Authentic Leadership and Employees’ Work-related Quality of Life: A Study of IT Organizations in India

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Abstract
This article intends to explore the impact of authentic leadership on employees’ work-related quality of life. Previous studies have demonstrated that well-being of employees is an important aspect that needs to be focused upon by the organizations. It has also been documented that employee well-being at workplace is one of the positive outcomes associated with authentic leadership. However, there is a need for further empirical investigation to corroborate these findings. Therefore, an attempt has been made to assess the relationship between authentic leadership and employees’ work-related quality of life (WRQoL) which comprises of six dimensions encompassing well-being of employees not just in professional realm but also in personal life. This study has been conducted on team leaders and their team members in several IT organizations located in Delhi-NCR. The total sample for this study includes 45 team leaders and 122 team members. Multi-level analysis of data has been done using Hierarchical Linear Modeling (HLM). Findings indicate that authentic leadership has a significant positive influence on all the dimensions of WRQoL of the employees. Implications of this study have also been discussed.

Keywords: authentic leadership, work-related quality of life, multi-level analysis

1. Background and Objectives
Over the last couple of decades, a number of factors such as globalization, technological advancement, soaring competition and market turbulence have propelled the recent changes in the business environment across the globe. More specifically, emerging economy and a younger workforce further add to the complexities of changing business scenario in India. Therefore, in order to deal with these changing times, organizations in India need to focus on their human capital to ensure long-term growth and stability. Various studies have posited that effective leadership is crucial for employee engagement (Wiley, 2010) as well as organizational success at large (Ocheni & Atakpa, 2012). Further, leadership in organizations needs to be morally and ethically sound, given the concerns about the ethical dilemmas faced by the organizations today resulting from the desire to maximize profits and be at the top. Authentic leadership has emerged as a new theory of positive leadership which is guided by strong principles of morality and ethics (Avolio & Gardner, 2005; George, 2003). Walumbwa, Avolio, Gardner, Wernsing & Peterson (2008) have defined authentic leadership 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 (p. 94).

Thus, it has been conceptually suggested that four major components together form the construct of authentic leadership, which are - “self-awareness, balanced processing of information, internalized moral perspective and relational transparency” (Walumbwa et al., 2008, p. 89).

Self-awareness can be described as “having awareness of, and trust in, one’s motives, feelings, desires, and self-relevant cognitions” (Kernis, 2003, p.13). Studies have suggested that individuals who are cognizant of their strengths and weaknesses are also found to be high on authenticity (Waite, McKinney, Smith-Glasgow & Meloy, 2014). Balanced processing of information indicates “the degree to which the leader shows that he/she objectively analyzes the relevant data before coming to a decision and solicits views that challenge deeply-held
The Indian philosophical thought promotes the idea of detachment from rewards of work, promoting the concept of ‘Nishkama Karma’ (Gogoi, 2014; Chatterjee, 2012) and ‘Work is Worship’ (Bhagwat, 2015). The Indian context, given that India has primarily been an agrarian society and the Indian philosophy holds a different picture, essentially characterized by honesty, openness and trust (Walumbwa, et al., 2008; Kernis, 2003). Authentic leaders believe in maintaining transparent systems and building a culture that allows people to share information, feelings and desires in a genuine manner, without any apprehensions (Walumbwa, et al., 2008; Kernis, 2003).

Research involving authentic leadership has accelerated during the last decade, especially after the Gallup Leadership Summit (Gardner, Cogliser, Davis & Dickens, 2011). Various conceptual and empirical research studies have been conducted focusing on the antecedents and outcomes of authentic leadership (e.g., Kiersch & Bryne, 2015; Nelson, et al., 2014; Rego, Sousa, Marques & Cunha, 2014; Walumbwa et al., 2008; Gardiner, et al., 2005). Scholars have maintained that various individual traits such as transparency, integrity and self-discipline are integral to authentic leadership (Ilies, Morgeson, & Nahrgang, 2005; Avolio, Gardner, Walumbwa, Luthans & May, 2004). Numerous studies focusing on authentic leadership have indicated that it is a major determinant of several positive organizational outcomes; for instance, employee creativity (Cerne, Jaklic & Škerlavaj, 2013), ‘psychological capital’ of followers (Clapp-smith, Vogelgesang, & Avey, 2009), employee satisfaction (Walumwa et al., 2008), follower ethical decision-making (Cianci, Hannah, Roberts & Tsakumis, 2014), organizational citizenship behaviour (Walumwa et al., 2008) and employee well-being (Rahimnia & Sharifirad, 2015; Nelson et al., 2014).

In a study conducted by Giallonardo, Wong & Iwasiw (2010), it has been found that authentic leadership shares a significant positive relationship with various work attitudes of employees such as work engagement and job satisfaction. Azanza, Moriano & Molero (2013) have postulated that authentic leadership is a significant mediator of the relationship between work climate and employees’ job satisfaction. Studies have also posited that authentic leadership negatively influences employees’ perceived work stress (Rahimnia & Sharifirad, 2015). Research evidence shows that leaders have a remarkable impact on the well-being of their employees as they have an ability to directly influence the psychological and social aspects of the work environment of the employees (Gilbreath & Benson, 2004).

Literature further indicates that factors such as job satisfaction, employee well-being, perceived stress and working conditions are integral to the construct ‘Quality of Work Life’ (QWL), through varied conceptualizations of the construct given over the years (e.g., Warr, Cook & Wall, 1979; Harrison, 1985; Loscocco & Roschelle, 1991; Worrall, et al., 2016). According to Martel & Dupius (2006),

Quality of Work Life, at a given time, corresponds to a condition experienced by the individual in his or her dynamic pursuit of his or her hierarchically organized goals within work domains where the reduction of the gap separating the individual from these goals is reflected by a positive impact on the individual's general quality of life, organizational performance, and consequently the overall functioning of the society (p.355).

Padala and Suryanarayana (2010, cited in Bagtasos, 2011) opined that the dimensions of QWL can be essentially categorized into ‘classical dimensions’ and ‘contemporary dimensions’. The classical dimensions include financial factors, physical working conditions, etc. and the contemporary dimensions comprise of factors such as employees’ safety and health issues, work-life balance, grievance redressal and employees’ participation in management and decision-making (Padala & Suryanarayana, 2010). In the Indian context, the concept of QWL holds a different picture, given that India has primarily been an agrarian society and the Indian philosophy promotes the concept of ‘Nishkama Karma’ (Gogoi, 2014; Chatterjee, 2012) and ‘Work is Worship’ (Bhagwat Gita Blog, 2015). The Indian philosophical thought promotes the idea of detachment from rewards of the work (‘Nishkama Karma’) and rejects the notion of ‘Kamya Karma’ which focuses on expectations and rewards, in order to attain personal satisfaction (Kodam, 2011); on the other hand, the current corporate cultures are so built that they, directly or indirectly, demand detachment from family and social life owing to the 24*7 connectivity of the employees with their work and workplace via e-mails, phones, etc. (Vyas & Shrivastava, 2015). Consequently, this results in a conflict between the professional and personal lives of the Indian employees and thus strongly hampers their QWL.
It is evident from literature that QWL is an important aspect for the employees in an organization. Employees find it really hard to work in stressful environments and for longer durations which also results in lack of motivation and commitment, further intensifying their intent to quit (Mxenge & Dywili & Bazana, 2014). It has been found that over the years it has become extremely difficult for the organizations in India to retain their human capital due to various reasons such as dissatisfaction with bosses, better opportunities in terms of career growth and advancement, and stressful working conditions (Assocham Survey, TOI Business, 2012). It has been revealed that authentic leadership plays a significant role in improving the psychological well-being of the employees and lowering their stress levels (Nelson, et al., 2014). This is probably due to the ethically-driven personal values that authentic leaders have and also their tendency to focus on the overall development of their followers (Walumbwa et al., 2008).

Van Laar and colleagues (2007) developed WRQoL scale which is a precise, comprehensive measure for QWL and encompasses six major aspects related to working life. These are: “Job and Career Satisfaction (JCS), General Well-being (GWB), Control at Work (CAW), Stress at Work (SAW), Home-Work Interface (HWI) and Working Conditions (WCS)” (Van Laar, Edwards & Easton, 2007, p. 325). However, there is not much empirical evidence on the associations between authentic leadership and the six dimensions of WRQoL. Thus, it would be crucial to explore the associations between authentic leadership and all the dimensions of WRQoL.

In today’s world, IT sector has been considered as one of the worst sectors in terms of occupational stress. In a study conducted by Meta Group, Inc. (Shepherd & Carr, 2004), it was revealed that of the 650 U.S. companies that were surveyed, over 72 percent agreed that their employees had motivation and commitment issues. The IT sector in India is also dealing with the issues of stress and burnout among the employees which leads to high levels of attrition in the organizations (Purohit, 2016). Consequently, there is a need for the IT organizations in India to work towards improving the QWL of their employees in order to hire and retain the best talent to build successful organizations. Therefore, it is important to explore the status of authentic leadership and QWL in IT organizations in India.

Based on this brief literature review, we present the following hypotheses for the present study:

**H1:** Authentic leadership is positively related to higher work-related quality of life (WRQoL).

**H2:** Authentic leadership significantly influences job and career satisfaction of employees.

**H3:** Higher the authentic leadership, greater is the employees’ general well-being.

**H4:** Authentic leadership is positively related to greater perceived control at work.

**H5:** Authentic leadership leads to lower levels of employees’ perceived stress at work.

**H6:** Authentic leadership is positively related to better home-work interface.

**H7:** Authentic leadership positively influences perceived flexible working conditions.

### 2. Method

#### 2.1 Objective

The objective of the present study is to understand the status of authentic leadership and WRQoL in IT organizations in India and analyze the relationship between authentic leadership and the six dimensions of WRQoL.

#### 2.2 Participants

This study has been conducted in several IT organizations located in Delhi-NCR, using convenient sampling method. Data have been collected from 45 team leaders and 122 team members.

**Inclusion/ Exclusion Criteria for team leaders** - For the purpose of the present study, any employee working on the position of the team leader of a software development project team in an IT organization for at least three years was invited for participation. The participants were required to have a fair amount of knowledge and understanding of English language. Age, gender, educational qualification and other such demographic variables were not considered as the criteria for the selection of the respondents.

**Inclusion/ Exclusion Criteria for team members** – The present study invited employees working in a software development project team, who report directly to the team leader of such a team and who have a fair amount of knowledge and understanding of English language, irrespective of their age, gender, educational qualification and other demographic variables.
2.3 Measures

**Authentic leadership:** For measuring authentic leadership, ‘Authentic Leadership Questionnaire’ (ALQ) – Self & Rater, developed by Walumbwa and colleagues (2008) has been used. This scale has 16 items on a 5-point (0 to 4 with 0 corresponding to ‘not at all’ and 4 corresponding to ‘frequently, if not always’) Likert scale. The team leaders responded to the ALQ-Self scale and the team members responded to the ALQ-Rater scale. Sample item for this scale is: “I/ My Leader: have/ has a fairly exact idea about how other people see his/her leadership capacities”. For the present study, we have considered the composite score of authentic leadership (average of self and rater scores). The reliability coefficient (Cronbach’s $\alpha$) for ALQ-Self is .882 and ALQ-Rater is .927.

**Work-Related Quality of Life:** The second measure used for this study is 23-item WRQoL Scale, which has been developed by Van Laar and colleagues (2007). This is a Likert scale with ratings from 1 to 5 (1 corresponding to ‘strongly disagree’ to 5 corresponding to ‘strongly agree’). Data on this scale has been taken from the team members. The reliability coefficient (Cronbach’s $\alpha$) of this scale is .876.

1) Job and Career Satisfaction (JCS): This is measured using six items related to attitudes towards job and prospects at workplace (e.g. “I have the opportunity to use my abilities at work”).

2) General Well-Being (GWB): This dimension has six items related to happiness and life satisfaction (e.g. “I am satisfied with my life”).

3) Control at Work (CAW): It has three items related to being able to have control over decisions (e.g. “I feel able to voice opinions and influence changes in my area of work”).

4) Stress at Work (SAW): This dimension has two items related to demands (e.g. “I often feel excessive levels of stress at work”).

5) Home–Work Interface (HWI): It has three items related to issues of accommodating family and work commitments (e.g. “My employer provides adequate facilities and flexibility for me to fit work in around my family life”).

6) Working Conditions (WCS): This dimension has three items related to the physical working environment (e.g. “My employer provides me with what I need to do my job effectively”).

In this scale both the items for ‘stress at work’ dimension have been reverse scored so that ‘higher score’ means ‘better WRQoL’.

3. Results

3.1 Authentic Leadership in IT organizations

In order to assess the status of authentic leadership in IT organizations in India, we collected data on authentic leadership from both the groups of respondents. Rater scores have been obtained by calculating the average of the team members’ responses. These average scores have been further combined with the self-ascribed authentic leadership scores and final average score has been calculated to obtain a composite score on authentic leadership. These scores are then classified into high and low categories. Table 1 shows that 66.7 percent of respondents as high on authentic leadership and 33.3 percent as low on authentic leadership.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>High AL</td>
<td>30</td>
</tr>
<tr>
<td>Low AL</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
</tr>
</tbody>
</table>

3.2 Work-Related Quality of Life (WRQoL) in IT Organizations

The data from present study reveals that 72.4 percent of employees have rated themselves as high on WRQoL and 14.6 percent and 12.2 percent as average and low, respectively as shown in Table 2.
Table 2. Work-Related Quality of Life (WRQoL) in IT Organizations

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>High WRQoL</td>
<td>89</td>
<td>72.4</td>
</tr>
<tr>
<td>Average WRQoL</td>
<td>18</td>
<td>14.6</td>
</tr>
<tr>
<td>Low WRQoL</td>
<td>15</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>122</td>
<td>100</td>
</tr>
</tbody>
</table>

3.3 Relationship between Authentic Leadership and Work-Related Quality of Life

The data collected for the present study comprises of two hierarchical levels – Level 1 (Team members) and Level 2 (Team leaders). Results of this study indicate a significant positive correlation of .541** (p > 0.01) between ALQ-Rater and employees’ WRQoL. To analyze the proposed relationships between authentic leadership and six dimensions of WRQoL, multi-level regression analysis has been done using hierarchical linear modeling (HLM 7 software).

To test whether the model proposed in this study is hierarchical in structure (Raudenbush & Bryk, 2002), an intercept-only model with WRQoL has been conducted which indicates that the intra-class correlation (ICC) is .359. This shows that there exists a high correlation among the responses of the employees of the same teams. Thus, it can be inferred from the ICC value that 35.9 percent of variability occurs at level 2 (team level) and the remaining 64.1 percent of variance occurs at level 1 (individual level) in the data. This indicates that the members of a particular team exhibit similar levels of WRQoL. Thus, we can say that there exists a hierarchical structure in our data-set and use of HLM to analyze cross-level interactions is justified as has been suggested by Hayes (2006) to use multi-level analysis if the value of ICC is above 0.05.

The descriptive statistics for the variables at both levels 1 and 2 of the study are presented in Tables 3 and 4. HLM results testing our seven hypotheses have been presented in Table 5. It has been found that authentic leadership is a significant predictor of WRQoL (γ = .677, SE = .217, p < .01) thus confirming hypothesis 1. Results further indicate that second hypothesis also stands true that authentic leadership significantly influences job and career satisfaction of employees (γ = .101, SE = .05, p < .05). The third hypothesis of the present study that authentic leadership significantly improves general well-being of the employees has also been confirmed (γ = .133, SE = .06, p < .01). Further, results have shown that higher authentic leadership leads to lower levels of perceived stress at work, thus proving our fourth hypothesis (γ = .093, SE = .026, p < .001). Results have also suggested a statistically significant relationship between authentic leadership and perceived control at work (γ = .077, SE = .035, p < .01) which confirms our fifth hypothesis. Lastly, it has also been shown that authentic leadership shares a statistically significant positive relationship with home-work interface (γ = .166, SE = .038, p < .001) and working conditions (γ = .106, SE = .031, p < .01) dimensions of WRQoL, thus confirming our sixth and seventh hypotheses.

Table 3. Descriptive Statistics (Level 1)

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>N</th>
<th>Mean</th>
<th>S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>JCS</td>
<td>122</td>
<td>23.70</td>
<td>3.61</td>
</tr>
<tr>
<td>CAW</td>
<td>122</td>
<td>11.52</td>
<td>2.06</td>
</tr>
<tr>
<td>GWB</td>
<td>122</td>
<td>22.03</td>
<td>3.40</td>
</tr>
<tr>
<td>HWI</td>
<td>122</td>
<td>11.90</td>
<td>2.39</td>
</tr>
<tr>
<td>SAW</td>
<td>122</td>
<td>6.33</td>
<td>1.89</td>
</tr>
<tr>
<td>WCS</td>
<td>122</td>
<td>11.89</td>
<td>2.04</td>
</tr>
<tr>
<td>WRQoL Total</td>
<td>122</td>
<td>87.38</td>
<td>11.99</td>
</tr>
</tbody>
</table>

Table 4. Descriptive Statistics (Level 2)

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>N</th>
<th>Mean</th>
<th>S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>45</td>
<td>50.03</td>
<td>6.53</td>
</tr>
</tbody>
</table>
Table 5. HLM Analysis Results

<table>
<thead>
<tr>
<th>Level 1 (n = 122)</th>
<th>WRQoL</th>
<th>JCS</th>
<th>GWB</th>
<th>SAW</th>
<th>CAW</th>
<th>HWI</th>
<th>WCS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 2 AL (n = 45)</td>
<td>.677***</td>
<td>.101*</td>
<td>.133**</td>
<td>.093***</td>
<td>.077**</td>
<td>.166***</td>
<td>.106**</td>
</tr>
<tr>
<td>Within-group residual variance</td>
<td>94.7110</td>
<td>12.1971</td>
<td>8.1660</td>
<td>2.3872</td>
<td>3.3169</td>
<td>4.1251</td>
<td>2.9307</td>
</tr>
<tr>
<td>Deviance</td>
<td>928.9106</td>
<td>658.9179</td>
<td>635.0260</td>
<td>488.1764</td>
<td>518.3499</td>
<td>536.8751</td>
<td>508.5389</td>
</tr>
</tbody>
</table>

Note: These values are the Final estimation of fixed effects (with robust standard errors). ***p<.001, **p<.01, *p<.05

4. Discussion

Results of the present study indicate that authentic leadership is a strong predictor of WRQoL and its six dimensions and therefore, further support the findings of the previous studies. For instance, researchers have demonstrated that authentic leadership is one of the determinants of job satisfaction (Giallonardo, et al., 2010). Literature also reveals that authentic leaders provide favorable, flexible working environment to their employees (Nelson et al., 2014; Shirey, 2006) and positively influence employee well-being (Nelson et al., 2014). Lastly, it has also been found that perceived authentic leadership leads to lower levels of stress among employees (Rahimnia & Sharifirad, 2015). This could be due to the positivity associated with authentic leadership that leads to increased levels of perceived well-being among their followers (Macik-Frey, Quick & Cooper, 2009) possibly through processes such as ‘social contagion’ (Avolio & Gardner 2005).

As discussed above, research studies on IT industry in India have revealed that this industry is facing high employee turnover rates owing to factors such as increasing levels of stress, lower job satisfaction and dissatisfaction with bosses among the employees (Purohit, 2016). Authentic leaders are capable of positively influencing the satisfaction and motivation levels and decreasing the stressors at workplace. Moreover, the impact that IT industry has and is going to have in the years to come on the society as well as on the economy especially in a developing country like India, is tremendous and therefore, much is expected from this industry in terms of high performance and advancing technology. In addition, very few studies have been conducted on the ethical behaviour of the IT professionals despite the huge amount of funds that is invested in the IT industry. Therefore, developing authentic leadership will not only enhance the quality of working life of employees in these organizations but also maximize other positive organizational outcomes associated with authentic leadership, thus, impacting the growth and success of these organizations.

Furthermore, the concept of ‘Nishkama Karma’ is essentially significant in the Indian context. It has its direct implications on the personal satisfaction and therefore, better WRQoL of the employees. This is probably because it promotes intrinsic motivation in employees to do their work and also, enables them to create a balance between their work and family lives. Therefore, putting the concept of ‘Nishkama Karma’ to practice in organizations may help them to create a work environment that is conducive for the overall well-being of their employees.

A limitation of the present study is that the association between authentic leadership and WRQoL may possibly be influenced by other external factors as well such as organizational culture or leader-member exchange. Therefore, future research works may study the potential mediating/moderating factors in this relationship. This will result in establishing better understanding of these constructs and their associations.

5. Conclusion

Authentic leadership is one of the newer forms of positive leadership and an emerging research field. Consequently, empirical studies are required to explore authentic leadership and the related constructs in greater details. The present study has suggested that authentic leadership positively influences the work-related quality of life of the employees. This study has significantly contributed to the existing research on authentic leadership and also opened new avenues for future research.

References


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