN\_BP, MEAN\_RT, MEAN\_AL, MEAN\_IMP, MEAN\_SA

Form the table 6, researcher can see that group mean are statistically significand (varies in between 3.380 to 3.617) because the sig. 2 tailed value for all the absorb variables are less than 0.05. Now from the group statistic table we can find that all variables like authentic leadership, self-awareness, relational transparency, internalized moral perspective and finally the balanced processing have

significant and positive impact on the performance of catering industry in China.

**Table 6 T-Test Analysis**

	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
CP	66.632	383	.000	3.380	3.28	3.48

AL	85.942	383	.000	3.60938	3.5268	3.6919
SA	75.014	383	.000	3.557	3.46	3.65
RT	79.817	383	.000	3.620	3.53	3.71
IMP	69.575	383	.000	3.526	3.43	3.63
BP	79.728	383	.000	3.617	3.53	3.71

## V. DISCUSSION OF RESULTS

This study aims to uncover the relationship between authentic leadership and company performance in China catering industry. The

analysis hypotheses were organized in accordance with the study's particular analytical inquiries, which were to identify a relationship between company performance and authentic leadership. Under the heading of multiple regression analysis different approaches like model summary and t-test were performed in this study. The study's hypotheses are summarized in Table 6.

**Table 6 Discussion on the result and hypotheses**

<i>Path</i>	<i>Hypothesis</i>	<i>Sig</i>	<i>Decision</i>
H1	The relationship between authentic leadership and company performance in China Catering Industry is significant.	0.00	Supported
H1a	The relationship between self-awareness as a dimension of authentic leadership and company performance in China Catering Industry is significant.	0.00	Supported
H1b	The relationship between relational transparency as a dimension of authentic leadership and company performance in China Catering Industry is significant.	0.00	Supported
H1c	The relationship between internalized moral perspective as a dimension of authentic leadership and company performance in China Catering Industry is significant.	0.00	Supported
H1d	The relationship between balanced processing as a dimension of authentic leadership and company performance in China Catering Industry is significant.	0.00	Supported

*H1: The significant relationship between authentic leadership and company performance in China Catering Industry*

The concerned literature reveals that company performance is determined by various factors and can be seen from the perspective of leadership. Authentic leadership has been related positively to employee performance through development of a trustworthy and engaging relationship with the leaders. Result of our studies also support the literature that the relationship between authentic leadership and company performance ( $p = 0.000$ ) is positive and significant. Hence, we can say authentic leadership is an important factor for the better performance of company. Authentic leaders can be seen establishing a spirit of teamwork and trust within an organization, highly influencing the performance and morale of employees and drawing outstanding results from them (Kim et.

al., 2020). As per the viewpoint of Qiu et. al. (2019), effective leadership helps to build trust, caring nature among employees. In catering industry, it is required that employees have sustainable and healthy relationship with their leaders (Zhang, Bowers and Mao, 2020). In order to maintain continuity in customer satisfaction leaders must implicate a strict and useful leadership policy (Kaya and Karatepe, 2020). This way companies can build an effective strategy to function properly (Ciftci and Erkanli, 2020). It is said by Bakari and Hunjra (2017) that authentic leadership brings employee satisfaction and increased company performance when applied effectively. Leaders must maintain professional integrity and maintain a healthy professional relationship with the employees (Koon and Ho, 2021).

*H1a: The significant relationship between self-awareness as a dimension of authentic*

*leadership and company performance in China Catering Industry.*

Work engagement of employees is considerably driven by the influencing and motivating nature of the leaders. It has been stated by Daraba et. al. (2021) that the development of self-awareness among the leaders and the followers in authentic leadership, promotes a well self-development. Result of our studies is also in support of that argument and found a positive and significant ( $p = 0.000$ ) relation between the self-awareness and company performance. Self-awareness is a necessary thing for every employee (Karam et. al., 2017). Chinese catering industry can easily achieve their desired success by implicating and promoting rational behaviour with a compassionate approach (Kaya and Karatepe, 2020).

*H1b: The significant relationship between relational transparency as a dimension of authentic leadership and company performance in China Catering Industry.*

Reviewed literature in relation to the dimension of relational transparency of authentic leadership talked about the four dimensions of this leadership that also include this relational transparency involving the presentation of oneself with transparency of facts and emotions. The result of our studied also justified that claim and found important and significant ( $p = 0.000$ ) relationship between the relational transparency as a dimension of authentic leadership and company performance in China catering industry. These results are as according to the existing literature where we found positive and significant relationship between these two variables. It is proven that employee satisfaction increases organization's performance (Zhang et. al., 2020). This can easily be achieved through authentic leadership (Koon and Ho, 2021).

*H1c: The significant relationship between internalized moral perspective as a dimension*

*of authentic leadership and company performance in China Catering Industry.*

Among which the internalized moral perspective involves guiding internal moral standards for using them in self-regulating of the authentic leaders According to (Arceño, Ag and Adamu, 2019), internalized moral perspective is closely associated with authentic leadership indicating the strength of the authentic leaders. Result of our studies ( $p = 0.000$ ) also shows how importance the internalized moral perspective is for the performance of the company in the catering industry of China This information signifies the application of authentic leadership styles to maintain a significant relationship between the employee and the leader in this industry. Relying on the dimension of internal moral perspective, leaders of Chinese hotels can be seen focusing on a transformational style of leadership that includes the authentic approach of the leaders (Koon and Ho, 2021). Relationship between internalized moral perspective and authentic leadership has a high value on increasing the organization's ability to perform efficiently (Arici, 2018). Rational transparency, self-awareness and processed behaviour could amplify the organization's success (Karam et. al., 2017). Leaders must propose an authentic strategy to build a healthy and susceptible employee-company relationship (Koon and Ho, 2021).

*H1d: The significant relationship between balanced processing as a dimension of authentic leadership and company performance in China Catering Industry.*

Balanced processing considered as the reflection of processing self-relevant information without any exaggeration in the models of authentic leadership Emotional intelligence being one of the effective attributes of authentic leaders utilizing which they can produce different cognitive perspectives. In Our studies, balanced processing ( $p = 0.000$ ) has also show vital and significant impact on the

performance of company working in catering industry of China. The initial conclusion which will be derived from this analysis is that balanced processing; one amongst the standard management has significant impact on company performance. The result of this study is in step with however additionally support to different recent studies. Balanced processing this way has proved to be significant to manage the company performance and authentic leadership (Wang and Xie, 2020). Through balanced processing the companies could effectively analyze their faulty strategies and modify them (Zhang et. al., 2020). This way a sustainable working environment can be developed (Koon and Ho, 2021).

## VI. LIMITATION AND RECOMMEDATION

Upon accomplishing this analysis, there always exist room for improvement in every field of study and more discuss relating to the sphere of company performance in catering industry. The limitations and recommendations, which will be making for future research in this field, are listed as below:

*Body of Knowledge:* Due to time constraints, middle managers and team leaders were selected for this study. Increase the length of the study and the range of respondents, add top management to the survey, or request the participation of senior managers in their free time to make the results more reliable.

*Research methods:* Current study used quantitative method so that in the future research, the method should expand to qualitative or mixed method. To better understand the changes in the performance of catering industry, it is important make analysis on longitudinal data instead of cross-sectional data. Novelty of the study can identify new body of the method and knowledge.

*Analysis software:* The current study used SPSS for the analysis. SMART PLS3, SAS, NVIVO and AMOS analysis must use in the future study by expanding the variables in terms of moderating and mediating. Advance econometric technique for data analysis and

software will definitely help in improvement and more inside of the analysis.

*Contextual:* To generalize the result of the study, need to expand the scope of the study not limited to one county like China and collected data form other part of the world also. Team of enumerators from all region of the country will be selected and trained them on collecting of primary data, and data will be collected by face-to-face interviews.

## VII. IMPLICATION

All business around the word is always in a process to improve his organization services and excel in their respective industries. It has long been known in concert of the main aspects for improving the performance of catering industry. Catering industry has begun to use to improve performance of the related companies by bringing improvement in their management team, since it is one of the most effective tactics for boosting the company performance in the field of catering industry. The research finding has identified several practical techniques for catering companies working in China to improve their organizational performance through skill development program of their employees. To effectively contribute to the development trade and performance of catering industry a framework must be established, tested, and analyzed in the appropriate setting. This study recognizes the value of performance of catering can be improve by the skill workers in the workplace which contributing to a high-performing corporate culture.

## VIII. CONCLUSION

The impact of authentic leadership, self-awareness, relational transparency, balanced processing and internalized moral perspective on the performance of the company in the catering industry of China, which can help the company achieve its strategic goals by encouraging workers to pay greater attention for the improvement of company performance. It can more effectively achieve the improvement and rapid development of the company's performance evaluation system; the balanced score card can effectively combine the

company's strategic goals with indicators in all dimensions. All these used in these studies combined and complement each other, making them more ideal for growth performance of the catering company. Another point to consider is that future study might be undertaken for comparison of other developed country catering industry. Furthermore, future studies should look at a wider range of elements that influence the performance of China's catering industry other than management. In addition, future study might not only focus on middle managers and team leaders who work inside the catering industry but take vies from other participant for the improvement of the industry.

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